



# South Africa Board Index

SpencerStuart



# Foreword

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The *Spencer Stuart South Africa Board Index 2014* provides a comprehensive overview of boardroom practices in the largest companies listed on the JSE Securities Exchange and includes five state-owned enterprises of significant size and economic importance.

The report analyses data relating to the composition and organization of boards and the remuneration of board members.

Board composition, and in particular diversity, is a major preoccupation in South Africa, just as it is in other parts of the world. Our current board search work reflects a growing focus on the development of first-time board members, signalling that prior board experience is becoming less essential for non-executive hires. Boards are addressing the need to further develop the talent pipeline and are taking a more holistic view of board succession over the medium to long term.

The remuneration of executives and board members is also under the spotlight, resulting in the need for greater transparency and more robust governance processes.

Well-documented and public boardroom battles in South Africa in 2014 in both private and public sectors have highlighted the need for rigorous adherence to boardroom best practice; they have also demonstrated the significant and complex challenges involved in achieving balanced and effective corporate governance. For the first time we include an international comparison table showing how leading South African companies compare with their counterparts in the US and selected European markets.

We hope you find this edition of the *Spencer Stuart South Africa Board Index* useful. If you would like to discuss any of the issues raised here please do not hesitate to contact us.

Spencer Stuart, Johannesburg

# Highlights

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57%

*The proportion of  
board directors who  
are independent*

## INDEPENDENCE

Companies are making visible efforts to build independent boards. The average board comprises 12.3 members of which seven (57%) are independent. Among non-executive directors, 74% are independent, which represents a significant increase from 61% a decade ago. In addition, 52.8% of boards now have a senior independent director (SID), lead director or equivalent.

49%

*The proportion of  
board directors who  
are PDIs*

## DIVERSITY

The diversity on South African boards has been increasing in recent years. It is widely recognised that to avoid 'groupthink' boards need a diversity of perspectives and this is evident in the fact that almost half of the directors on South African boards are PDIs. It is also worth noting that 26% of non-executives are foreign, a reflection of the growing international footprint of many South African businesses.

25%

*The proportion of  
non-executives who  
are women*

## WOMEN ON BOARDS

Women now represent 25% of non-executive directors on leading South African boards — in state-owned companies, the figure is as high as 41%. However, despite a steady increase in the number of women on boards, progress in the boardroom is still slow. 18.3% of board members (non-executive or executive) appointed to their posts in the 12-month period covered by this Board Index were women.

## BOARD EVALUATIONS

The concept of a performance effectiveness evaluation has become more widely accepted in South Africa; 47% of companies conducted an evaluation during the 12-month period covered by this study. In many markets, an evaluation is recommended on an annual basis with an externally facilitated evaluation every three years.

47%

*The proportion of boards that conducted a performance evaluation*

## DIRECTOR COMPENSATION

Board director fees have been rising for many years, in keeping with the increased expectations and exposure to risk that come with the role. The average retainer for non-executive directors is R667 662; for chairpersons it is now R2 139 776. Audit and remuneration committee fees continue to rise also.

R667 662

*The average retainer for non-executive directors*

# Corporate governance in South Africa

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In some ways boards look very different today than they did 13 years ago when a new era of corporate governance was ushered in with the release of King II. Boards are much more independent from management, financially savvy, more diverse and have older directors than in 2002. In other ways, boards look very similar, both in terms of their size and the fact that they are still predominantly male.

Following the release of King III in late 2009, corporate governance in South Africa has continued to evolve in the following ways:

- > Companies are making visible efforts to build independent boards
- > Boards are more diverse
- > There has been a steady increase in the number of women on boards
- > The number of board meetings has stabilised
- > Retired executives and those with financial experience are in demand
- > Audit and remuneration committees meet more regularly
- > Annual board evaluations are becoming standard
- > Board fees have continued to rise, including fees for audit and remuneration committee membership

The philosophy of King III centres on leadership, sustainability and corporate citizenship. Effective leaders have to address the challenges presented by adopting good governance, in particular the issue of sustainability which has become an imperative, not just in South Africa but around the world. In most European markets, governance codes have been updated, notably in the UK where the current corporate governance code focuses on clarification of responsibilities, transparency of process and the need for greater clarity in reporting, including fuller explanations within the context of comply or explain. Throughout this Board Index we compare governance data in South Africa with leading companies in selected European markets and with the US.

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The King III report integrated a number of emerging governance trends:

- > Alternative Dispute Resolution (ADR)
- > Risk-based internal audit (as opposed to compliance-based internal audit)
- > Remuneration policy to be put to shareholders at the Annual General Meeting in a non-binding advisory vote
- > The evaluation of boards, board committees and individual directors, including the chairperson, is now entrenched internationally.

The King III Report also served to heighten awareness of other issues, including:

- > The evolving nature of IT governance
- > The practicalities of business rescue
- > Directors' responsibilities and duties for mergers, acquisitions and amalgamations (fundamental and affected transactions).

A governance code is only as effective as the extent to which it is put into practice. The *South Africa Board Index 2014* continues Spencer Stuart's efforts over the past 15 years to track how leading companies measure against key aspects of good corporate governance.



## Our survey approach

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In 2014 we introduced a new methodology for the compilation of the *Spencer Stuart Board Index*. We analysed data available in the public domain, including 2014 annual reports, special resolution documents or notes to annual general meetings. Our intention was to take advantage of the improving levels of transparency relating to the organization, composition and remuneration of board members, without having to impose on company secretaries to complete lengthy questionnaires.

In future editions we will continue to seek to diversify the sample of companies included in the Board Index.

The sample includes 72 companies: 67 are listed on the JSE Securities Exchange and almost all are in the top 100 companies by revenue. The 67 listed companies belong to the following sectors: industrial (39%); consumer goods (20%); financial services (15%); retail (14%); ICT (9%) and life sciences (3%). In addition, five state-owned enterprises are included, namely Eskom, Transnet, South African Airways, Industrial Development Corporation and the South African Reserve Bank.

Comparison data from the UK, USA and other countries are taken from the relevant 2014 Board Index for each country. An international comparison table can be found on pages 16–17.



# Board composition

## BOARD SIZE

The average board size has remained reasonably constant at 12.3 members. 48 per cent of boards have more than 12 members. In the US, the average board size today is 10.8 members, reflecting little change over the past 10 years, although there has been a general convergence towards the 9–12 board member range in the US. In Russia, the average size of the board is 10.6 members. In the UK, where the average board size is stable at 10.5, the number of boards with 12 or more members is 25 per cent.

### The Broader View: Board Size

	Fr	Ger	Ital	Neth	SA	Swe	Russ	Sp	Swit	UK
Average Board Size	14.0	14.0	12.2	9.5	12.3	9.9	10.6	11.4	10.6	10.5

## INDEPENDENCE

Independent directors account for 57 per cent of all board members. 74 per cent of non-executive directors are considered independent. This reflects a significant increase from 65 per cent seven years ago and 61 per cent a decade ago. In the US, 84 per cent of all board members are independent. In the UK, independent non-executives account for 60 per cent of all board members.

On 22 per cent of boards all non-executive directors are independent; 65 per cent of boards have over one-third independent non-executive director representation, down from the 77 per cent and 78 per cent figures reported five and ten years ago respectively (however, the interpretation of board member independence was less uniform a decade ago than it is today).

# Board size and composition

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## AGE

The average age of both executive and non-executive directors has increased over the past ten years. The average age of directors is 51.6 (compared with 50 in 2004) and of non-executive directors is 57.2 (compared with 54 in 2004).

46.2 per cent of companies state that they have a mandatory retirement age for directors. The average retirement age is 70, which has remained reasonably stable over the last 10 years.

In the US, the average age of non-executive directors has increased from 60.1 in 2002 to 63.1 today. This is largely due to extended mandatory retirement ages: 30 per cent of boards set their mandatory retirement age at 75 or older, compared with 2 per cent ten years ago. In Russia, the average age of board members is 52.5 years. In the UK, executive and non-executive directors have an average age of 52.4 and 59.3 respectively, which has changed little in recent years.

## DIRECTOR TENURE

28.6 per cent of boards set tenure limits. The average length of service for a board director is 6 years.

## DIVERSITY

Well-constructed boards contain a diversity of perspectives. There is a growing awareness that a diverse board has better debate, leading to better decisions, resulting in better performance. Here we examine the level of representation of PDIs, women and foreign directors on South African boards.

### PDIs

PDI representation has improved. Today, boards have an average of 4.8 PDI directors. 48.8 per cent of non-executive directors are PDIs. Three companies reported having no PDI directors on their board. SOEs lead the way in PDI representation, with 70 per cent of non-executive directors coming from previously disadvantaged backgrounds.

Across all board members (executive and non-executive), 37.6 per cent are PDIs, a significant increase over 22 per cent a decade ago.

### Women on boards

Women represent 25 per cent of non-executive directors, a steady but unspectacular increase from 18 per cent over the last seven years. 15 years ago, the figure was 3 per cent. In the UK, women account for 29.6 per cent of non-executive directors.

SOEs exceed this, with 41 per cent women amongst non-executive directors.

4 per cent of boards have no female non-executive directors. 94.4 per cent have at least one female non-executive director (compared with 36 per cent 10 years ago) and 15.2 per cent have four or more female non-executive directors. In the US, 68 per cent of S&P 500 companies have two or more women on the board, up from 38 per cent in 2002. 5 per cent of the S&P 500 companies have no women on the board and these are most likely to be information technology or energy companies.

European governments have made gender diversity a priority in recent years. It is interesting to note that the two countries in the table below with the highest representation of female non-executives have reached these proportions in different ways: quotas in France, and non-binding government-driven targets in the UK.

### The Broader View: Women directors:

	Fr	Ger	Ital	Neth	SA	Swe	Russ	Sp	Swit	UK
Women as a % of non-executives	32.6	23.8	20.1	21.4	25.0	21.5	7.8	15.0	16.5	29.6

Of the new board directors appointed to South African boards in the past year, 18.3 per cent were female. Women are being hired on to boards at a significantly lower rate than most of the countries in the comparator group (53.5 per cent of new directors in Sweden were women; in the UK the figure was 38.7 per cent).

### Women on executive committees

For the first time, we examined the size and composition of the senior management team, sometimes referred to as the executive committee (ExCo). This group is often viewed as an important source of potential non-executive directors. Companies are not obliged to publish details of the composition of the ExCo, but among those that make this information available, women account for 18.3 per cent of members. It is commonly the case around the world that the propor-

tion of women on boards is greater than the proportion of women on executive committees. As a result, boards are increasingly focusing on how the business is making it possible for high-potential women throughout the organization to achieve their full potential and attain senior management positions.

### Foreign directors

Of the total number of directors in our sample whose nationality is known, 29.8 per cent of non-executive directors are foreign (i.e. not South African nationals). Likewise, 28.9 per cent of executive directors are foreign.

In terms of geographic diversity, South Africa compares favourably with the UK (26 per cent), Germany (24 per cent) and France (28 per cent), but remains well behind Switzerland (55 per cent) and the Netherlands (45 per cent).

The average number of nationalities represented on the boards featured in this Board Index is 2.5 (including South African). It is worth noting that the average number of nationalities represented on boards of South African companies is 2.1, whereas the average number of nationalities on boards that are headquartered outside South Africa is 5.4. Of all the countries we analyse, Switzerland has the highest average number of nationalities represented on the board at 5.5. Italy and Turkey have the lowest foreign representation with an average of 1.7 nationalities per board.

Eleven chairpersons (15 per cent) and 19 CEOs (26 per cent) are foreign nationals. In six companies both the chairperson and the CEO are non-nationals.

Of the 60 non-executive directors appointed to South African boards in the past year, 21 (35 per cent) were foreign.

### The Broader View: Foreign directors:

	Fr	Ger	Ital	Neth	SA	Swe	Russ	Sp	Swit	UK
Foreign directors as a % of non-executives	28	24	8	45	29.8	18	29	12	55	26

# Board organization and process

## SEPARATION OF ROLES AT THE TOP

The King II recommendation to split the roles of CEO and chairperson has been widely adopted. Today, only one board does not split the roles: ArcelorMittal (JSE is not its primary listing). As recently as 2003, 42 per cent of boards did not split the roles. In the US, an increasing number of S&P 500 boards have moved to separate the chairperson and CEO roles over the past decade (47 per cent today compared with 25 per cent in 2004). In the UK, every company among the largest 150 companies in the FTSE rankings separates the roles of chairman and CEO.

## LEAD INDEPENDENT NON-EXECUTIVE DIRECTOR

52.8 per cent of boards in our sample, have appointed a lead director. Today in the US, 90 per cent of S&P 500 boards have a lead director and all of the top 150 companies in the UK's FTSE rankings have a senior independent director (an equivalent role).

## FREQUENCY OF BOARD MEETINGS

The average number of board meetings is in line with US and UK practices. Boards met on average 6.2 times in the year. This is a slight decrease in the average of seven board meetings seven years ago. Looking back just over a decade, the average number of board meetings per annum was four. In the US, boards meet on average 8.1 times a year. In the UK, boards meet on average 7.6 times per year.

### The Broader View: Number of board meetings

	Fr	Ger	Ital	Neth	SA	Swe	Russ	Sp	Swit	UK
Average number of board meetings per year	8.3	6.1	10.5	8.5	6.2	10.1	22.3	10.4	8.3	7.6

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## BOARD COMMITTEE COMPOSITION AND SIZE

The companies featured in this report have an average of 4.7 committees per board. All companies in the sample report have an audit committee. 97 per cent have a remuneration committee (neither figure has changed significantly in seven years).

Audit committees met on average 4.7 times during the year. Remuneration committees met 4.2 times. A decade ago, audit committees were meeting on average 3.4 times a year, while remuneration committees met on average 2.8 times. In the US, audit committees meet on average 8.6 times a year (in 2006 and 2007, during the heart of the financial crisis, US audit committees met on average 9.5 times).

## BOARD EFFECTIVENESS EVALUATION

Of the 33 boards that reported on whether they had conducted a board evaluation, 16 (47 per cent) were evaluated by an external facilitator. A decade ago, the figure was 52 per cent. The other 17 companies conducted an internal evaluation. In the UK, 39 per cent of companies used an outside facilitator for their board evaluation during the year and 60 per cent conducted the evaluation internally. Most UK companies involve an outside facilitator on a three-year cycle. In the US, 98 per cent of boards had some kind of board evaluation.

# Board compensation

## BOARD FEES

Retainers are the most common means through which chairpersons and non-executive directors are paid. Payment of attendance fees in addition to the retainer is very rare.

### RETAINERS AND ATTENDANCE FEES — CHAIRPERSONS

The average retainer paid to chairpersons is R2 139 776. Where chairmen are paid fees for attendance at board meetings these average at R52 052 per meeting.

### RETAINERS AND ATTENDANCE FEES — NON-EXECUTIVE DIRECTORS

The average retainer paid to non-executive directors is R667 662. Where non-executive directors are paid fees for attendance at board meetings, these average at R36 163 per meeting.

## FEES FOR COMMITTEE MEMBERSHIP

	Chair retainer	Chair meeting fee	NXD retainer	NXD meeting fee
Audit	270 819	36 792	136 351	21 763
Remuneration	209 818	20 715	98 148	20 631
Nomination	142 211	15 224	75 301	7 457

Audit and remuneration committee chairpersons are paid the highest average retainers compared with other committee chairpersons. Their retainers have increased significantly over the last decade. The average retainer paid to audit and remuneration committee members has also increased substantially over the same period.

On average, the retainers paid to audit committee chairpersons are 29 per cent higher than those paid to their remuneration committee counterparts. Retainers for audit committee members are 39 per cent higher than for the remuneration committee members.





# Comparison tables

In this edition of the *South Africa Board Index* we provide two sets of tables. In addition to the detailed data for the 72 companies comprising this board index (beginning on page 18), we are publishing a chart comparing aggregated data from 16 countries (pages 16–17).

All data is taken from individual country Board Indexes published by Spencer Stuart in 2014.

## Constituent companies of Spencer Stuart EMEA & US Board Indexes

BELGIUM		BeL20 + BelMid
FRANCE		CAC40
GERMANY		DAX30, Mdax, Sdax, Tecdex
ITALY		38 (FTSE MIB) + 62 (Mid Cap, Small Cap, Other)
NETHERLANDS		AEX and AMX
NORDICS	Denmark	OMX Copenhagen
	Finland	OMX Helsinki
	Norway	Oslo Stock Exchange
	Sweden	OMX Stockholm
RUSSIA		Top 50 companies from Expert 400
SOUTH AFRICA		JSE Top 40 + top companies by market cap + select SOEs
SPAIN		IBEX-35 + top companies by market cap
SWITZERLAND		SMI
TURKEY		BIST 30
UK		FTSE 150
USA		S&P 500 comprising NYSE and NASDAQ-listed companies

# International comparison table

		BELGIUM	FRANCE	GERMANY	ITALY	N'LANDS
GENERAL INFORMATION	Size of sample	56	40	66	100	50
	Supervisory board/unitary board of directors	07/49	5/35	66/0	4/96	41/9
	Average number of board meetings per year	-	8.3	6.1	10.5	8.5 <sup>7</sup>
	Percentage of companies who conducted an external board evaluation	-	35%	15%	27%	20%
	Combined chairman and CEO	5%	68%	0	22%	4% <sup>8</sup>
BOARD	Percentage of boards with senior independent director (SID) <sup>1</sup>	N/A	70%	N/A	44%	12% <sup>9</sup>
	Average board size (total)	10.2	14	14	12.2	9.5
	Average board size (excluding employee representatives)	10.2	12.8	7.6	12.2	9.5
	Average number of independent board members	4.2	8.6	-	6.2	5.8
AGE	Percentage of independent board members	41%	62%	43% <sup>4</sup>	50%	62%
	Average age: all directors	-	60	56.7	59.2	59.6
	Average age: non-executive directors	58.5	61	61 <sup>5</sup>	59.4	63
FOREIGN	Average age: executive directors	55.5	59	N/A	58.5	53.2
	Percentage of foreign board members (all)	29%	31%	-	7%	43%
	Percentage of foreign non-executive directors	-	28%	24%	8%	45%
	Percentage of foreign executive directors	-	1%	N/A	5%	36%
GENDER	Average number of nationalities represented on the board	2.6	5	2.3	1.7	3.4
	Percentage of female board directors (all)	17.9%	31%	-	17.3%	16.9%
	Percentage of female non-executive directors	-	32.6%	23.8%	20.1%	21.4%
	Percentage of female executive directors	-	3.8%	N/A	6%	6.8%
NEW MEM-BERS	Percentage of companies with at least one woman on the board	82.2%	100%	94%	87%	70%
	Percentage of new board members	13.3%	7%	7.4%	17%	13.5%
	Percentage of women among new board members	35%	41%	38.2%	39%	23.4%
OTHER BOARDS	Percentage of non-nationals among new board members	-	36.1%	11.8%	7.2%	48.4%
	Average number of boards per director (total)	-	1.5	3.2 <sup>6</sup>	3.9	1.1 <sup>10</sup>
	Average number of foreign boards per director	-	0.7	-	-	-
	Percentage of executive directors with an outside board	-	86%	N/A	18%	0.6% <sup>10</sup>
LIMITS	Percentage of boards with tenure limits	N/A	N/A	N/A	N/A	100%
	Average length of tenure limits	N/A	12 <sup>3</sup>	N/A	N/A	12
	Percentage of companies with a mandatory retirement age	N/A	3%	75%	5%	-
	Average mandatory retirement age	N/A	69	75	73.3	71 <sup>11</sup>
REMUNERATION	Average retainer for non-executive directors	-	€27,281	€55,000	€39,900	€77,000 <sup>12</sup>
	Average fee for audit committee membership	-	€12,394	€18,000	€54,800	€9,100
	Average fee for remuneration committee membership	-	€11,800	N/A	€36,000	€6,400
	Average compensation for nomination committee membership	-	€11,500	-	€30,300	€6,700
EXCOM	Average board size of ExCo	6.7	13	5	3	3.2
	Percentage of foreigners on the ExCo	25.6%	26%	22.5%	1.3%	33.3%
	Percentage of women on ExCo	10.9%	10%	7.3%	6.4%	7.6%

Remuneration figures are stated in Euros. Figures for non-Euro currencies are based on conversion rates at 31 March 2014.

1 Or lead director or equivalent

FINLAND

2 400–2,000 EUR/meeting

FRANCE

3 While there is no formal tenure limit in France, directors lose their independence after 12 years on the board

GERMANY

4 According to goals expressed in compliance statement

5 Shareholder representatives only

6 Chairmen only

NETHERLANDS

7 Based on boards meeting less than 20 times annually. One-tier boards meet on average 7.4 times. Two-tier boards meet on average 8.8 times.

8 This relates to one-tier boards only as a combined CEO and chairman is not permissible on two-tier boards.

9 67% of all one-tier boards in the Netherlands Board Index have a Senior Director or Vice Chairman.

	NORDICS					SOUTH AFRICA					
	Denmark	Finland	Norway	Sweden	RUSSIA		SPAIN	SW'LAND	TURKEY	UK	USA
	25	25	25	50	41	72	92	20	30	150	495
	17/8	20/5	4/21	5/45	0/41	1/71	0/92	12/08	0/30	0/150	0/495
	9.5	12.1	10.6	10.1	22.3	6.2	10.4	8.3	17.5	7.6	8.1
	-	-	-	-	5%	47%	88%	0%	-	40%	98%
	0%	0%	4%	2%	0%	1%	65%	5%	7%	0%	53%
	N/A	N/A	N/A	N/A	9.8%	52.8%	21%	15%	N/A	100%	90%
	9.8	8	8.3	9.9	10.6	12.3	11.4	10.6	9.6	10.5	10.8
	6.7	7.8	6.1	8.2	10.6	12.3	11.4	10.5	9.6	10.5	10.8
	4.8	6.4	4.8	5.3	2.6	7	4.3	9	3.2	6.3	9.1
	49%	80%	59%	53%	39%	57%	38%	85%	34%	60%	84%
	55.6	57.5	56.3	57.4	52.5	55.7	59.5	60.8	-	57.5	-
	55.6	57.5	56.3	57.8	53.2	57.2	-	60.6	-	59.3	63.1
	50	57	50	54.7	49.3	51.6	-	56.8	-	52.4	-
	25%	26%	15%	18%	24%	26%	11%	59%	15%	33%	8% <sup>16</sup>
	25%	13%	15%	18%	29%	26%	89%	55%	15%	26%	-
	0%	0%	0%	1%	1%	29%	11%	73%	0	7%	-
	3	2.6	2.2	2.6	3	2.6	N/A	5.5	1.7	3.2	-
	23.8%	29.6%	39.6%	30.2%	8%	20.8%	13%	15.6%	8.7%	20.6%	18.6%
	11.9%	26.6%	28%	21.5%	7.8%	25%	15%	16.5%	-	29.6%	-
	0%	0%	0%	0.3%	9%	6.4%	4%	0%	-	6.6%	-
	96%	100%	100%	100%	39%	94.4%	68%	85%	56.7%	97.3%	95.2%
	17.6%	16.1%	10.1%	8.7%	29.8%	6.8%	8.9%	8.5%	-	14.3%	7%
	25.6%	21.9%	38.1%	53.5%	10%	18.3%	17%	38.9%	-	38.7%	30%
	-	-	-	-	23.1%	30%	18%	61.1%	-	49.1%	-
	1.6	1.9	1.6	2.5	1.6	2.1	1.1	2.4	-	2	2.1
	-	-	-	-	0.4	0.5	-	1.1	-	0.6	-
	0%	6.3%	0%	5.7%	20.5%	24.8%	12.9%	27.3%	-	27%	-
	N/A	N/A	N/A	N/A	2.4%	28.6%	25%	30%	N/A	N/A	3%
	N/A	N/A	N/A	N/A	3	9	11.6	12.2	N/A	9 <sup>15</sup>	15.6
	80%	4%	8%	4%	0%	46.2%	28%	55%	N/A	N/A	73%
	70.3	70	70	72.5	0	70	71	70.2	N/A	N/A	73
	€46,971	€49,600	€35,720	€51,718	€84,964 <sup>13</sup>	€32,806	€64,661	€169,167	€40,583 <sup>14</sup>	74,937 € (£61,920)	€78,075
	€20,029	€21,333 <sup>2</sup>	€10,305	€12,824	€16,211	€9,421	€74,937	€78,075	-	14,522 € (£12,000)	€8,698
	€14,493	See note 2	€5,423	N/A	N/A	€6,283	€23,058	€49,913	-	13,312 € (£11,000)	€8,175
	€15,625	€6,000 <sup>2</sup>	€8,039	€8,602	N/A	€4,228	€14,522	€8,698	-	8,471 € (£7,000)	See note 17
	-	-	-	-	11	10.6	1.5	9.7	-	10.4	-
	-	-	-	-	4.3%	28.6%	13.3%	59.2%	-	-	-
	-	-	-	-	9.1%	20.3%	15.8%	4.3%	-	15.7%	-

10 Positions on boards of foreign and domestic listed and nonlisted companies not in the Netherlands Board Index have not been included in the analysis. As a result, the average number of directorships may be greater than what is reported in the Board Index. Chair positions are not counted double.

11 70–72 years. This relates to non-executive directors.

12 Includes per-meeting fees or fees for committee membership. Based on 184 non-executive directors who were on the board of a company included in the Board Index for the entire year of 2013. Excludes retainers for non-executive chairmen.

RUSSIA

13 Data available for 10 of 41 companies.

TURKEY

14 Average remuneration for independent directors only

UK

15 While there is no formal tenure limit in the UK, directors lose their independence after 9 years on the board

USA

16 Top 200 companies only

17 \$8.411 (average all committees)

# Board composition

	Total number of directors	Chair also CEO?	Non- executive directors excl. chair	Lead ind. director	Nationalities on the board	Foreigners			Female non- executive directors
						Non- executive directors	Chair	CEO	
AECI LTD	10	N	7	0	1	0	0	N	2
African Oxygen LTD	9	N	6	1	3	3	1	N	0
Allied Electronics Corp LTD	15	N	10	1	1	0	0	N	2
Anglo American Platinum LTD	13	N	10	1	3	3	0	N	4
Anglo American PLC	13	N	10	1	7	10	1	Y	2
AngloGold Ashanti	9	N	6	1	2	1	0	Y	1
ArcelorMittal SA	11	Y	9	1	6	9	1	Y	2
Aspen Pharmacare Holdings LTD	10	N	7	1	2	1	0	N	2
Aveng LTD	14	N	9	0	2	1	0	N	2
AVI LTD	10	N	7	0	2	1	0	N	2
Barclays Africa Group Ltd	11	N	8	1	3	2	0	N	2
Barloworld LTD	14	N	7	0	3	2	0	N	4
BHP Billiton LTD	13	N	11	1	5	9	1	Y	2
Bidvest Group LTD	16	N	10	1	3	1	0	N	3
British American Tobacco PLC	11	N	7	1	7	8	1	Y	3
Business Connexion Group LTD	9	N	4	0	1	0	0	N	2
Cadiz Holdings LTD	8	N	6	1	1	0	0	N	2
Capitec Bank Holdings LTD	10	N	7	1	1	0	0	N	2
Clicks Group LTD	9	N	5	0	2	0	0	Y	2
Compagnie Financiere Richemont SA	20	N	15	1	7	13	1	Y	1
Datatec LTD	8	N	5	1	4	4	1	Y	1
Discovery LTD	19	N	9	0	4	3	1	N	3
Distell Group LTD	16	N	13	0	1	0	0	N	3
Edcon Holdings LTD	11	N	6	0	4	2	1	Y	1
Eskom Holdings SOC LTD	14	N	11	0	1	0	0	N	7
Evraz Highveld & Vanadium LTD	11	N	8	0	5	4	0	Y	1
Exxaro Resources LTD	13	N	10	0	1	1	0	N	1
FirstRand LTD	19	N	15	0	1	0	0	N	4
Gold Fields LTD	9	N	6	0	1	0	0	N	2
Grindrod LTD	15	N	9	1	1	0	0	N	0
Hudaco Industries LTD	7	N	3	0	2	0	0	Y	1
Impala Platinum LTD	11	N	7	0	2	0	0	N	3
Imperial Holdings LTD	15	N	8	0	2	0	0	N	2
Industrial Development Corporation	15	N	12	0	1	0	0	N	6
JD Group LTD	14	N	9	1	2	2	0	N	2
Kagiso Media LTD	10	N	7	0	1	0	0		2
Kumba Iron Ore LTD	11	N	8	0	3	1	0	Y	4

Non-execs appointed in the past year			Average director tenure (years)	Average age of all directors	Number of board meetings	Committees	Type and number of committee meetings	Mandatory retirement age	ExCom	
Total	Women	Foreigners							Size	Women
0	0	0	6.1	56.7	6*	5	4A, 4Ri, 2(So&E), 5R, 4N		6	1
0	0	0	3.2	54.2	4	4	3+1A, 3(N,G&MR), 4(HSE&Q), 3(So,E&Tr)			
2	1	0	9.4	57.9	6*	5	3A,3R, 2N, 2(So&E), 2Ri		7	
5	2	2	2.4	54.4	9*	6	4(A&Ri), 3G, 4N, 6R, 4(Sa&SuDev), 4(So,E&T)	N	10	1
3	1	3	3.8	61.6	7	4	4A, 4(Sa&Su), 4R, 4N		12	1
0	0	0	4.0	57.9	12	7	10(A&CG), 5(So,E&T), 5HSE, 4Inv, 5(R&HR), 5N, 5(Ri&Ii)		10	
0	0	0	8.0	58.9	8	3	6A, 7(N,R&CG), 5Ri			
0	0	0	8.9	53.2		3	(A&Ri), (R&N), (So&E)	70		
1	0	0	4.6	55.6	6	6	6A, 4Ri, 5(R&N), 1Inv, 4HSE, 4(So&E&T)	70		
0	0	0	6.7	51.0	5*	3	3(A&Ri), 4(R,App&N), 2(So&E)		5	1
4	1	2	2.2	54.1	8	8	7(A&Co), 6(Ri&CaM), 5(R&HR), 4(So&E), CoR, 6BoF, 2IT, 6DA			
0	0	0	7.0	54.1	6	6	6A, 6N, 6GP, 6R, 5(So, E&T), 4(Ri&Su)			
0	0	0	6.1	61.8	11	5	12(Ri & A), 6(N & G), 9R, 7Su, 11F	N	13	2
0	0	0	9.3	56.4		6	A, R, Ri, N, (So&E), Acq		-	-
1	0	1	4.4	55.9	7	4	5(A&ACC), 5CR, 4N		14	0
0	0	0	4.3	44.9	4*	3	4(A&Co), 3+1(R&N), 4(Ri,Su,So&E)	70	12	3
0	0	0	9.2	54.9	4	3	5(A&Ri), 3(N&R), 2(So,E&Su)	N	5	1
0	0	0	6.7	57.0	6	5	2(HR&R), 2(So&E), 3A, 5(Ri&CaM), 2DA		10	
0	0	0	6.4	56.9	4	3	4(A&Ri), 3(R&N), 2(So&E)	N	5	1
1	0	1	7.9	65.0	5	4	A11; C12;(Ch,G)10; Ri6	N	11	0
0	0	0	9.6	58.5	7	4	4N, 6R,3(So&E), 5(A&Ri&Co)			
0	0	0	7.7	52.9	6	4	6(A&Ri), 6Act, 3(So&E), 2R		25	
2	0	0	9.8	57.7		3	4(A&Ri), 3(R&N), 2(So&E)		14	2
1	0	0	5.6	48.7		3	A, R, (So,E&T)		5	1
0	0	0	2.8	49.4	11	6	9(A&Ri), 12(Inv&Fi), 12Ten, 5(So,E&Su), 6(Ppl&G), 10BPR		9	3
0	0	0	5.0	45.5	8	3	5(A&Ri), 3(R&N), 4(So&E)		14	2
0	0	0	5.5	59.1	8*	4	4A, 4(R&N), 4(Su,Ri&Co), 2(So&E)		8	2
2	0	0	7.5	57.6	4	4	5A, 5(Ri, CaM&Co), 4TM, 2(So&E)		18	
0	0	0	7.2	62.0	14*	6	6A, 4(SH&SuDev), 4CaP, 5R, 3(N&G), 3(SO&E)		12	
2	0	0	8.0	57.0	5	3	2(So&E), 3A, 3(R&N)		8	1
1	0	0	5.2	56.3	6*	3	2(R&N), 3(A&Ri), 2(So&E)		9	
1	0	0	4.3	53.2	8*	6	6A, 4R, 4(N&G), 4Ri, 4(So&E&T), 5HSE		16	2
0	0	0	8.8	56.4	4	5	4A, 4Ri, 3(R&N), 4(So, E&Su), 4(As&Li)		8	
0	0	0	4.9	52.9	7*	5	13Inv, 5(HC&N), 4A, 4(Ri&Su), 2(G&E)		12	4
0	0	0	6.0	56.6		3	A, (So&E), R			
0	0	0	5.3	49.0	7	5	4(A&Ri), 3R, 3N, 3(So&E), 9Inv		6	2
1	0	1	3.5	54.2	11	4	4(So&E), 4(HR&R), 4Ri, 5A		10	1

# Board composition

	Total number of directors	Chair also CEO?	Non-executive directors excl. chair	Lead ind. director	Nationalities on the board	Foreigners			Female non-executive directors
						Non-executive directors	Chair	CEO	
Life Healthcare Group Holdings LTD	10	N	7	1	2	1	0	N	2
Lonmin PLC	12	N	9	1	4	6	1	Y	2
Massmart Holdings LTD	10	N	6	1	2	1	0	N	2
MMI Holdings LTD	19	N	13	0	1	0	0	N	2
Mondi LTD	9	N	4	1	4	4	1	N	2
Mondi PLC	9	N	4	1	4	4	1	N	2
MTN Group LTD	13	N	10	1	3	2	0	N	2
Murray & Roberts Holdings LTD	9	N	6	0	2	1	0	N	3
Nampak LTD	12	N	8	0	1	0	0	N	3
Naspers LTD	15	N	12	1	2	1	0	N	3
Nedbank Group LTD	13	N	9	1	2	3	0	N	2
Netcare LTD	10	N	7	0	1	0	0	N	2
Old Mutual PLC	11	N	8	1	4	6	1	Y	2
Pick n Pay Holdings	6	N	5	1	1	0	0		1
Pick n Pay Stores	14	N	8	1	3	2	0	Y	2
Pioneer Food Group LTD	11	N	8	1	1	0	0	N	1
PPC LTD	11	N	8	0	1	0	0	N	3
SAB Miller PLC	15	N	12	1	4	12	1	N	3
Sanlam LTD	14	N	12	0	2	1	0		3
Sappi LTD	14	N	11	1	5	6	0	N	2
Sasol LTD	12	N	8	1	6	4	0	Y	1
Shoprite Holdings LTD	13	N	6	1	1	0	0	N	1
South African Airways Pty LTD	12	N	9	0	1	0	0	N	6
South African Reserve Bank	15	N	11	1	1	0	0		4
Spar Group LTD	11	N	6	0	1	0	0	N	1
Standard Bank Group LTD	17	N	11	0	3	2	0	N	2
Steinhoff International Holdings LTD	17	N	9	1	4	1	0	Y	1
Sun International LTD	13	N	9	1	2	1	0	N	5
Telkom SA SOC LTD	12	N	9	0	1	0	0	N	3
Tiger Brands LTD	12	N	7	0	2	0	0	N	2
Tongaat-Hulett LTD	11	N	8	0	3	2	0	N	5
Transnet SOC LTD	14	N	11	0	1	0	0	N	6
Tsogo Sun Holdings LTD	12	N	8	1	2	1	0	N	0
Vodacom Group LTD	12	N	9	0	5	4	1	N	3
Woolworth Holdings LTD	13	N	9	1	2	3	0	Y	3



Non-execs appointed in the past year			Average director tenure (years)	Average age of all directors	Number of board meetings	Committees	Type and number of committee meetings	Mandatory retirement age	ExCom	
Total	Women	Foreigners							Size	Women
0	0	0	2.9	55.3	6*	6	5A, 3(R&HR), 2N, 3Ri, 2(So,E&Tr), 5+1Inv		15	3
3	1	1	3.3	53.9	14*	5	4(A&Ri), 5N, 7R, 3(Sa&Su), 2T		9	3
0	0	0	8.4	49.4	4	5	3A, 2Ri, 4N, 4R, 2(So&E)		13	1
0	0	0	5.1	54.8	4	8	3(So,E&T), 3N, 5R, 4Act, 3(Ri&Co), 5A, 2FP, 4BSM		12	1
1	0	0	5.1	56.1	7	5	4A, 4N, 4R, 6SuDev, 2(So&E)		5	
1	0	0	5.1	56.1	7	5	4A, 4N, 4R, 6SuDev, 2(So&E)		5	
0	0	0	6.9	57.3	9	3	5(Ri, Co & CG), 3(R & HR), 2N		11	1
1	1	0	3.8	57.3	6*	6	5HSE, 3N, 3+2(R&HR), 4Ri, 2(So&E), 4A	70	8	0
0	0	0	4.9	56.1	6	5	3A, 4R, 6N, 2(Ri&Su), 2(So,E&T)		8	
6	0	1	8.6	57.7	5	5	4A, 4Ri, 5(HR&R), 5N,2(So&E)			
0	0	0	6.4	55.2	8	8	5A, 5(Ri&CaM), 6R, 9Cre, 5DA, 4IT, 4(F&Ov), 4(T,So&E), 11(LEA)	70		
0	0	0	9.8	57.4	4	6	A, Ri, N, R, (So&E), QL		12	6
2	1	2	3.9	58.7	8	4	6A, 6Ri, 7N, 6R		11	1
0	0	0	27.1	57.7	4	1	2A			
3	1	1	7.9	53.1	5	6	2(A&Ri), 4R, N, 0CoF, CG, 4(So&E)			
2	0	0	4.4	52.5	7*	4	4(A&Ri), 3(So&E), 6HC, 3N		13	2
0	0	0	5.3	52.6		5	N, 3A, (Ri&Co), R, (So&E)			
1	0	1	5.8	57.4	7	5	4A, 3R, 3N, 2(Acc&Ri)	N	12	2
2	0	1	7.4	59.3	5	6	4A, 4Ri, 4(HR&R), 4N, 4(So, E & Su), 4CI	N	5	1
1	0	1	5.0	59.7	5	4	6A, 3(N&G), 4(HR&C), 4(So, E, T&Su)		9	1
0	0	0	4.8	55.9		4	4R, 6A, 4(RI & HSE), 5(N, G, So & E)		9	1
1	1	0	13.9	60.8	4	4	5(A&Ri), 2(So&E), 2N, 2R		6	0
0	0	0	2.3	23.6		6	A, (Pr&Ten), (So&EGN), (R&HR), LTTA, AdHocCom on Lit		10	5
2	0	0	3.0	55.5	6	4	4A, 3(Ri&E), 3R, 4NED		8	2
0	0	0	8.6	57.2	4	4	3A, 3(R&N), 2Ri, 2(So&E)		16	
1	0	1	7.3	58.4	7	6	7A, 4(Ri&CaM), 5DA, 4R, 4(So&E), 4MA			
1	0	0	8.3	56.6	4	5	4A, 3(HR&R), 1N, 4Ri, 1(So&E)		15	
1	0	1	5.8	54.5	6	6	5R, 6A, 4N, 4(So&E), 4Inv, 3Ri			
0	0	0	1.7	46.7	6*	6	4+2A, 4+1Ri, 3+3N, 3+3(Inv&Tr), 4R, 3(So&E)		9	1
0	0	0	6.0	55.7	5	5	3A, 4(R&N), 3(Ri&Su), 4(SO,E&T), 2Inv		12	3
0	0	0	8.0	56.5	5	4	3(A&Co), 3R, 1N, 2(Ri,HSE,So&E)	70	17	
0	0	0	3.5	51.4	7*	5	5A, 4+1(R,SO&E), 4+3(CG&N), 5+1Ri, 10+2(Acq&Dis)		14	7
2	0	0	2.6	55.1	5	3	3(A&Ri), 2R, 1(So&E)		14	
2	1	1	2.8	49.0	6*	4	(A, Ri, Co), R:3+1tc, N:3+1tc, (So&E):4+1tc		11	2
0	0	0	6.4	56.2	6*	6	4N, 4Ri, 4A, 4R, 4Su, 4(So&E)			

# Glossary of committees

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A	Audit
A&Acc	Audit & Accountability
A&CG	Audit & Corporate Governance
A&Co	Audit & Compliance
A&Ri	Audit & Risk
A&Ri&Co	Audit, Risk & Compliance
AA&F	Audit, Actuarial & Finance
Acc&Ri	Corporate Accountability & Risk Assurance
Acq	Acquisitions
Acq&Dis	Acquisitions & Disposals
Act	Actuarial
ARiCo	Audit, Risk & Compliance
As&Li	Assets & Liabilities
BPR	Board Build Programme Review
BoF	Board Finance
C	Compensation
CaP	Capital Projects Control & Review
CI	Customer Interest
CoF	Corporate Finance
CoR	Concentration Risk
CR	Corporate Social Responsibility
Cre	Credit
DA	Directors' Affairs
DA&G	Directors' Affairs & Governance
F	Finance
F&Ov	Finance & Oversight
G	Governance
G&E	Governance & Ethics
GP	General Purpose
HC	Human Capital
HC&N	Human Capital & Nomination
HR&C	Human Resources & Compensation
HR&R	Human Resources & Remuneration
HSE	Health, Safety & Environment
HSE&Q	Health, Safety, Environment & Quality
Inv	Investment
Inv&Fi	Investment & Finance
Inv&Tr	Investment & Transactions
IT	Information Technology
LEA	Large-Exposure Approval
LTTA	Long Term Turn Around
MA	Model Approval

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N	Nomination
N&G	Nomination & Governance
NED	Non Executive Directors'
NG&MR	Nomination, Governance & Management of Resources
NGSo&E	Nomination, Governance, Social & Ethics
NR&CG	Nomination, Remuneration & Corporate Governance
Ppl&G	People & Governance
Pr&Ten	Procurement & Tender Processes
QL	Quality Leadership
R	Remuneration
R&HR	Remuneration & Human Resources
R&N	Remuneration & Nomination
RApp&N	Remuneration, Appointment & Nomination
RSo&E	Remuneration, Social & Ethics
Ri	Risk
Ri&A	Risk & Audit
Ri&Co	Risk & Compliance
Ri&CaM	Risk & Capital Management
Ri&E	Risk & Ethics
Ri&HSE	Risk & Safety, Health & Environment
Ri&II	Risk & Information Integrity
Ri&Su	Risk & Sustainability
RiCaM&Co	Risk, Capital Management & Compliance
RiCo&CG	Risk Management, Compliance & Corporate Governance
RiHSESo&E	Risk, Health, Safety & Environment, Social & Ethics
RiSuSo&E	Risk, Sustainability, Social & Ethics
Sa&Su	Safety & Sustainability
Sa&SuDev	Safety & Sustainable Development
SaH&SuDev	Safety, Health & Sustainable Development
So&E	Social & Ethics
So&EGN	Social & Ethics, Governance & Nomination
SoE&Su	Social, Ethics & Sustainability
SoE&T	Social, Ethics & Transformation
SS	Strategic Security
Su	Sustainability
SuRi&o	Sustainability, Risk & Compliance
T	Transformation
Ten	Tender
TM	Transformation Monitoring
TSo&E	Transformation, Social & Ethics

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