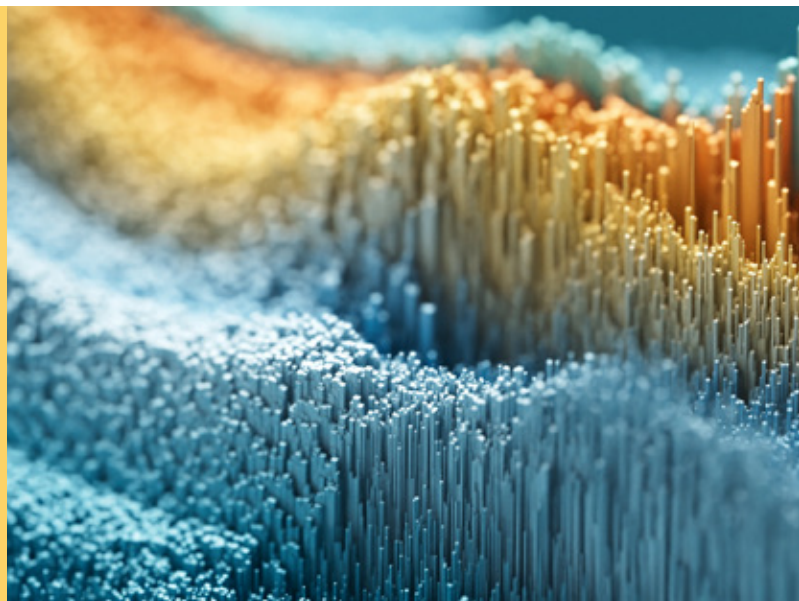


## 2025 Spencer Stuart Real Estate Sector Snapshot



Boards of 31 real estate companies in the S&P 500 index tend to be smaller, older and longer-tenured than S&P 500 boards.

- » The average age of independent directors on real estate boards is 64.2 years, higher than the 63.4-year average for S&P 500 boards.
- » The youngest average age of a real estate board is 58.0 years, the oldest is 70.3 years.
- » Real estate boards average 9.9 directors, smaller than the 10.7 average of S&P 500 boards.
- » The independence of real estate boards averages 85%, versus the 86% average for S&P 500 boards.
- » The average board tenure of independent directors on real estate boards is 8.5 years, higher than the 7.8-year average for S&P 500 boards and the highest of all sectors.
- » The longest-tenured real estate board averages 14.3 years.

## New independent director backgrounds

The 31 real estate sector boards added 17 new independent directors to the boardroom in the past year. Among the real estate companies, 45% added at least one independent director while 6% added more than one (the lowest of all sectors). In contrast, half of S&P 500 boards added at least one independent director, and 16% added more than one.

## Demographics of real estate sector new independent directors

- » Appointees averaged 58.9 years of age, compared to the 59.1-year average for all independent directors joining S&P 500 boards.
- » First-time directors represented 47% of independent directors joining real estate boards — higher than the 31% for the S&P 500 and the highest of all sectors.
- » NextGen directors (aged 50 or younger) comprised 12% of the sector's incoming class, compared to 11% of the S&P 500's incoming class.
- » Less than a third (29%) of the independent directors joining real estate boards are actively employed, compared to 41% of independent directors joining S&P 500 boards this year and the lowest of all sectors.

For the second consecutive year, real estate boards recruited the highest percentage of financial executives — including the highest percentage of bankers and second highest percentage of investors (tied with the energy sector) of all sectors. It also appointed the highest percentage of “other” executives of all sectors. The real estate sector is the only sector to recruit no CEOs (active or retired) in 2025.

## NEW INDEPENDENT DIRECTOR BACKGROUNDS

	2025 Real Estate	2025 S&P 500
<b>CEOs</b>	<b>0%</b>	<b>30%</b>
<i>Active</i>	0%	12%
<i>Retired</i>	0%	18%
<b>Chairs/presidents/COOs</b>	<b>12%</b>	<b>4%</b>
<i>Active</i>	0%	2%
<i>Retired</i>	12%	3%
<b>Functional leaders</b>	<b>12%</b>	<b>15%</b>
<b>P&amp;L leaders</b>	<b>12%</b>	<b>10%</b>
<b>Financial backgrounds</b>	<b>53%</b>	<b>29%</b>
<i>Financial executives/CFOs/ treasurers</i>	18%	16%
<i>Investment managers/ investors</i>	24%	8%
<i>Bankers/investment bankers</i>	12%	4%
<i>Public accounting executives</i>	0%	2%
<b>Academics/nonprofit executives</b>	<b>0%</b>	<b>2%</b>
<b>Consultants</b>	<b>0%</b>	<b>1%</b>
<b>Legal</b>	<b>0%</b>	<b>2%</b>
<b>Others</b>	<b>12%</b>	<b>6%</b>
<b>TOTAL</b>		
<i>Active</i>	29%	41%
<i>Retired</i>	71%	59%



## Overall board composition

An analysis of all S&P 500 independent directors finds that real estate boards have the highest percentage of lawyers, financial executives in general and investors in particular of all sectors. The sector has the lowest percentage of CEOs and functional leaders of all sectors.

### OVERALL BOARD COMPOSITION

	2025 Real Estate	2025 S&P 500
<b>CEOs</b>	<b>19%</b>	<b>31%</b>
<i>Active</i>	5%	9%
<i>Retired</i>	13%	22%
<b>Chairs/presidents/COOs</b>	<b>3%</b>	<b>3%</b>
<i>Active</i>	2%	1%
<i>Retired</i>	2%	2%
<b>Functional leaders</b>	<b>9%</b>	<b>14%</b>
<b>P&amp;L leaders</b>	<b>7%</b>	<b>9%</b>
<b>Financial backgrounds</b>	<b>43%</b>	<b>28%</b>
<i>Financial executives/CFOs/ treasurers</i>	10%	12%
<i>Investment managers/ investors</i>	23%	10%
<i>Bankers/investment bankers</i>	10%	5%
<i>Public accounting executives</i>	0%	2%
<b>Academics/nonprofit executives</b>	<b>4%</b>	<b>5%</b>
<b>Consultants</b>	<b>4%</b>	<b>3%</b>
<b>Legal</b>	<b>6%</b>	<b>3%</b>
<b>Others</b>	<b>3%</b>	<b>5%</b>
<b>TOTAL</b>		
<i>Active</i>	46%	37%
<i>Retired</i>	54%	63%

## Board leadership

The chair and CEO roles are combined at 23% of real estate boards — lower than the 39% of S&P 500 boards and lowest of all sectors. Executive chairs are in place at 16% of real estate boards, versus 13% for the S&P 500. Independent chairs lead 48% of real estate sector boards, compared to 41% of the S&P 500. Less than two-thirds (61%) of real estate boards name an independent lead director, matching the 61% of the S&P 500.

## Board organization and process

The real estate sector ties with the utilities sector for having the highest percentage of declassified boards. Compared to the S&P 500, a higher percentage of real estate boards have majority voting for directors and stock ownership requirements for directors.

### DIRECTOR ELECTIONS AND STOCK OWNERSHIP

	2025 Real Estate	2025 S&P 500
Annual elections of directors	97%	89%
Majority voting for directors	94%	88%
Stock ownership requirements for directors	97%	93%

Real estate board committees tend to be smaller. The sector's boards average fewer meetings than the S&P 500 averages and the lowest of all sectors.

### BOARD AND COMMITTEE SIZE AND MEETINGS

	2025 Real Estate	2025 S&P 500
<b>Board</b>		
Size (avg #)	9.9	10.7
Meetings (avg #)	5.7	7.1
Board committees (avg #)	3.7	4.1
<b>Audit committee</b>		
Size (avg #)	4.3	4.5
Meetings (avg #)	7.8	8.1
<b>Compensation committee</b>		
Size (avg #)	4.0	4.2
Meetings (avg #)	5.0	5.6
<b>Nominating/governance committee</b>		
Size (avg #)	4.1	4.3
Meetings (avg #)	4.5	4.7

The most common additional committees for the real estate sector are: executive; finance; and investment (the most of all sectors).

## PREVALENCE OF STANDING COMMITTEES

Committees	2025 Real Estate	2025 S&P 500
Finance	16%	26%
Executive	26%	24%
Science/tech/cyber	0%	18%
Environmental/health/safety	6%	15%
Risk	0%	11%
Social responsibility	0%	6%
Legal	0%	4%
Investment	10%	3%
Strategy	0%	1%

## Turnover policies

The real estate sector has the highest percentage of term limits of all sectors and one of the lowest percentages of mandatory retirement policies for directors.

## TURNOVER POLICIES

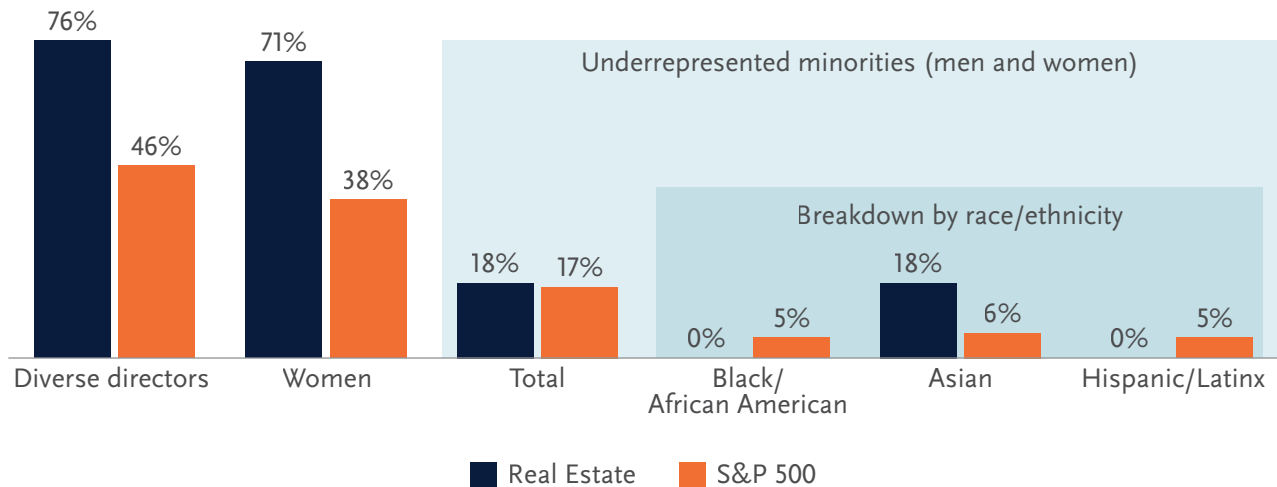
	2025 Real Estate	2025 S&P 500
<b>Mandatory retirement policy</b>		
% companies	52%	66%
Retirement age (avg yrs)	74.9	74.2
<b>Tenure policy</b>		
% companies	16%	10%
Tenure limit (avg yrs)	13.8	14.5
<b>Material change resignation policy</b>		
% companies	87%	88%

## Diversity — real estate 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 76% of the 17 independent directors joining real estate boards over the past year, the highest of all sectors and compared to 46% of independent directors joining S&P 500 boards.

Compared to other sectors, the real estate sector appointed the highest percentage of women directors. In contrast to 2024, when the sector appointed no Asian directors, this year it appointed the highest percentage of Asian directors. This year the sector (along with the communications sector) appointed no Black/African American or Hispanic directors.

## DIVERSITY OF INDEPENDENT DIRECTORS JOINING REAL ESTATE BOARDS



## Diversity — real estate boards

Less than half (48%) of directors serving on real estate boards are diverse (tied with industrials as the second lowest of all sectors) compared to 50% for the S&P 500. The sector ties with the consumer sector for the highest percentage of women directors and ties with the industrials sector for having the second lowest percentage of directors who self-identify as underrepresented minorities. Compared to other sectors, it has the lowest percentage of boards with three or more underrepresented minorities. The real estate and utilities sectors are the only sectors where all boards have three or more women directors.

## DIVERSITY OF ALL REAL ESTATE 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
Real Estate	48%	36%	21%	11%	5%	5%	100%	29%
S&P 500	50%	35%	24%	12%	7%	5%	92%	49%

## Diversity — board leadership

The real estate sector has the highest percentage of women board chairs of all sectors but lags the S&P 500 on all other aspects of leadership diversity.

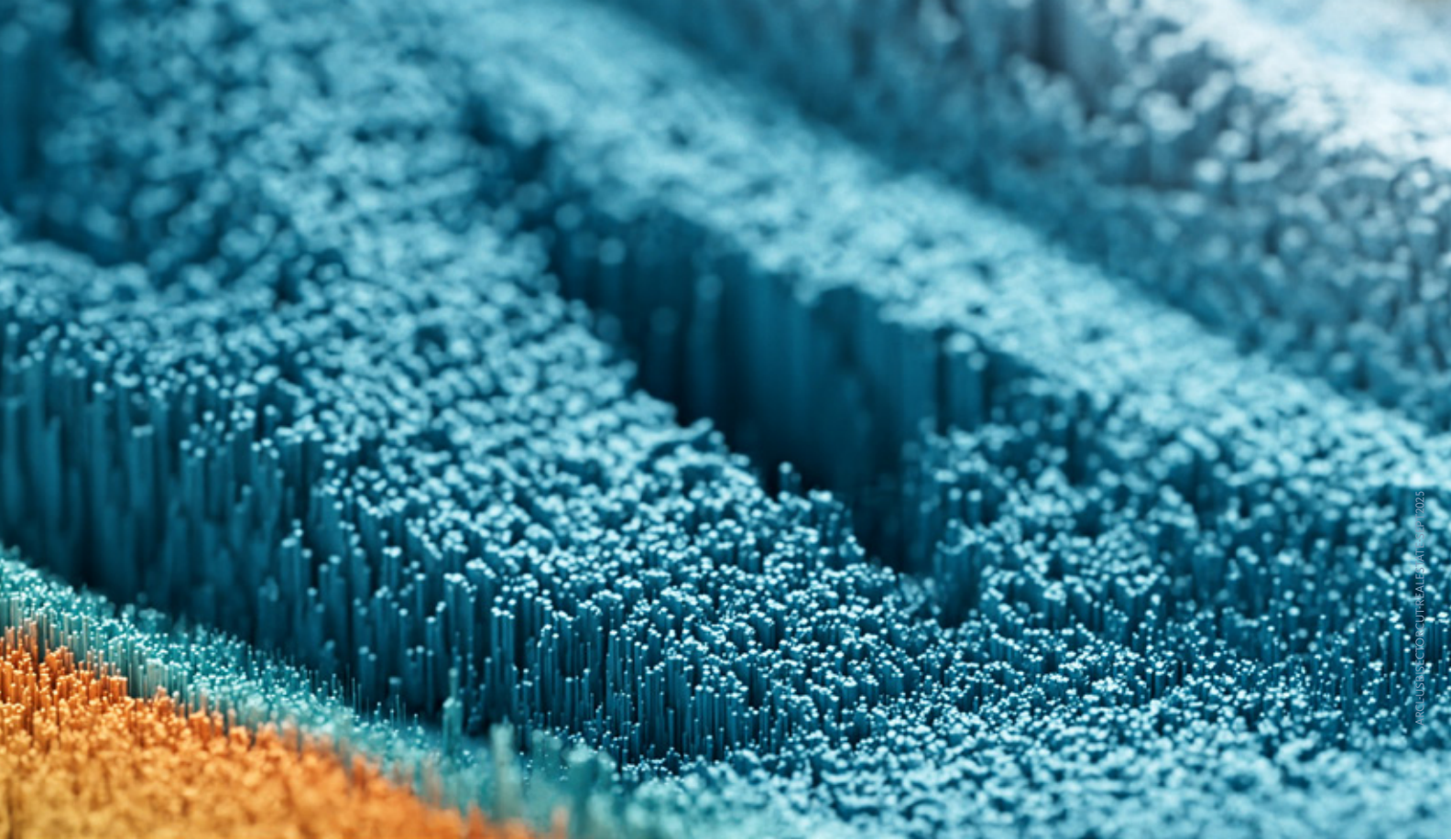
	2025 Real Estate	2025 S&P 500
<b>Independent chair</b>		
% women	33%	19%
% underrepresented minority	7%	10%
<b>Independent lead director</b>		
% women	16%	25%
% underrepresented minority	5%	13%

## Real Estate companies

- » Alexandria Real Estate Equities
- » American Tower Corporation
- » AvalonBay Communities
- » BXP
- » Camden Property Trust
- » CBRE Group
- » CoStar Group
- » Crown Castle
- » Digital Realty Trust
- » Equinix
- » Equity Residential
- » Essex Property Trust
- » Extra Space Storage
- » Federal Realty Investment Trust
- » Healthpeak Properties
- » Host Hotels & Resorts
- » Invitation Homes
- » Iron Mountain
- » Kimco Realty Corporation
- » Mid-America Apartment Communities
- » Prologis
- » Public Storage
- » Realty Income Corporation
- » Regency Centers Corporation
- » SBA Communications Corporation
- » Simon Property Group
- » UDR
- » Ventas
- » VICI Properties
- » Welltower
- » Weyerhaeuser Company







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## 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](http://www.spencerstuart.com).

