

## 2025 Switzerland Spencer Stuart Board Index

For the 13th consecutive year, Spencer Stuart analyses the board composition, compensation, and selected governance practices of the largest public companies with a premium listing on the Swiss Market Index Expanded (SMIE), as of 31 May 2025 (see Appendix). These companies account for more than 90% of the Swiss equity market's capitalisation. For the purposes of analysis, we distinguish within the SMI Expanded between the SMI and the SMI Mid (SMIM), with the SMI composed of the 20 largest constituents.

The 2025 Switzerland Spencer Stuart Board Index highlights the incoming cohort of non-executive directors (NEDs), comparing their demographics with those of departing board members and tracking progress on board-level diversification.

It also presents board remuneration practices and benchmarks for the SMI Expanded, covering NEDs, board chairs, committee chairs, and committee members.

Our analysis draws on a combination of publicly available sources, including company annual reports, websites, announcements, and articles of association, as well as proxy statements where accessible. Metrics on board size, committee structure, meeting frequency, and director remuneration are taken from the most recently available annual reports covering the 2024 and 2025 financial years.

Board composition indicators — such as female and foreign representation, independence, tenure, age, and the number of newly appointed directors — are assessed as of 31 May 2025.

10.3

is the SMI average  
board size

8.3

is the SMI Mid  
average board size

37%

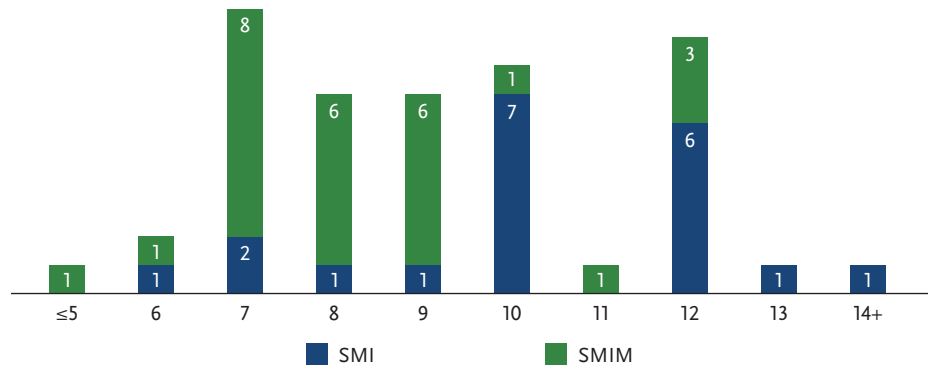
is the proportion of women  
on SMIE boards

## Board renewal

In 2025, the SMI Expanded saw 48 new board members join and 53 leave, representing 11% and 12% of the total board membership across these companies. This level of turnover is consistent with previous years and aligns with international norms. The average board size in the SMI remains stable at 10.3 members, with a median of 10. At the two ends of the spectrum are Geberit, with six members, and Compagnie Financière Richemont, with 16 members — both unchanged for several years.

For the SMI Mid, the average board size is 8.3 members, with a median of eight.

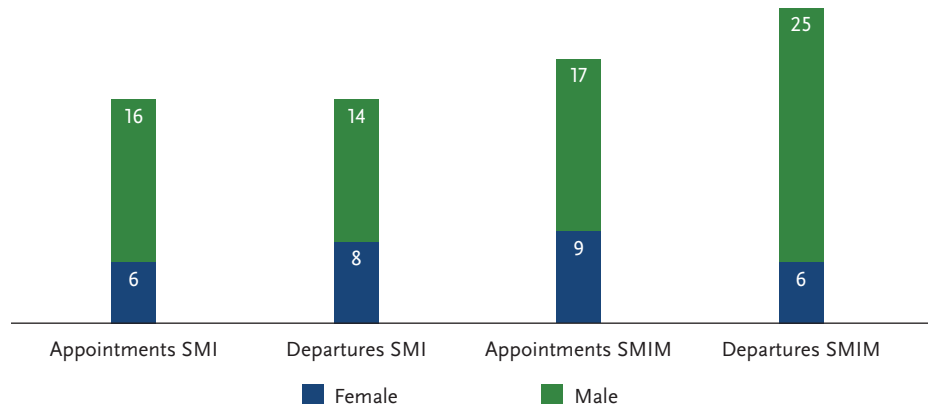
### BOARD SIZE



Over the past year, SMI companies appointed 22 new board members, 27% of whom were women, and saw 22 departures, with female directors accounting for 36% of those leaving. In 2025, this reflects a slight reversal in the trend toward greater gender diversity on SMI boards.

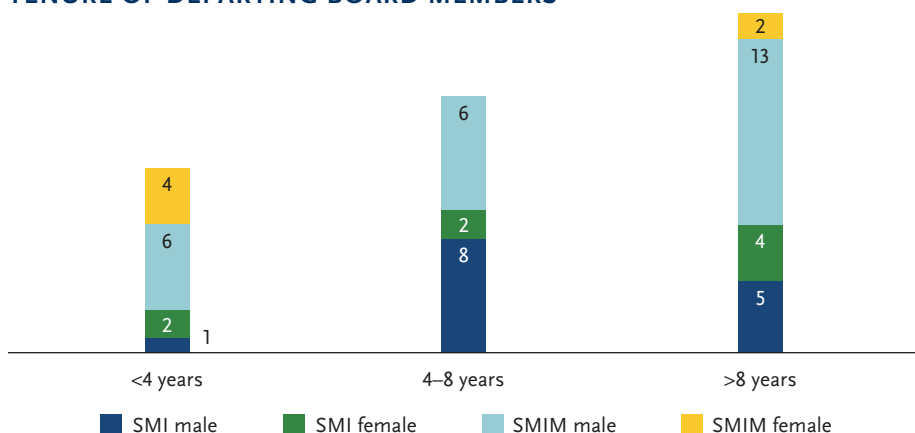
The SMI Mid continued its diversity trend, appointing 26 new members (34% female appointees) and recording 34 departures (19% female leavers).

### BOARD RENEWAL



Interestingly, while the average tenure of departing board members is 8.1 years (compared to an average tenure of 6.3 years across all SMIE members), a notable share (24%) leave within their first four years of service. At the other end of the spectrum, the largest group of leavers (45%) served on their SMIE board for more than eight years.

### TENURE OF DEPARTING BOARD MEMBERS

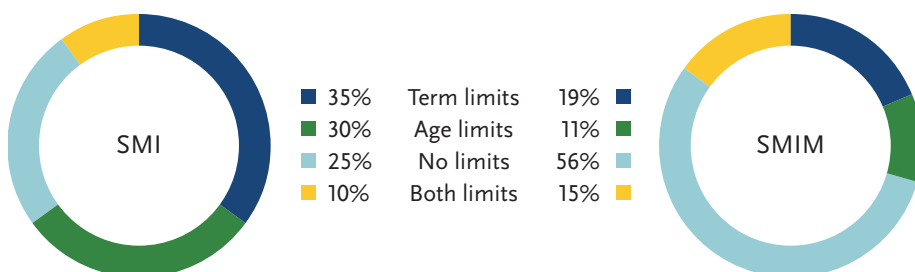


## Term limits

We continue to observe a marked difference between SMI and SMI Mid companies regarding term and age limits. Among SMI companies 75% have instituted formal tenure and age limits, compared with 44% of SMI Mid companies. SMI boards more actively formalise measures to manage succession and renewal, particularly through age and term limits: 25% maintain an age limit, 35% a term limit, and 10% apply both.

In contrast, a majority of SMI Mid boards (54%) do not impose formal tenure limits; among those that do, tenure limits are preferred over age limits.

### TERM LIMITS IN SMI AND SMIM



# CHF 231,127

is the average  
NED retainer

# 8.1

years is the average  
board tenure

# 64%

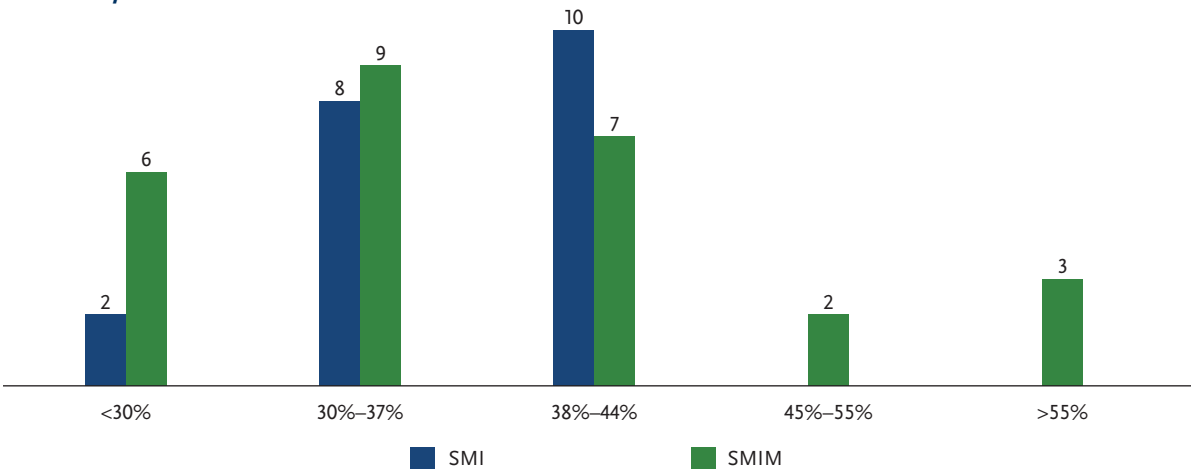
of SMIE chairs are  
appointed internally

# Diversity

In 2020, Switzerland’s National Council approved a legal amendment to board gender targets, establishing a gender quota for boards (30% women) for publicly listed companies with more than 250 employees. While the law has been in place since 2021, from 2026 companies must “comply or explain”. If targets are not met, companies must:

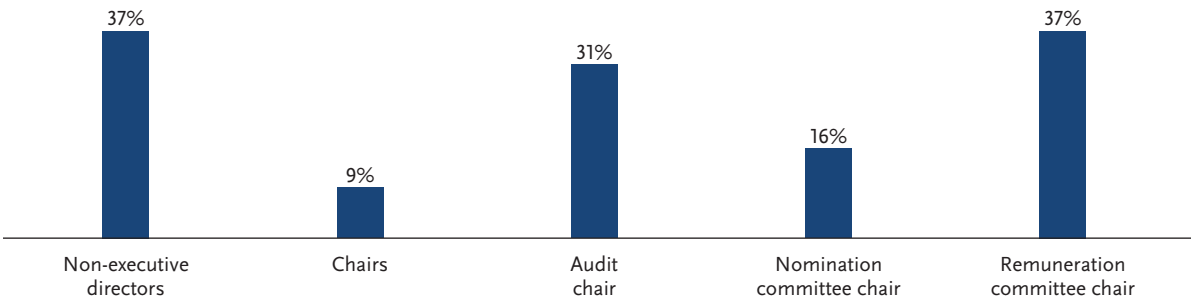
- » Set out why the targets were not achieved.
- » Describe the measures being taken to improve gender representation.

## FEMALE/MALE MEMBER RATIO



Significant progress has been achieved in recent years, with the share of women on SMIE boards rising steadily from 26% in 2019 to 37% in 2025. However, this advancement has yet to reach the four most senior positions, which remain predominantly occupied by men.

## FEMALE REPRESENTATION BY ROLE



## External commitments

External commitments remain common among SMI and SMI Mid board members: 58% of non-executive directors on SMI boards and 48% on SMI Mid boards hold external board seats in publicly listed companies. In addition, 36% of SMI members and 38% of SMI Mid members maintain external executive positions.

### EXTERNAL COMMITMENTS FOR NON-EXECUTIVES

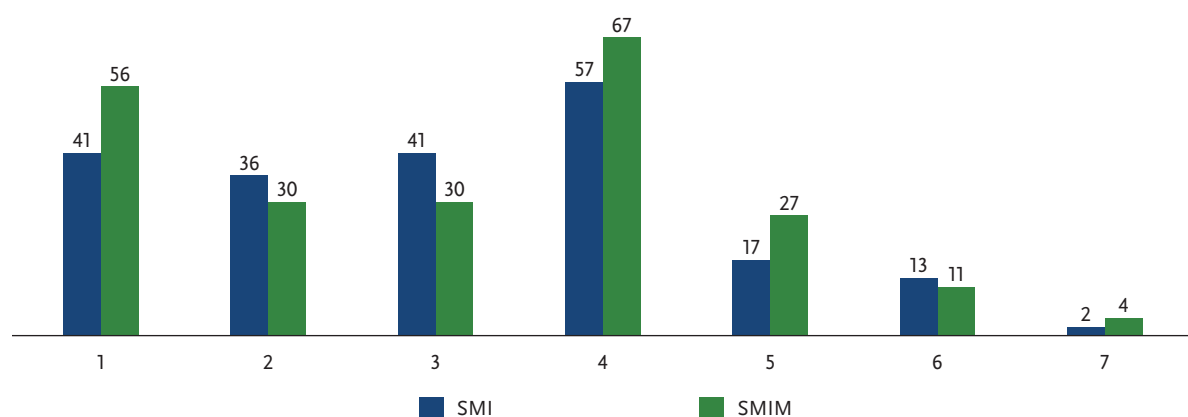
	SMI	SMIM
% NEDs with additional board commitments	58%	48%
% NEDs with executive positions	36%	38%

Proxies and institutional investors are paying closer attention to chairs and directors who have external board roles. Their main concern is to prevent directors from taking on too many responsibilities that could hinder their effectiveness as board members. Most proxies use a point scoring system, and we adopted a simplified form as follows:

- » Non-executive directors: 1 point
- » Chair: 2 points
- » Sitting executives: 3 points

Using this scoring system, we examined the commitments of board members from SMI and SMIM companies and found that 93% of the cohort were below six points.

### POINTS PER MEMBER

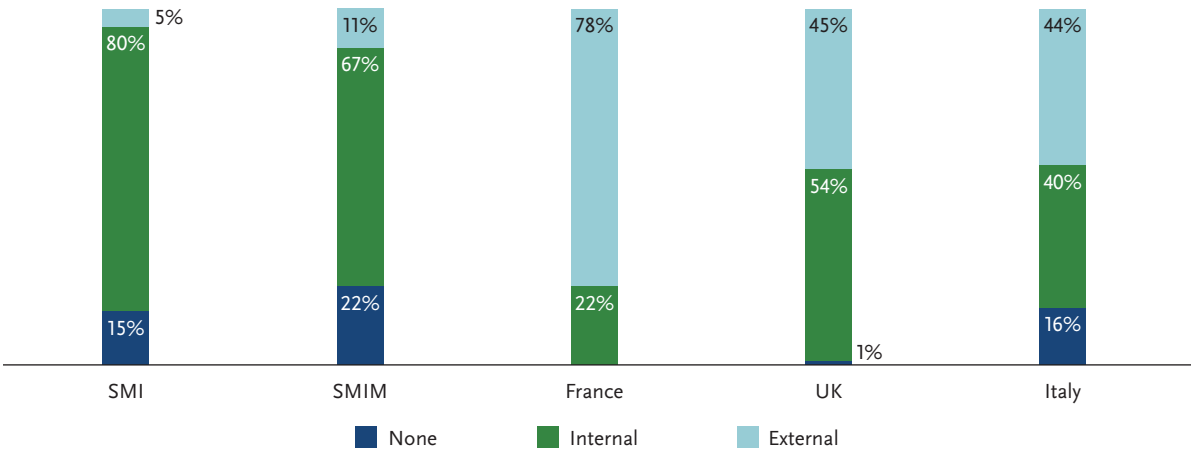


# Board evaluations

Thirty-eight companies (81%) disclosed their approach to board evaluation in their annual corporate governance or annual reports. Of these, 34 conducted an internal review, while only four opted for an external review.

Nine companies (19%) did not report engaging in any form of board evaluation during this period — a notably low figure compared with other European countries. External board evaluations are increasingly common across Europe, with French companies leading in 2024 by adopting externally facilitated reviews on a three-year rotation, followed by the UK and Italy. In several jurisdictions, governance codes recommend that boards undergo an externally facilitated evaluation at least once every three years.

## BOARD EVALUATION IN THE PAST YEAR



## Committees

The average number of committees maintained at SMI companies is 3.8 committees, and 3.4 among SMI Mid companies. Interestingly, the ratio of board members to committees varies widely — from five members per committee at Sonova to just 1.3 at EMS-Chemie.

In Switzerland, publicly listed companies are required to maintain two core board committees — audit and remuneration — as mandated by the Swiss Code of Best Practice for Corporate Governance and the SIX Swiss Exchange listing rules. When comparing SMI and SMI Mid companies' approach to these committees, notable differences emerge: SMI boards generally have more members serving on these committees and meet more frequently. Audit committees meet quarterly at SMI Mid companies (4.1 times per year), compared to 5.4 times per year at SMI companies.

Remuneration committees, while smaller than audit committees, meet more frequently in both SMI and SMI Mid companies. The difference is more pronounced for SMI boards, with an average of 6.4 meetings per year compared to 5.3 for SMI Mid boards.

### CORE COMMITTEE MEETINGS

	Audit		Remuneration	
	Members	Meetings	Members	Meetings
SMI	4.2	5.4	4.0	6.4
SMIM	3.8	4.1	3.4	5.3

SMI companies are more likely to separate nomination from remuneration, with 55% maintaining two distinct committees for these topics, compared to 44% of SMI Mid companies. Over one-third of the constituents in both indices combine these responsibilities into a single nomination and remuneration committee (or variations of this name). A small minority of companies do not explicitly list nomination as a separate committee, leaving those responsibilities with the remuneration committee.

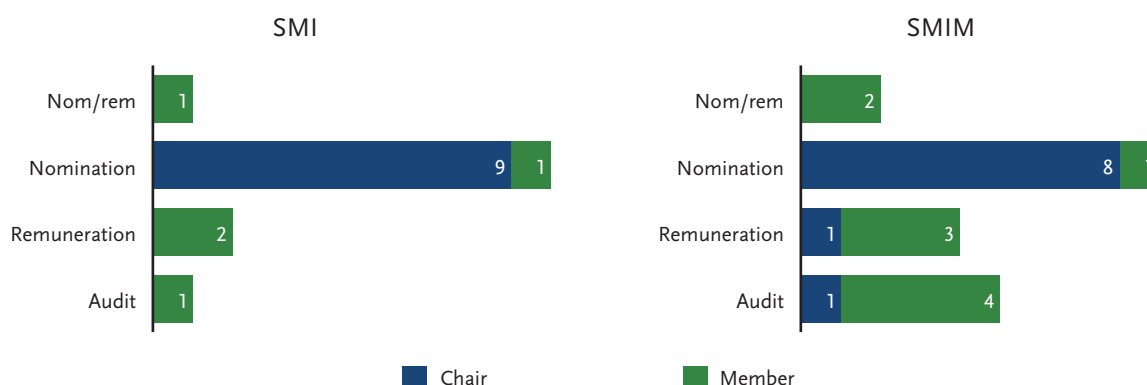
### NOMINATION COMMITTEES

	SMI	SMIM
Nomination Committee	55%	44%
Nomination and Remuneration Committee	35%	37%
No Nomination Committee	10%	19%

## Presence of board chairs on committees

Board chairs across both SMI and SMI Mid companies tend to participate actively in committee work. While they occasionally join technical committees such as audit and remuneration, they most frequently choose to join — and often chair — the nomination committee. This involvement further strengthens the role of the chair by giving direct influence over board appointments, shaping the long-term composition and outlook of the board. Although this practice is common in Switzerland, it contrasts with norms in other countries, such as the UK, where a clear separation between the nomination committee and the chair role is typically maintained.

### BOARD CHAIR'S ROLE ON BOARD COMMITTEES



## Chairs

Alongside the appointment of a CEO, selecting the chair of the board is arguably one of the most critical decisions a company makes. For this reason, many companies seek proxy experiences that increase the likelihood of success in the chair role. We examined the careers of all SMIE chairs prior to their appointments, focusing on their previous engagements within the companies they now head, as well as other roles held in publicly listed organisations globally. Several trends stand out.

All chairs among the boards under review have accumulated substantial prior experience, either within the same organisation or more broadly in the market, including roles as NED, CEO, or chair. Because chairs often hold multiple types of prior experience, these categories are not mutually exclusive, and percentages reflect the number of chairs with each experience type.

The majority of SMIE chairs are appointed internally: 30 out of 47 (64%) brought an insider perspective when stepping into the role (see below). Gender representation remains highly imbalanced — only four chairs are women (9%). While the sample size for women is too small for definitive conclusions, career paths appear to diverge by gender.



Possibly due to a limited candidate pool, no female chairs had prior external CEO or chair experience, whereas male chairs were more likely to have such backgrounds (33% and 21%, respectively). All female chairs previously served on the same board before being elevated to the chair role. SMIE companies have a track record of appointing their CEO as chair, though most often after an intermediate step as board member or vice-chair.

### PATH TO CHAIR BY GENDER

	Internal			External publicly listed experience		
	Direct CEO to chair	Former CEO	NED	Chair	CEO	NED
Male	12%	16%	53%	21%	33%	74%
Female	25%	-	100%	0%	0%	75%

Interestingly, there is a clear difference between the career histories of chairs appointed before and after the pandemic, accounting for 25 and 22 chairs respectively. Pre-pandemic, 44% of chairs had served as CEOs of the same company — either directly (20%) or after an intermediate step (24%, often through a board appointment). Post-pandemic, this path appears far less common, with only two chairs having previously served as CEO. Instead, prior service on other listed boards is a proxy experience that is becoming almost a prerequisite.

### EVOLUTION OF PATH TO CHAIR

	Internal			External publicly listed experience		
	Direct CEO to chair	Former CEO	NED	Chair	CEO	NED
Pre-pandemic	20%	24%	64%	16%	32%	60%
Post 2020	5%	5%	50%	23%	27%	91%

## Remuneration

### Directors' remuneration

The most common form of remuneration for board directors is a combination of cash and shares. In our sample of SMI companies, 90% remunerate non-executive directors in this way, compared with 70% of SMIM companies.

The remaining 10% of companies use a mix of remuneration strategies: one company pays its NEDs exclusively in cash, another exclusively in shares, and a third combines a fixed cash component with an attendance-based portion.

One company chose not to disclose details of its NED remuneration practices.

The average NED retainer fee for SMI companies is CHF 231,127, a slight increase from CHF 222,158 reported last year. Individual SMI companies pay NED fees ranging from CHF 100,000 to CHF 450,000, while SMIM companies range from CHF 85,000 to CHF 350,000.

SMI companies reported an average total board remuneration of CHF 5,886,511, whereas SMIM companies spent about half that amount, at CHF 2,958,470.

### Chair remuneration

The average retainer fee for board chairs is CHF 2,077,580 across SMI companies and CHF 661,430 for SMIM companies. The remuneration scheme for chairs mirrors the compensation structure commonly applied to NEDs. On average, the SMI chair fee represents 35% of a company's total board expenses, compared with a substantially lower 22% for SMIM.

## Committee remuneration

The majority of SMI companies provide compensation for committee participation, with 18 companies disclosing data on this practice. Of these, 85% pay their committee chairs and members a separate fee for work on a specific committee, while one company opted to remunerate attendance at committee meetings.

### AVERAGE COMMITTEE COMPENSATION IN CHF

	SMI		SMIM	
	Chair	Member	Chair	Member
Audit	112,412	56,588	52,400	27,500
Nomination	69,375	45,150	45,000	24,000
Remuneration	90,417	43,750	48,333	25,000

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