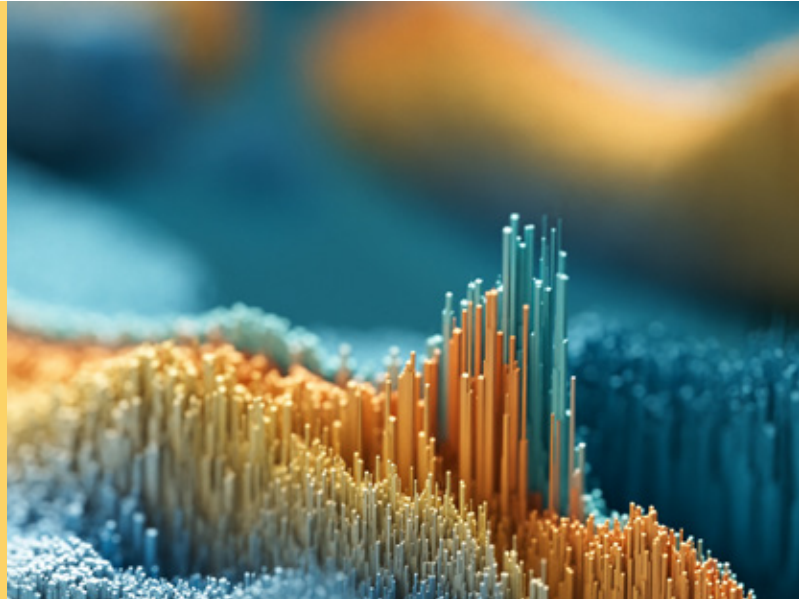


2025 Spencer Stuart Financial Sector Snapshot



Boards of the 68 financial companies in the S&P 500 index tend to be larger and older than S&P 500 boards.

- » The average age of independent directors on financial sector boards is 64.3 years, compared to the 63.6-year average for S&P 500 boards.
- » The youngest average age of a financial board is 59.6 years, the oldest is 71.4.
- » Financial boards average 11.7 directors, higher than the 10.7 average of S&P 500 boards and the largest of all sectors.
- » The independence of financial boards averages 87%, versus 86% for S&P 500 boards.
- » The average board tenure of independent directors on financial boards is 8.1 years, compared to a 7.8-year average for S&P 500 boards.
- » The longest-tenured financial board averages 15.1 years.

New independent director backgrounds

The 68 financial sector boards added 54 new independent directors to the boardroom in the past year. More than half (56%) added at least one independent director (the second highest of all sectors), while 21% added more than one. In contrast, half of S&P 500 boards added at least one independent director, and 16% added more than one.

Demographics of financial sector new independent directors

- » Appointees averaged 59.4 years of age, compared to the 59.1-year average for all independent directors joining S&P 500 boards.
- » First-time directors represented 37% of independent directors joining financial boards — higher than the 31% average for the S&P 500.
- » NextGen directors (50 years or younger) comprised 7% of the sector's incoming class (tied with industrials as the second lowest percentage of all sectors), compared to 11% of the broader S&P 500.
- » Thirty percent (30%) of the independent directors joining financial boards are actively employed, compared to 41% of independent directors joining S&P 500 boards this year.

Compared to the S&P 500 incoming class of independent directors, financial boards recruited in 2025 the second lowest percentage of CEOs, the highest percentage of accountants and consultants, and the second highest percentage of financial executives in general (tied with energy sector) and bankers in particular (tied with utilities). The sector appointed the highest percentages of accountants and consultants. It appointed the second lowest percentage of actively employed directors.

NEW INDEPENDENT DIRECTOR BACKGROUNDS

	2025 Financial	2025 S&P 500
CEOs	17%	30%
<i>Active</i>	6%	12%
<i>Retired</i>	11%	18%
Chairs/presidents/COOs	6%	4%
<i>Active</i>	2%	2%
<i>Retired</i>	4%	3%
Functional leaders	17%	15%
P&L leaders	11%	10%
Financial backgrounds	43%	29%
<i>Financial executives/CFOs/ treasurers</i>	19%	16%
<i>Investment managers/ investors</i>	7%	8%
<i>Bankers/investment bankers</i>	11%	4%
<i>Public accounting executives</i>	6%	2%
Academics/nonprofit executives	2%	2%
Consultants	4%	1%
Legal	0%	2%
Others	2%	6%
TOTAL		
<i>Active</i>	30%	41%
<i>Retired</i>	70%	59%

Overall board composition

An analysis of all S&P 500 independent directors finds that financial boards have the second highest percentage of financial professionals in general and the highest percentage of bankers in particular of all sectors.

OVERALL BOARD COMPOSITION

	2025 Financial	2025 S&P 500
CEOs	27%	31%
<i>Active</i>	8%	9%
<i>Retired</i>	20%	22%
Chairs/presidents/COOs	2%	3%
<i>Active</i>	1%	1%
<i>Retired</i>	1%	2%
Functional leaders	13%	14%
P&L leaders	7%	9%
Financial backgrounds	36%	28%
<i>Financial executives/CFOs/ treasurers</i>	10%	12%
<i>Investment managers/ investors</i>	11%	10%
<i>Bankers/investment bankers</i>	13%	5%
<i>Public accounting executives</i>	3%	2%
Academics/nonprofit executives	4%	5%
Consultants	3%	3%
Legal	3%	3%
Others	4%	5%
TOTAL		
<i>Active</i>	34%	37%
<i>Retired</i>	66%	63%

Board leadership

The chair and CEO roles are combined at 50% of financial boards — higher than the 39% of S&P 500 boards and second highest of all sectors. Executive chairs are in place at 15% of financial boards, versus 13% for the S&P 500. Independent chairs lead 35% of financial sector boards, tied with the communications sector as second lowest of all sectors, and compared to 41% of the S&P 500. More than two-thirds (69%) of financial sector boards — the highest of all sectors — name an independent lead director, compared to 61% of the S&P 500.

Board organization and process

A higher percentage of financial boards have declassified boards, majority voting for directors (highest of all sectors) and stock ownership requirements compared to the S&P 500.

DIRECTOR ELECTIONS AND STOCK OWNERSHIP

	2025 Financial	2025 S&P 500
Annual elections of directors	93%	89%
Majority voting for directors	99%	88%
Stock ownership requirements for directors	96%	93%

Averaging 11.7 meetings during the past year, financial sector boards met the most of all sectors. The sector averages the second highest number of board committees. The sector's average committee sizes tie with the energy sector as the largest of all sectors and ties with the utilities sector for the highest average number of nominating/governance committee meetings. The sector's three primary committees averaged the most meetings of all sectors.

BOARD AND COMMITTEE SIZE AND MEETINGS

	2025 Financial	2025 S&P 500
Board		
Size (avg #)	11.7	10.7
Meetings (avg #)	8.5	7.1
Board committees (avg #)	4.8	4.1
Audit committee		
Size (avg #)	4.9	4.5
Meetings (avg #)	9.7	8.1
Compensation committee		
Size (avg #)	4.6	4.2
Meetings (avg #)	6.5	5.6
Nominating/governance committee		
Size (avg #)	4.7	4.3
Meetings (avg #)	4.9	4.7

The most common additional committees for the financial sector are: risk (most of all sectors and required of many financial firms); executive (most of all sectors); finance; and science/tech/cyber. The sector places second, behind the real estate sector, for percentage of investment committees.

PREVALENCE OF STANDING COMMITTEES

Committees	2025 Financial	2025 S&P 500
Finance	26%	26%
Executive	44%	24%
Science/tech/cyber	25%	18%
Environmental/health/safety	1%	15%
Risk	57%	11%
Social responsibility	10%	6%
Legal	1%	4%
Investment	9%	3%
Strategy	1%	1%

Turnover policies

A higher percentage of financial boards have a mandatory retirement age compared to the S&P 500. Financial boards are generally consistent with the overall S&P 500 index when it comes to term limits and policies requiring the submission of a director's resignation in the event of a material change in circumstances.

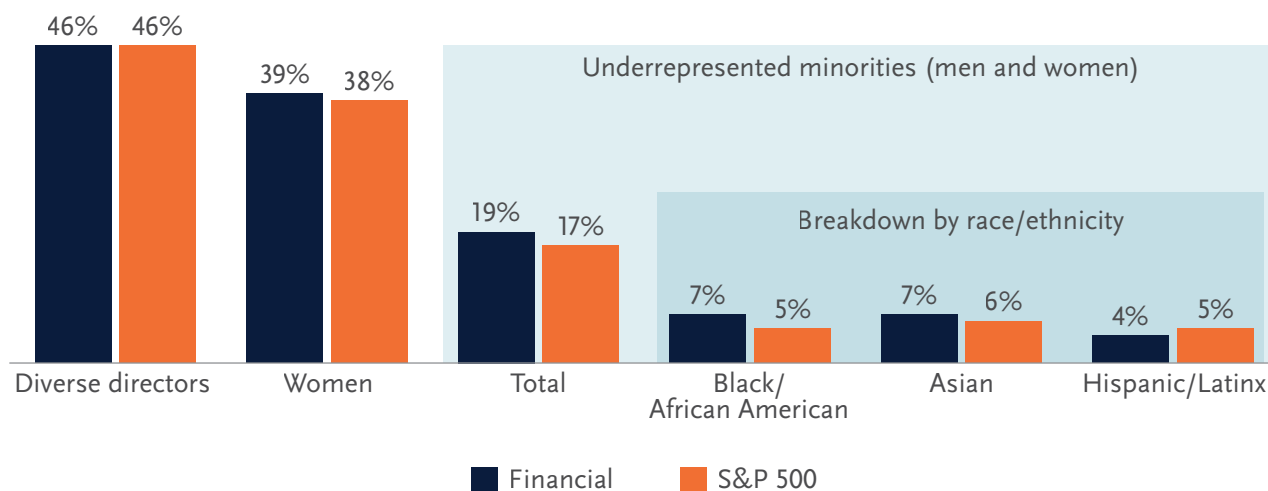
TURNOVER POLICIES

	2025 Financial	2025 S&P 500
Mandatory retirement policy		
<i>% companies</i>	75%	66%
<i>Retirement age (avg yrs)</i>	74.3	74.2
Tenure policy		
<i>% companies</i>	9%	10%
<i>Tenure limit (avg yrs)</i>	14.0	14.5
Material change resignation policy		
<i>% companies</i>	88%	88%

Diversity — financial incoming class

Directors from diverse communities — defined using the Nasdaq's former definition of directors who self-identify as female and/or an underrepresented minority (Black or African American, Hispanic or Latinx, Asian, Native American or Alaska Native, Native Hawaiian or Pacific Islander, or two or more races or ethnicities), and/or LGBTQ+ — constituted 46% of the 54 independent directors joining financial boards over the past year, matching the 46% of independent directors joining S&P 500 boards.

DIVERSITY OF INDEPENDENT DIRECTORS JOINING FINANCIAL BOARDS



Diversity — financial boards

The diversity of financial boards generally aligns with the S&P 500.

DIVERSITY OF ALL FINANCIAL BOARD DIRECTORS

	Underrepresented minorities (men and women)						Boards with...	
	Diverse directors	Women	Total	Black/ African American	Asian	Hispanic/ Latinx	3 or more women	3 or more URM
Financial	51%	35%	24%	13%	5%	5%	94%	56%
S&P 500	50%	35%	24%	12%	7%	5%	92%	49%

Diversity — board leadership

Except for independent chairs who self-identify as underrepresented minorities, the financial sector lags the S&P 500 on diversity of board leadership.

DIVERSITY — BOARD LEADERSHIP

	2025 Financial	2025 S&P 500
Independent chair		
% women	17%	19%
% underrepresented minority	17%	10%
Independent lead director		
% women	15%	25%
% underrepresented minority	11%	13%

Financial companies

- » AFLAC
- » American Express Company
- » American International Group
- » Ameriprise Financial
- » Aon plc
- » Apollo Global Management
- » Arch Capital Group
- » Arthur J. Gallagher & Co.
- » Assurant
- » Bank of America Corporation
- » Berkshire Hathaway
- » BlackRock
- » Brown & Brown
- » Capital One Financial Corporation
- » Cboe Global Markets
- » Chubb Limited
- » Cincinnati Financial Corporation
- » Citigroup
- » Citizens Financial Group
- » Corpay
- » Everest Group
- » FactSet Research Systems
- » Fidelity National Information Services
- » Fifth Third Bancorp
- » Fiserv
- » Franklin Resources
- » Global Payments
- » Globe Life
- » Huntington Bancshares
- » IntercontinentalExchange
- » Invesco
- » Jack Henry & Associates
- » JPMorgan Chase & Co.
- » KeyCorp
- » Loews Corporation
- » M&T Bank Corporation
- » MarketAxess Holdings
- » Marsh & McLennan Companies
- » Mastercard
- » MetLife
- » Moody's Corporation
- » Morgan Stanley
- » MSCI
- » Nasdaq
- » Northern Trust Corporation
- » PayPal Holdings
- » Principal Financial Group
- » Prudential Financial
- » Raymond James Financial
- » Regions Financial Corporation
- » S&P Global
- » State Street Corporation
- » Synchrony Financial
- » T. Rowe Price Group
- » The Allstate Corporation
- » The Bank of New York Mellon Corporation
- » The Charles Schwab Corporation
- » The Goldman Sachs Group
- » The Hartford Insurance Group
- » The PNC Financial Services Group
- » The Progressive Corporation
- » The Travelers Companies
- » Truist Financial Corporation
- » U.S. Bancorp
- » Visa
- » W. R. Berkley Corporation
- » Wells Fargo & Company
- » Willis Towers Watson Public Limited Company





ART COURTESY OF CLUTTERMAN & CO. 2025

About Spencer Stuart

At Spencer Stuart, we know that leadership has never mattered more. 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, on their stakeholders and on the world around them. 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 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, and many 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.

