

The Future of FTSE 350 Chairs Pathways, Pipelines & Barriers

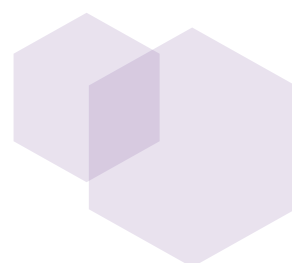
A collaboration between the
FTSE Women Leaders Review
and Professor Irene-marie Esser,
University of Glasgow

Supported by **Alexa Bailey** as
Strategic Advisor to the FTSE
Women Leaders Review

Sponsored by

Contents

Foreword	2
Executive Summary	3
Introduction and Methodology	4
The Role of the Chair	7
Skills and Competencies Needed for the Chair Role	9
Pathways to Becoming a Chair	11
• Mechanisms and Support	11
• Barriers	12
• Routes to the Chair Role	17
Recommendations	19
Who Needs to Do What?	21
Annexures	23



Foreword



Vivienne Artz OBE

The FTSE Women Leaders Review is delighted to be collaborating with Professor Irene-marie Esser of Glasgow University on this research report, exploring the current role of the Chair, together with traditional and alternative routes to the Chair role.

This unique research sets out the myths as well as realities of the Chair role, and makes practical recommendations on how to build a sustainable talent pipeline that can deliver a more gender balanced leadership at the top of UK business.

The research draws on both quantitative and qualitative data and insights from Chairs of the FTSE 350 companies, as well as key stakeholders, exploring practical steps to grow gender balanced representation in Chair roles, from the current level of just 17% women today.

As evidenced by the annual FTSE Women Leaders Review report, the gender representation at the top of UK business has been steadily transforming in recent years. In 2011 women's representation on the boards of the FTSE 350 companies was at just 9.5%, and this has transformed to 43% in 2025. While the progress is impressive, it has also been uneven. It is encouraging to see that non-executive director roles are now evenly balanced between men and women, but the same cannot be said of executive director roles, where women make up just 15% of those roles. When it comes to the key roles of Chair, CEO and Finance Director, it is clear that there is much more progress yet to make, particularly as these are the roles that have the most impact on strategy, culture and change in an organisation.

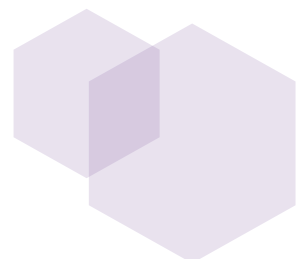
We welcome the insights and recommendations in this report, which provide a guide to organisations to develop a sustainable talent pipeline to the Chair role, a key role in so many ways.

A huge thank you to Professor Irene-marie Esser, Alexa Bailey and all the FTSE 350 Chairs and stakeholder organisations who shared their insights, time and expertise to support this important research, which builds on the findings of the FTSE Women Leaders Review report data, to develop actionable insights for organisations to improve gender balance.

Executive Summary

There is now broad consensus that significant progress has been made on gender diversity at a board level. The central issue is no longer numerical representation but rather ensuring that boards are composed of individuals with the right mix of skills, experience and judgement to govern effectively.

Board effectiveness depends on the composition of the board as a whole and the environment for decision-making. The Chair of the board is best placed to exercise this judgement and should be trusted to do the right thing when shaping board composition, balancing diversity with capability, evaluating situational context and the overall needs of the organisation. Practical measures, such as high-quality succession planning, clear articulation of skills required for the future state of the board, and the active stewardship of the Chair, are all increasingly important to sustaining progress. Equally important, is to encourage those who vote on board appointments to approach the “comply or explain” governance requirement with an open mind. Recognising that thoughtful explanation in the context of the operating environment, with well-constructed and principled judgement, are often better tools for achieving meaningful, long-term gender diversity than rigid rulemaking.



Introduction and Methodology

In September 2025 the scope of this project was agreed, and from November 2025 until February 2026, we conducted virtual interviews and online surveys with 34 current FTSE 350 Chairs and one Senior Independent Director (SID). We also engaged with two representatives from executive search firms, one global and one boutique. We met with representatives from the Financial Reporting Council (FRC), and the Investment Association (IA).

These interviews focussed on the mechanics of the pipeline; how regulation, “comply or explain” flexibility,¹ and practical succession planning can remove the structural barriers currently holding women back in attaining Chair roles. The interviews also focused on the strategic macro-environment and how shifts in capital flows and political volatility are changing the “ideal profile” of Chair from a steward of good governance and compliance to a proactive and strategic broker with a variety of stakeholders.

The interviews offered a comprehensive exploration of the role of the Chair, the pathways and pipeline to the role, and the systemic barriers, particularly gender related, that shape and impact leadership pipelines today.

Industry / Sector of Last Executive Role of Chairs we interviewed²

Industry / Sector	No. of People	%
Financial Services	9	26%
Professional Services	5	15%
Industrial	3	9%
Tech & Telecoms	5	15%
Consumer	6	18%
Media	3	9%
Public Sector	1	3%
Healthcare	2	6%

Industry / Sector Current Chair role

Financial Services	8	24%
Tech	5	15%
Industrial	7	20%
Construction	3	9%
Consumer	9	26%
Professional Services	1	3%
Healthcare	1	3%
Construction	3	9%
Consumer	9	26%
Professional Services	1	3%
Healthcare	1	3%

1. On “Comply or Explain”: “...[it] offers flexibility, and it encourages companies to choose bespoke governance arrangements most suitable to their particular circumstances in both the short and long-term. When departing from the Code companies should explain how their chosen alternative arrangement is more appropriate and beneficial in upholding high standards of governance.” See: FRC Guidance on how to improve the quality of ‘Comply or Explain’. https://media.frc.org.uk/documents/Improving_the_Quality_of_Comply_or_Explain_Reporting.pdf.

2. Total of 34 Chairs. We also interviewed a SID.

Introduction and Methodology

Why does gender diversity matter to leadership talent pipelines?

Gender diversity matters most when it exists both at a board level and within the population of top executive roles. This is because, the combination of the two improves equality, decision-making, representation of stakeholders and customers, and organisational performance. Diverse teams perform better. Diversity, strong governance, and healthy investor chair relationships are foundational to long term value creation³. Diverse leadership broadens the talent pool and ensures that capable leaders are not excluded by bias. At the same time, it brings a wider range of perspectives, experiences, and leadership styles into critical decision-making. Importantly, having a woman in the top four key roles of Chair, SID, CEO and Finance Director, across both board and leadership, helps embed inclusive leadership qualities such as empathy, collaboration, and strategic resilience, into day-to-day management. In turn, this better equips organisations to handle complex business challenges and to better understand the many facets of stakeholders, customers, communities and others in the company's ecosystem.

Research has been conducted on the pipeline to CEO roles⁴, but not to the Chair position. This report is unique as it represents a bespoke study conducted on the pipeline to the Chair role. 42% of individuals approached, participated and serve in prominent Chair / board roles in FTSE 350 companies, evenly balanced between men and women. Moreover, this research has been uniquely informed by the firsthand insights of current FTSE 350 Chairs who have offered their real-life experience and perspective on the topic⁵.

Despite different contexts and personal experiences, interviewees converge on a number of core themes about; what the Chair role requires, how individuals prepare for it, and what challenges continue to affect underrepresented groups, especially women.

Across the interviews, the role of the Chair is consistently described as one centred on the leadership of the board, not the leadership of the business. Chairs are seen as facilitators who ensure effective strategic debate, set the tone for culture and governance, create psychological safety around the board, and maintain a balanced, trusting but challenging relationship with the CEO. Much of the role takes place outside of the boardroom which requires high levels of emotional intelligence (EQ) and the ability to manage constant changing dynamics. One of the overarching leadership characteristics is that it requires a nuanced understanding of managing expectations, especially amongst a variety of stakeholders.

Interviewees also highlight the skills and competencies that matter the most: EQ, strategic thinking, commercial awareness, crisis management experience, an understanding of operational complexity, coupled with tremendous communication and stakeholder management skills. Broad business or P&L experience was also cited by interviewees. While many Chairs have historically come from CEO or CFO backgrounds⁶, there is wide agreement that a variety of executive experiences, particularly those involving large-scale commercial / revenue and / or operational leadership (where transformation, or exposure to investors and governance are key), can be highly desirable. However, the recruitment of board directors can often be led by narrow criteria, shaped by traditional thinking and informed by old routes to success, which therefore limits the depth and breadth of the candidate pool.

3. As mentioned, various times in our interview with the Investment Association.

4. See: <https://mailchi.mp/moving-ahead/executive-pipeline-women-leadership-research>. In this Report it is stated that gendered cultures and stereotypes still shape leadership expectations, creating persistent barriers for women as they move toward senior roles. It also states that bias intensifies at the top, with women expected to conform to male leadership norms while being excluded from influential networks. Mentoring, storytelling, and systemic cultural change are held to be the most effective levers for strengthening the pipeline and enabling women to progress authentically. The report recommends strengthening the executive pipeline by embedding inclusive practices into everyday culture, expanding mentoring and sponsorship, and dismantling overwork norms that disproportionately disadvantage women. It emphasises shifting from fixing individuals to reforming organisational systems so women can progress and lead authentically. See also: <https://www.execpipeline.com/women-count/women-count-2024/>.

5. Balance in Business has done a piece of research to look at women's career path to CEO. See <https://balanceinbusiness.org/insights/> who interviewed 36 CEOs from FTSE 100, 250 and the 50 largest private companies.

6. Based on our sample of chairs we engaged with 62% come from a CEO background, 9% from a CFO role, 26% with P&L experience and 3% from a corporate function role.

Introduction and Methodology

A recurring discussion concerns the many pathways to becoming a Chair. Examples of these include Senior Independent Director (SID) roles, audit (and risk) or remuneration committee chair roles, and prior board experience - all commonly cited as role feeders and building blocks for more senior board roles. Direct CEO experience is often highly valued but not universally seen as essential. Many Chairs emphasise the importance of mentorship, sponsorship,⁷ and observing effective Chair candidates in action. There is general agreement that formal executive leadership programmes help but cannot replace that of real-world exposure and decision-making on boards. Access to real time events, situational decision-making, people dynamics and wisdom that comes with experience, often depends on networks that open doors to these opportunities for prospective candidates.

In this vein, interviewees frequently point out that these networks can disadvantage those who are not part of traditional (and often male dominated) circles.

‘Boards often prefer candidates with prior chair experience, limiting opportunities for first-time chairs.’

The interviews repeatedly identify structural and cultural barriers, especially for women. These include: the limited number of women with CEO / CFO experience;⁸ the tendency for women to be channelled into functional roles in their career rather than P&L / revenue generating roles; implicit biases in recruitment and selection processes; risk aversion in appointment practices; and unintended consequences of diversity targets that have excelled in the appointment of women in NED roles that has come earlier in their executive life. Governance mechanisms such as the nine-year tenure recommendation in the UK Corporate Governance

Code (UKCGC)⁹ can also constrain internal board succession for the Chair role. This disproportionately affects women who join boards mid-career. Meanwhile, the recruitment of board directors has largely fallen to executive search firms that are appointed by the board to run the recruitment process. Traditional profiles and traditional career routes to the board, with the weight of perception from networks to endorse candidates, can further shroud opportunities for women¹⁰.

‘There is no “silver bullet”, long-term talent development and cultural change are required.’

Finally, the interviews point to significant future trends shaping the Chair role. These include many fast-paced themes such as rising expectations around technology literacy (AI, cybersecurity etc.), geopolitical volatility, the increasingly complex regulatory landscape, and heightened societal expectations regarding environmental sustainability, diversity, and stakeholder engagement. Chairs of the future will need to identify a different set of characteristics and traits that combine strategic thinking, adaptability, curiosity, resilience and broader business experience.

Collectively, these interviews paint a contemporary picture of the Chair role that is becoming more complex, more demanding, and more crucial to an organisation’s success. At the same time, it also reveals that efforts to strengthen and diversify talent pipelines remain slow and uneven in some areas. Notably, in the four key roles of: CEO, CFO, SID and Chair. The SID role has become a beacon for women to advance their NED careers.¹¹ Interviewees highlight the need for rigorous succession planning that is constantly reviewed, broader definitions to interpret “qualifying experience”, and a stronger focus on developing diverse executive talent if progress is to continue.

‘FTSE 350 boards with well managed gender diversity contribute to higher stock returns and are less likely to experience shareholder dissent.’¹²

7. See, <https://www.spencerstuart.com/research-and-insight/women-leaders-how-far-have-we-come> : “Women told us that high performance and sponsorship remain critical drivers of their success but increasingly rounded out by a more varied mix of personal behaviours and external support.”

8. This research (<https://balanceinbusiness.org/insights/>) dispels common myths about becoming a CEO, showing that elite education, sacrificing family life, or behaving like a stereotypical “male leader” aren’t essential to reaching the top job. What is really needed is core personal traits, you need to be willing to take risks, and you need a strong support system. The latest FTSE WLR data states that 8% of CEOs in FTSE350 are female and 21% are Financial Directors. <https://ftsewomenleaders.com/wp-content/uploads/2026/02/ftse-report-2026-final-online.pdf>

9. See <https://www.frc.org.uk/library/standards-codes-policy/corporate-governance/uk-corporate-governance-code/>. See a recent FT article (‘Who would be a FTSE 100 Chair, 13/02/2026) on tenure periods and the flexibility of the UKCGC through “comply or explain”.

10. See suggested actions for Nominations Committees to encourage diversity: https://media.frc.org.uk/documents/FRC_Board_Diversity_and_Effectiveness_in_FTSE_350_Companies.pdf, p9ff.

11. Feb 2026 Report of the FTSE WLR, with the SID role being at 61% in the FTSE350.

12. See: https://media.frc.org.uk/documents/FRC_Board_Diversity_and_Effectiveness_in_FTSE_350_Companies.pdf, p 8.

The Role of the Chair

“The IoD welcomes the report’s clear articulation of the structural constraints shaping current pathways to Chair roles. The predominance of CEO and CFO experience as the primary feeder routes continues to limit the diversity of the Chair pipeline, particularly given the persistent under representation of women in these roles. To secure the UK’s future board leadership, it is vital that organisations widen their view of ‘Chair ready’ experience and actively support the progression of women into senior executive roles. Doing so will strengthen governance, broaden perspectives and build a Chair cohort ready for the challenges ahead.”

Jonathan Geldart,
Director General of the Institute of Directors.

What does it entail?

‘The role of the Chair entails... Shaping the culture and diversity in the boardroom.’ FRC Board Effectiveness Guidance, 2024

Across the interviews, the Chair is defined as the leader of the board, not the leader of the business. The primary purpose of the Chair is to enable an effective board that makes high quality strategic decisions in the long-term interests of shareholders and stakeholders. The Chair runs the board while the CEO runs the company. The Chair sets the tone and culture at a board level, orchestrates board debate, and maintains a supportive yet challenging relationship with the CEO. Much of the role involves nuanced facilitation: creating psychological safety, ensuring that all voices contribute to and focus on the agenda and strategy (not operations) - all at the same time whilst upholding robust governance and quality of decisions in the long-term interests of shareholders and stakeholders.¹³

‘Only one person can drive the car, the CEO. The other person, the Chair, sits in the passenger seat, navigating’

- **Board leadership & effectiveness.** Run meetings, set agendas, calibrate challenge/support, and ensure clarity on the board’s role and future needs, hold the board and executive to account.
- **Strategy oversight & value creation.** Guide strategic discussion with management, ensure long term focus, and help the company be successful beyond compliance.
- **CEO partnership & performance.** Act as sounding board and as a “critical friend,” support and, when required, challenge or change the CEO, lead succession planning.
- **Board composition & succession.** Ensure the right mix of skills on the board and plan orderly succession for senior executive and board roles.
- **Governance, risk & compliance.** Safeguard governance “hygiene”, oversee risk, remuneration, audit interactions, and regulatory requirements.
- **Stakeholder engagement & ambassadorial duties.** Serve as a conduit to investors, workforce and wider stakeholders; represent the company externally.
- **Culture & tone from the top.** Shape norms, manage egos and board dynamics, speak last, appraise decision-making and outcomes. Model inclusive behaviours and leadership.

13. See <https://hbr.org/2026/03/the-skills-board-chairs-need-now?ab=HP-hero-featured-1> on the skills needed for the chair role in today’s world.



The Role of the Chair

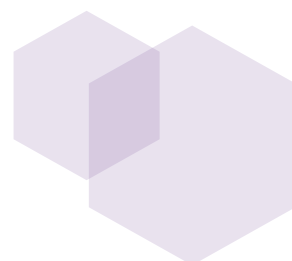
‘We need to demystify the role of Chair.’

The balance between governance and performance varies by context. Public company Chairs emphasise governance and regulatory engagement, while private company and private equity Chairs are more operational / hands-on. Financial services Chairs face a very intense level of regulatory compliance.

A majority of interviewees treat governance as a core fundamental, but it is not the whole job. Some stress that it is a “hygiene factor”, while others emphasise governance more heavily, especially in large, listed enterprise companies.

Several interview participants describe the Chair role as being on “24/7”. It carries with it increasing complexity with incredibly high levels of personal commitment. It should also be noted that this intensity is especially pronounced in regulated sectors.

It was also stated that progression to Chair roles depends heavily on building experience over time. Serving as a NED, chairing committees, taking on SID roles, and demonstrating external awareness through the engagement with investors are all part of these building blocks of experience. There is no shortcut. A number of people observed that this ‘time-lag’ unfortunately affects the pace at which women reach Chair roles. Investors generally assess Chair candidates by the depth of their prior board experience. They look for visible evidence of contribution, decision-making, and leadership in previous non-executive roles.



Skills and Competencies Needed for the Chair Role

1. Emotional Intelligence (EQ) and Strong Interpersonal Skills

Most interviewees emphasised that EQ is one of the most defining competencies of the Chair role. Chairs must be able to read the room, manage different personalities, create the environment for psychological safety, and balance empathy with challenge.

2. Ability to Facilitate Board Discussions and Lead Without Dominating

Chairs are repeatedly described as facilitators who orchestrate constructive debate rather than dictate decisions.

- Skilled at “orchestration”, drawing out diverse viewpoints, ensuring all voices are heard.
- Ability to run effective meetings and keep discussions at the right strategic level within the time frame allotted to board meetings.
- Chairs must know when to speak first, last, or not at all. They must also know how to bring collective debate and discussion together at the right time.

3. Strategic Thinking and a Long View on the Horizon

Chairs must guide strategic conversations, avoid being drawn into operational detail, and maintain sound judgement on the longer-term focus of the organisation. Anticipating what lies beyond the horizon requires an informed view, the ability to understand multiple dynamics and forecasting.

4. Broad Business Experience and P&L / Operational Insight

Most participants stressed that Chairs need meaningful executive experience, especially in P&L or senior leadership roles, to understand complex decisions. This allows them to gain credibility in an operating environment. Several people emphasised that over-reliance on CEO backgrounds narrows the talent pool.

5. Stakeholder Management and Communication Skills

Chairs must engage shareholders, employees, regulators, and other key stakeholders effectively. There is an art to this style of communication that is derived from experience as well as personal characteristics.

6. The Relationship with the CEO (“Support and Challenge”)

Managing the Chair–CEO relationship is one of the most consistently cited important competencies and qualities of a Chair. Building a high-trust partnership while maintaining independence is crucial. This relationship requires a lot of nuance and balancing of dynamics. Chemistry and mutual respect are built over time. It is a delicate understanding that the Chair hires / “employs” the CEO whilst also provides the right levels of support and challenge to help the CEO to be successful in role, and drive success for the company.

7. Governance and Regulatory Acumen

Understanding governance frameworks, risk management, compliance and board processes is vital. The ability to intelligently find an optimum and apply governance that drives value creation is a highly prized capability.

8. Judgement and Decision-Making Under Uncertainty

Ability to cut through complexity and “noise” to provide calm leadership. Ability to make, take and live with the consequences of decisions in an imperfect state or with imperfect information. Create clarity or structure through uncertainty and adjust course.

9. Low Ego, Humility, And Respectful Authority

Many interviewees emphasised that Chairs must lead through influence, not through power. Low ego and a highly respectful approach were often cited. The qualities that make an executive successful, are not always the qualities that make a Chair successful. Understanding and embracing the “flip” that happens is important when transitioning to a board or Chair role.

10. Curiosity, Adaptability, And Openness to Learning

Given the rapid shifts in technology, AI, and geopolitics, Chairs must keep forever learning. Chairs must also have high levels of curiosity and the personal drive to stay informed about AI, cyber, and other dynamic / emerging trends.

Skills and Competencies Needed for the Chair Role

Three Myths About Becoming a Chair

- **Myth 1:**

Only former CEOs make good Chairs.

Reality:

CFOs, Committee Chairs, divisional leaders and senior advisors can be equally strong.

- **Myth 2:**

Committee Chairs are too functional.

Reality:

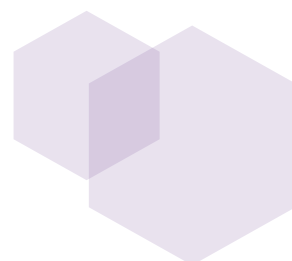
Audit and RemCo chairs build core Chair competencies and require investor engagement as well as understanding the key issues of the business.

- **Myth 3:**

Professional services leaders haven't run a business.

Reality:

They bring deep judgement, breadth of client and industry experience, governance fluency and complex advisory stakeholder management. Many have served in leadership positions of their own firms in P&L and other management roles.



Pathways To Becoming a Chair

“The FRC welcomes this report which recognises the progress made in the UK and highlights where further improvement can accelerate women’s inclusion at the most senior levels of boards. The FRC supports a continued focus on enabling boards to draw on a wide range of talent, consistent with our flexible, principles based Corporate Governance Code. The Code underpins the UK’s unitary board model, in which the board is collectively responsible for a company’s governance and long term success. UK boards are most effective when members bring an appropriate balance of skills and experience, and when the Chair plays a central role in fostering a broad diversity of perspectives that strengthen governance, engagement, and performance.”

Richard Moriarty,
CEO, Financial Reporting Council

Mechanisms and Support

‘It is about [having] been there, seen it, done it.’

Across the interviews, mentorship is described as helpful, supporting confidence-building, and often pivotal, but it is not a substitute for real board or real executive experience. Mentorship is generally seen as supportive, sometimes career-changing, but not determinative. Training is generally viewed as helpful, especially early in a career, but not intrinsic enough for securing board or Chair roles. In the main, leadership programmes help with self-awareness and confidence, governance knowledge, and networking. However, networking emerged as by far the most influential factor in advancing board careers and Chair appointments.

Women face a “social tax,” needing to network more aggressively to be visible.’

Sponsorship is portrayed as a critical driver of progression because sponsors actively advocate for individuals and use their influence to open doors. Sponsors help secure concrete opportunities rather than just offering advice. Many interviewees suggest that sponsorship is more effective than mentorship alone, particularly for overcoming structural and network-based barriers. It also elevates perception. Furthermore, the lack of active sponsorship significantly weakens leadership pipelines, especially for women.¹⁴

Area	How impactful?	Consensus Level
Mentorship	Helpful, supportive, sometimes transformative, but not enough on its own	High
Training Programmes	Useful for development and credibility, but limited impact on actual appointments	Medium
Networks	The single most powerful driver of board and Chair appointments	Very High
Sponsorship	Portrayed as a critical driver of progression because sponsors actively advocate for individuals	Very High

‘Training can support your potential.’

‘The most valuable preparation is observing other Chairs in action as a board member.’

‘Informal networks and recommendations often override formal processes, even with search firms involved.’

14. On sponsorship vs mentorship, see: <https://mentorloop.com/blog/mentorship-vs-sponsorship/>.

Pathways To Becoming a Chair

What Chairs Say Would Make the Biggest Difference to Strengthening the Pipeline

- Earlier operational and P&L exposure / roles for women.
- Sponsorship, not just mentorship.
- Governance flexibility on tenure, where appropriate.
- Greater imagination from executive search firms on sourcing talent.
- Reducing the over-reliance on SID roles to meet gender targets.
- Normalising the appointment of first-time Chairs with structured support.

Why The Chair Pipeline Remains Constrained for Women

1. **P&L Opportunity Gap:** Women remain underrepresented in revenue generating and P&L roles.
2. **Early NED Drift:** Some executive women are pulled into portfolio NED roles prematurely in their executive career, impacting their executive trajectory.
3. **Executive Search Firms Methodology:** Over-reliance on CEO / CFO credentials constrains shortlists.
4. **Governance Constraints:** The nine-year rule and rigid “comply or explain” interpretations restrict internal board Chair succession and continuity of knowledge across the board.

Barriers

Board Diversity vs Executive Diversity

‘Developing a diverse executive pipeline increases diversity at senior levels of the company.’¹⁵

Multiple interviewees stated that the focus on gender diverse boards created a high demand for senior women in non-executive director roles which, unintentionally caused many talented executive women to exit their executive careers earlier than they otherwise would have done.¹⁶ Several people expressed concern that women were being pulled into NED roles at a time when men were still accumulating P&L and transformation experience, deepening the gap in the CEO pipeline. This resulted in a weak CEO / CFO talent pipeline for women, which is still the most common route to the Chair role. Without operational and enterprise end-to-end exposure, many women become “excellent NEDs” but do not progress to the Chair role.

Role of Executive Search Firms

Executive search firms were frequently cited by interviewees as influential actors in shaping and enabling the outcomes for Chair succession. However, the interviews also made clear that the role of executive search firms sits within a wider ecosystem of shared risk aversion, versus being a single point of failure. Furthermore, the executive search industry is not a regulated sector, and so outcomes can differ across practitioners and firms who are experts in this field of work.

While some Chairs felt executive search firms rely too heavily on traditional “checklist” criteria, the executive search consultants that we spoke to, emphasised that they frequently submit a diverse slate of candidates. Often, executive search firms encounter push back from boards and Chairs (the clients leading the recruitment mandate) who tend to opt for “safer” or familiar / known entities with proven board credentials.

Executive search firms must balance what boards want with the advice they can realistically give. Boards often favour familiar profiles, while search firms draw on their industry experience to broaden options. New relationships take time to understand, and established ones require advisors to stay independent. Because search firms can only recommend and not decide, the process becomes a careful balance in which both sides must challenge and influence each other to achieve the best outcome for the company.

15. FRC Board Effectiveness Guidance, 2024, para 152.

16. See Page et al, Regulation and the trickle-down effect of women in leadership roles’, *The Leadership Quarterly* (35) (2024) where it is concluded that the introduction of regulation had the unintended consequence of weakening the relationship between women on boards and women in senior management. The reality of women leaving exec roles earlier is an acknowledged phenomenon, but this is due to various reasons i.e. an increasing exodus of women at 50+, not usually because they want to, but because they need to i.e. redundancy, inability to find another executive role, ageism in the workplace, menopause related issues etc. See, e.g.: <https://noon.org.uk/the-silent-revolution-why-midlife-women-are-walking-out-at-the-peak-of-their-careers/>, and <https://www.bsigroup.com/en-GB/insights-and-media/media-centre/press-releases/2023/july/second-glass-ceiling/>.

Pathways To Becoming a Chair

It is therefore recognised that while formulaic approaches to traditional board profiles persist in parts of the executive search industry, they are often reinforced and initiated by client expectations of what has come before in historical Chair appointments. Boards must be clear in their requirements for the recruitment brief and broader in their thinking to holistically address the specifics of the role and the impact that it has as a key leader of the collective board.

The voluntary Code of Conduct¹⁷ and the Enhanced Code of Conduct¹⁸ has helped raise standards across the executive search industry. It has broadened the expectation for firms to challenge clients constructively, cultivate diverse longlists, and demonstrate measurable outcomes. Yet, its effectiveness depends on boards choosing accredited firms and supporting broader candidate definitions, rather than reverting to narrow criteria. Board search is very different from executive search and often the time frame for sourcing candidates is longer with a range of other considerations to take into account.

Unlike the standard Code, the Enhanced Code moves beyond guidance to measurable accountability, requiring accredited firms to demonstrate sustained outcomes (e.g., at least 40% women appointed over three years, including first-time board and ExCo roles), which directly counters conservative, low-risk “checklist” hiring.

‘In recognition of the progress since the publication of the Davies Review in 2011, an accreditation process has been developed to acknowledge those executive search firms who are at the forefront of helping FTSE 350 boards to enhance their gender diversity consistent with their overall objective of helping their clients to build great boards.’¹⁹

In short, the interviews pointed to a need for joint accountability. Search firms can widen the pipeline, but only when boards and investors show willingness to champion capability based selection over credential based risk aversion. Progress requires partnership and commitment, where search firms’ recommendations are met with genuine reception from the board. This enables the system to shift from safe candidate profile replication to confident diversification of the candidate pipeline.

‘Too much pigeon holing by search firms.’

So, while the Codes clearly help, especially the Enhanced Code with its metrics and accreditation, they don’t fully dismantle the commercial incentives, cultural habits, and client pressures that make executive search firms behave cautiously.

17. <https://www.gov.uk/government/publications/standard-voluntary-code-of-conduct-executive-search-firms/the-standard-voluntary-code-of-conduct-for-executive-search-firms>. For the 13 Executive Search firms that have qualified this year under the Enhanced Code of Conduct, see: <https://ftswomenleaders.com/our-stakeholders/>.

18. <https://www.gov.uk/government/publications/executive-search-firms-enhanced-code-of-conduct-accreditation-process>. This voluntary code of conduct created by executive search firms is intended to raise the standards of professionalism and conduct in the recruitment of women to the boards of FTSE 350 companies. See: <https://www.gov.uk/government/publications/executive-search-firms-enhanced-code-of-conduct-accreditation-process/enhanced-code-of-conduct-signatories-2022> for the list of signatories.

19. <https://www.gov.uk/government/publications/executive-search-firms-enhanced-code-of-conduct-accreditation-process/enhanced-voluntary-code-of-conduct-for-executive-search-firms-hampton-alexander-review>.

Pathways To Becoming a Chair

Tenure Period

Provision 19 in the UKCGC states: 'The chair should not remain in post beyond nine-years from the date of their first appointment to the board. To facilitate effective succession planning and the development of a diverse board, this period can be extended for a limited time, particularly in those cases where the chair was an existing non-executive director on appointment. A clear explanation should be provided.'

There is strong consensus that the nine-year tenure period harms women's progression as it potentially limits the time for internal board succession to Chair. Women often join boards later in life (due to career breaks / executive timing etc.). By year 6 or year 7, there is little time left to become Chair on the same board where the individual serves as a NED. Because many women are first-time NEDs, they need more time to build board credentials, for which the rule does not allow. Women appointed as SIDs are often unable to progress on the same board to Chair due to tenure limits and conflicts of interest when Chair succession comes up. SIDs need to declare their interest in advance because the SID role runs the recruitment process for the next Chairperson.

On the other hand, some interviewees argued that the nine-year independence rule does not have unintended gender consequences. This is because framing it as a barrier for women implies, incorrectly, that women require longer board "apprenticeships" than men in order to progress to the Chair role. Instead, the rule creates practical governance tensions for all candidates, and challenges around its application should be addressed through thoughtful use of "comply or explain" rather than by recasting this situation as a disadvantage to gender. Indeed, one way of approaching this, would be to provide new advice on term times in certain circumstances where tenure is a disadvantage to internal board succession and therefore board knowledge continuity for the Chair role.

Tenure Period and Succession Planning

All three below options place emphasis on early and rigorous succession planning – both for the role of the Chair as well as the other board members. By having practical, principled-based and scenario planning solutions, this would enable boards to feel more empowered to make decisions on term times based on the operating environment of the business and board.

Scenario 1

At year 6, determine if a board member has interest in / potential for, Chair role. If yes, and business cycle / transformation circumstances require it, option to extend nine-year term time to a maximum of 12 years i.e.: adding another term of 3 years. Therefore $6 + (2 \text{ terms} \times 3 \text{ years} = 6) = 12$. Otherwise, Chair will only be in role for the following 3rd term (3 years) before nine-year rule requires them to step down.

Scenario 2

If during years 7 - 9, a board member is the preferred candidate for Chair role, extend the maximum term time by a further 3 years i.e.: $9 + 3 = 12$. This option potentially indicates a lack of early succession planning for the Chair role but also provides the extended time for the board to seek a new Chair through succession and / or executive search. It also makes space for subsequent succession planning from any newly added board directors.

Scenario 3

However, if during years 2 – 6, an internal board member becomes Chair, determine if extension of nine-year rule is needed or if the nine-year term suffices.

CEO Experience as a Prerequisite

Most interviewees agree that significant executive experience, especially in P&L leadership roles, and often in CEO or CFO roles is a very strong predictor of becoming a Chair. Many Chairs have been CEOs or CFOs before, as these roles provide enterprise credibility, deep business insight, and shareholder engagement experience. Several interviewees emphasised that Chair roles require operational understanding and the judgement developed from serving in senior executive roles. Having led a business through a crisis, a turnaround, a hostile situation or a transformation, was repeatedly cited as critical preparation.²⁰

20. See Moving Forward, 'Headwinds and Tailwinds' (2025) where the following recommendations are made: expanding tailored mentoring and coaching to build confidence and counter gendered barriers; promoting storytelling to surface lived experiences and challenge unconscious bias; increasing female representation, visibility and allyship across sectors; and dismantling the "career sacrifice culture" by normalising flexibility for all leaders. See also, 'Women Count, 2024' by The Pipeline which recommends four core actions to accelerate women's progression into ExCo and ultimately CEO roles: organisations must lead from the top, with CEOs visibly championing gender parity, actively sponsoring women, giving them stretch opportunities and enforcing zero tolerance for behaviours that undermine progress; change the culture by rooting out bias across hiring, assessment, reward, performance and succession processes, aligning policies to support women at critical life stages, challenging informal male-dominated networks, and using symbolic high-impact actions, such as demanding gender-balanced shortlists, to signal commitment; drive accountability by setting clear gender-representation targets, linking executive pay to progress, collecting robust data on where women stall or exit, and rigorously evaluating which interventions have real impact; and persevere over the long term, resisting complacency, maintaining consistent focus, and tying gender parity to organisational strategy to ensure progress remains durable rather than dependent on individual leaders.

Pathways To Becoming a Chair

For many boards and executive search firms, CEO / CFO backgrounds are still predominantly considered the “safest” or “best” candidate option due to their perceived credibility with investors and the notion that “they have been there and seen it all”. These roles de-risk their appointment as Chair and therefore leads to a strong structural preference for former CEOs or CFOs.

‘Executive experience, particularly P&L accountability, is widely viewed as important, and often essential, for Chair roles.’

Across the interviews, CEO and CFO roles were seen as offering specific advantages that map directly onto Chair responsibilities. For example, former CEO experience in the Chair role provides an empathetic understanding of the pressures facing a CEO such as decision-making complexity, running an organisation, internal and external demands etc. By having this type of experience in the Chair, it ensures credibility in the Chairperson to guide or challenge the CEO. It was also mentioned on numerous occasions that CFOs often make strong Chairs because their work requires collaboration with the CEO and across the enterprise which, can be construed as the role holder possessing less ego-driven leadership qualities. Interviewees often saw CFOs as smoother transitions into chairing boards, whereas CEOs can excel in the Chair role, but only when they adapt their leadership style to a different altitude in the board and operating context. The best Chairs, regardless of background, demonstrate humility. They facilitate leadership and convene robust discussion.²¹ Growing the numbers of women CFOs was highlighted as a positive pipeline trend and one where more work could be done to achieve this.²²

Despite the intrinsic value of former CEO or CFO experience, several participants argued that CEO experience is not required / essential to be an effective Chair. Strong board experience can compensate. It was mentioned that an overemphasis on CEO backgrounds narrows the candidate pool unnecessarily and excludes capable women. Some excellent Chairs were never CEOs and came from CFO or divisional company leadership roles instead. Some interviewees suggested CFOs may be better Chairs than CEOs because they lack “command and control” habits that can hinder effective chairing. The CFO demonstrates the functional qualities of running a finance organisation and is therefore more sensitive to the nuance of working across an organisation and how to manage the expectations of the CEO and other sets of stakeholders / shareholders.

Another avenue that has provided successful Chair candidates, is from the professional services / advisory industry. As this report references earlier, professional services, strategic consultancies and other financial advisory firms, provide senior leader talent that has operated at the same level as a CEO, Exec Committee or Board given their client relationship engagement and the services their firm provides. These firms, and their leaders, have a breadth of client portfolio that span different sectors and size / scale of client companies. Those individuals also hold senior leadership roles within their own firms whose metrics are also quantified through commercial operations, P&L and uphold good governance. Advisors in this category bring an understanding of stakeholder management, influencing and facilitation / brokering skills.

The 4 Key Roles and Gender Diversity

Many interviewees said the “one woman in four senior roles” rule is often satisfied by appointing a woman as SID. Unfortunately, the general view is that this does not meaningfully strengthen the Chair or CEO pipeline. The SID role is frequently used as the easiest route to meet gender diversity targets. This ‘parking’ of women into SID roles prevents progression into Chair roles, especially within the same company board due to the nine-year rule - plus the potential conflict of interest with the SID leading the recruitment process for the Chair. Some interviewees noted that a high proportion of women are SIDs but not Chairs, evidencing that the rule may distort development pathways.²³ The SID role can potentially still be a good feeder role into the Chair role, but at a different company. More on this later.

21. See <https://www.mckinsey.com/capabilities/strategy-and-corporate-finance/our-insights/stepping-up-becoming-a-high-potential-ceo-candidate> where it is argued that becoming a strong CEO candidate requires sustained performance, deep self-awareness about motivation, and broad, enterprise-level perspective beyond one’s current role. Success depends on pairing humility and learning with a clear vision for the business and deliberate preparation for the CEO selection process.

22. Feb 2026 Report of the FTSE WLR, with the Financial Directors being at 21% in the FTSE350.

23. Feb 2026 Report of the FTSE WLR, with SIDs being at 61% and Chairs at 17% in the FTSE350.

Pathways To Becoming a Chair

Role of “Comply or Explain”

‘A culture shift is needed so boards stop seeing “explain” as non-compliance and instead as a legitimate governance path.’

Across the interviews, “comply or explain” is described as a principle-based system that no longer functions as intended because, in practice, explanations are rarely accepted by investors and proxy advisers, according to many of the interviewees. They often treat “explain” as non-compliance and / or the explanation is not sufficient to cover the unintended risks of moving away from the Code of Governance.²⁴ This could lead to boards adopting a risk averse, tick box approach, complying mechanically rather than exercising good judgement. As a result, the regime encourages formulaic governance, where boards follow prescriptive rules to avoid proxy adviser pushback, reputational scrutiny, or investor resistance. The lack of clarity about what constitutes an acceptable explanation further discourages boards from using this flexibility, turning “comply or explain” into de facto mandatory compliance rather than a discretionary, judgement-based system. In this context, “comply or explain” creates particular problems when applied to the UKCGC’s tenure provision,²⁵ which multiple interviewees describe as a structural barrier to internal board succession. However, this is not necessarily gender specific. We heard that investors often reject explanations for extending a director’s tenure, even though the Code technically allows for the flexibility, making it difficult to implement pragmatic chair-succession planning. These dynamics collectively narrow the Chair pipeline, reinforce risk averse appointment practices, and produce unintended consequences that disproportionately affect women over time.

The FRC has published *Improving the Quality of “Comply or Explain” Reporting*,²⁶ a forthright assessment aimed at strengthening transparency in how companies report against the 2018 UK Corporate Governance Code, particularly when explaining departures from it. This followed the FRC’s Review of Corporate Governance Reporting in November 2020,²⁷ which similarly criticised the persistence of a tick-box approach to compliance. Based on a review of 100 companies, the FRC found an over emphasis on formal compliance results in formulaic, boilerplate disclosures that fail to provide meaningful insight into governance practices or outcomes.

‘We found that ‘tick-box compliance’ continues to be preferred over high quality reporting of good governance practice. Our analysis, of a random sample of 100 companies, found that too many companies strive to declare strict compliance with the Code. Such a formulaic approach leads to boilerplate language, and ineffective reporting that lacks substance and information about governance outcome.’²⁸

It was however made clear (in our discussions with the Investment Association), that investors want companies to use “explain” confidently where the Code doesn’t fit their circumstances. Companies should provide robust, company specific, and well-argued explanations rather than boilerplate templates. Companies need to understand that investors will support non-compliance if the rationale is good, set out why the alternative arrangement is appropriate, how it maintains high governance standards and how it aligns with the company’s business model and strategy. It was argued that investors do accept and support good “explain” cases, but companies must put in the work to articulate this and explain how they would mitigate any risks that could be associated with a move away from the Code.

24. In the interview with the Investment Association, it was said that poorly explanations are usually the result why investors and proxy advisors do not support deviation from the Code. In part because the explanation has not properly articulated the company specific reasons for moving away from the Code in order to achieve the outcome the board wants and how any risks of deviation will be managed.

25. Provisions 10 and 19 of the UKCGC and LR.

26. https://media.frc.org.uk/documents/Improving_the_Quality_of_Comply_or_Explain_Reporting.pdf and more recently: https://media.frc.org.uk/documents/Improving_the_quality_of_comply_or_explain_reporting_March_2026_cLjoThlr.pdf and see <https://www.ft.com/content/7e588df9-4a21-4f66-8f77-c40f7b2f5d0e>.

27. https://media.frc.org.uk/documents/Corporate_Governance_Review_2020.pdf.

28. https://media.frc.org.uk/documents/Improving_the_quality_of_comply_or_explain_reporting_March_2026_cLjoThlr.pdf.

Pathways To Becoming a Chair

The FRC also states in their 2025 Annual Reporting Review that they “welcome departures from provisions of the Code where companies provide clear, meaningful and context-specific explanations for their approach. This flexibility is a core strength of the Code, enabling companies to tailor their governance arrangements to suit their individual circumstances, while maintaining transparency through thoughtful disclosure”.²⁹

“As long term investors, the investment management industry depends on strong governance standards, transparency and accountability to make informed investment decisions and allocate capital effectively. The Investment Association supports the UK Corporate Governance Code’s ‘comply or explain’ framework because it gives companies the flexibility to adopt governance arrangements that genuinely reflect their business model and circumstances. But that flexibility only works when explanations are clear, specific and meaningful. A good explanation sets out why an alternative approach is the right one, how it maintains high standards of governance, how it aligns with the company’s long term strategy and delivery of long-term value to shareholders.”

Andrew Ninian, Director, Stewardship, Risk and Tax, Investment Association.

Routes to the Chair Role

Alternative Routes to Chair vs Feeders into Chair Role

Some interviewees highlighted alternative routes into Chair roles:

- Significant divisional / regional P&L leadership.
- Senior functional leaders (General Counsel, People Function, Strategy, Marketing etc.) in parallel with strong NED / SID experience.
- Committee chairs (Audit, RemCo, Risk) as stepping stones.
- Professional Services, Financial Advisory, Strategy Consulting – where the individual has been in a senior leadership role of the firm and had senior level client relationships.

However, most acknowledged that these remain exceptions rather than the rule, especially in FTSE listed environments.

The heavy emphasis on CEO / CFO backgrounds creates gendered bottlenecks:

- Only 8% of FTSE CEOs are women, constraining the Chair pipeline.³⁰
- Many women are channelled into functional roles (HR, Legal, Marketing etc.), that are not measured on P&L metrics. This therefore reduces women’s pathways for Chair roles.
- Diversity targets sometimes unintentionally push women into portfolio NED roles too early in their executive careers, limiting executive progression.

Thus, the requirement for CEO / CFO experience reinforces structural inequalities.

‘The most effective way to increase diversity in chair roles is to increase diversity among CEOs and CFOs, as these roles are the primary feeders into chair positions.’

29. https://media.frc.org.uk/documents/Annual_Review_of_Corporate_Governance_Reporting_2025.pdf. In 2025 at least 25 used the ‘explain’ option to show departure from at least one Code provision.

30. Feb 2026 Report of the FTSE WLR.

Pathways To Becoming a Chair

Executive experience, especially as a CEO or CFO, is highly valuable and often considered essential for becoming a Chair. Boards, investors, and executive search firms strongly prefer candidates with proven leadership of complex organisations, crisis management exposure, strategic accountability and investor engagement.

Is the SID A Good Feeder Role into Chair?

Many argued that the SID role is “situational” and the involvement of a SID varies across companies.³¹ In steady state environments, SIDs may do very little. The SID role can potentially develop important relationships, because SIDs handle delicate issues involving the Chair and the CEO. SIDs gain deep insight into board dynamics and governance challenges, which is useful preparation for chairing a board.

Transitioning from SID to Chair in the same company board is difficult because of the nine-year rule, and because SIDs lead the recruitment and succession processes for Chair appointments. It was however argued that the SID role is often underutilised and that SIDs should be better prepared as a pipeline option to the Chair role. Current Chairs should give SIDs more visibility with investors, more involvement in stakeholder interactions and more leadership exposure. Responsibilities could be better shared.

What About Committee Chairs?

Many interviewees held the opinion that chairing a committee builds a number of Chair pre-requisite skills and experience. This includes agenda-setting, convening / running meetings, and governance skills that are directly relevant to chairing the board. Audit Chairs especially, gain authority through financial expertise and investor engagement. Some see Audit and RemCo Chair roles as “excellent feeders” into board Chair positions. Several people that we spoke to, however, argued that committee roles are too functional or specialised, and do not develop the broader strategic skills required of a Chair. Some of the Chairs we interviewed did not regard them as genuine preparation for the holistic leadership required across the whole board. In the main, most people said each board was different and the deciding factor is to look at the company’s situation and board context.

Other Experience

Several interviewees noted that chairing major / large charities, academic institutions, public bodies or non-profits can provide:

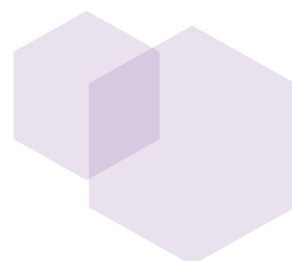
- Real operational exposure;
- Breadth and intensity of stakeholder management experience;
- Confidence and capability of dealing with public visibility and scrutiny.

Despite their developmental value, many interviewees stated that FTSE boards often undervalue non-profit or public sector Chair experience. Non-profit experience is, generally, considered insufficiently commercial for FTSE Chair roles. Several Chairs warned that taking a senior public sector role (e.g., in education or health) can limit one’s attractiveness to FTSE companies unless complemented by strong commercial and operational enterprise experience.

A smaller group of people emphasised the value of running large institutions with complex stakeholders (e.g. universities, regulated bodies, professional services companies), arguing that:

- These roles demand Chair-like consensus building skills and strategy oversight.
- Such experience can prepare someone well for a corporate board chair position and acclimatise the individual for the demands that come into the orbit of that role.

31. See Warren Partners, ‘Why a Senior Independent Director is a key appointment for boardrooms’ on the role of the SID. ‘The most effective SIDs build strong relationships not only with the chair but across the entire board and investor base.’



Recommendations

Across the interviews, participants repeatedly highlight a structural bottleneck: only a small proportion of women reach CEO or CFO roles, yet these positions remain the most common feeder roles into Chair positions. The consensus is that improving the Chair pipeline requires earlier, sustained, and intentional action to strengthen the women executive pipeline.

Main Recommendations & What Should Be Done in Practice

Below are our recommendations - respecting boards' own judgement relating to the needs of their company, avoiding calls for further regulation, and assigning responsibility across the system (boards, Chairs, SIDs, executive search firms and investors).

1. Strengthen the Pipeline of Executive Women

Focus on moving women into P&L / revenue generating and / or complex operational roles early. Build the core experience required for future Chairs sooner.³²

- **Prioritise P&L and enterprise leadership:** Systematically move high-potential women into revenue-generating, operational, transformation, and crisis management roles during their careers. Be intentional and deliberate about this as part of rigorous succession planning.
- **Enable board exposure without executive derailment:** Adopt a "One NED role policy" as part of executive development. Allow senior executives to take a single external board role alongside their executive position, subject to conflicts and safeguards.
- **Deepen talent visibility:** Require annual, board-led reviews. Review women talent two to three levels below the CEO, with explicit discussion of future CEO and other prominent / impactful enterprise roles. This will pave the way for board potential in the future at other, external companies.

2. Modernise Chair Succession Through Board-Led Stewardship, Not Tick-Box Compliance

Reframe Chair succession as an indicator for long-term governance where the responsibility is owned by the board.

- **Formalise internal pathways:** Adopt a structured 6+6 or 9+3 succession model. Identify potential internal board Chair candidates by year six and enable a planned and intentional transition period.
- **Broaden qualifying roles:** Recognise Audit, RemCo, and Risk Committee Chairs as meaningful Chair feeder roles. Avoid over-reliance on the SID position as a compliance solution.
- **Use "Comply or Explain" as intended:** Apply principled explanations, that are well constructed in their articulation, to support tenure flexibility. Enable credible internal board Chair succession and continuity of board knowledge where required.

3. Redesign Chair Recruitment Around Capability, With Shared Accountability Between Boards and Executive Search Firms

Shift from narrow credentialism to capability-based assessment, with the board accountable for outcomes.

Capability-led briefs: Rewrite search mandates to prioritise qualities such as judgement, stakeholder management, leadership, enterprise oversight and strategic facilitation over prior CEO titles. Recognise that senior advisory and professional services roles can also provide strong and relevant Chair experience-led briefs:

Diverse and potential-led shortlists: Require executive search firms to include first-time Chair candidates and women with varied executive and operational experience that complements the brief for the Chair role.

Measure accountability: Boards should review and challenge the diversity of longlists and shortlists, rejecting default profiles and holding firms accountable for outcomes.

32. See <https://balanceinbusiness.org/insights/> where it was indicated that CEO jobs could be made more attractive for women by, e.g., creating mentorship opportunities, and career development, P&L roles and also flexible working.



Recommendations

4. Clarify the Role of the Chair and SID in Succession and Recruitment Processes

Ensure responsibility for Chair succession sits firmly with the board / NomCo.

- **Professionalise SID involvement:** Provide targeted training for SIDs on Chair recruitment, succession planning, processes and capability assessment.
- **Re-assert board ownership:** Nomination committees and Chairs should lead the definition of Chair-readiness, using executive search firms as partners and thought-leaders, not as decision-makers.
- **Avoid SID role distortion:** Prevent the SID position from becoming a “gender compliance” endpoint by ensuring it remains a developmental role with progression pathways. Prepare SIDs for a potential Chair role with more exposure, and involvement with investors and stakeholders, alongside the Chair.

5. Replace Passive Support with Active Sponsorship, Visibility, and Risk-Sharing

Move beyond mentoring to deliberate advocacy and institutional courage.

- **Active sponsorship:** Expect Chairs, SIDs, and senior board members to sponsor women for specific Chair and senior board roles, using their influence to open networks.
- **De-risk first-time Chairs:** Use structured handovers, shadowing, and clear investor communication to support first-time Chair appointments.
- **Investor alignment:** Encourage investors and proxy advisers to distinguish principled explanation from non-compliance, supporting long-term pipeline development and value creation for the business, over short-term box-ticking.

6. Align NED Remuneration with Responsibilities and Address Over Boarding to Broaden the Pipeline

Insufficient remuneration for Non Executive Directors (NEDs) and the persistence of over boarding were both identified in interviews and stakeholder discussions as structural barriers that disproportionately affect women and weaken the long term Chair pipeline.

- **Ensure NED remuneration reflects the scale, responsibility, and time commitment of the role:** As board responsibilities have expanded in complexity and regulatory intensity, remuneration has not kept pace. Inadequate remuneration reduces the pool of women who can feasibly take on demanding NED roles, limiting access to the stepping stone experience essential for future SIDs and Chairs.³⁴
- **Address over boarding to prevent recycling a small cohort of women and restricting pipeline growth:** Over boarding continues to concentrate board roles among a small group of well known women, enabling short term compliance with gender targets but constricting long term progression. This creates a bottleneck where rising female talent struggles to gain first time NED experience, delaying or preventing the accumulation of the board exposure needed for SID or Chair readiness. Boards, investors, and search firms should adopt clearer and more consistent expectations regarding over boarding, ensuring that multiple roles held by the same individuals do not hinder the development of a broader and more diverse pipeline.

33. See <https://balanceinbusiness.org/insights/> where it was indicated that CEO jobs could be made more attractive for women by, e.g., creating mentorship opportunities, and career development, P&L roles and also flexible working.

34. This is not unique to women. However, it can be more so for women due to various reasons, i.e. due to leaving their executive careers sooner due to various reasons, see above at fn16.

Who Needs to Do What?

Effective and durable progress depends on co-ordinated action across the governance and business ecosystem. Each stakeholder group has a distinct role to play that can't be substituted. The following points outline the primary action required from each stakeholder, based on insights from current Chairs, SIDs, executive search firms, regulators, and investors:

- **Boards**

Boards must own the definition of Chair readiness. Insist on search mandates that prioritise judgement, governance maturity and stakeholder leadership over prior titles alone. Boards should actively review internal board talent at an early state, not leaving it too late, enabling structured, credible transitions. Use “comply or explain” flexibly where justified.

- **Current Chairs**

Chairs are uniquely placed to expand visibility, open access to influential networks, and set a culture that supports diverse talent progression. They should support planned handovers, shadowing, and explicit investor communication when appointing first-time Chairs.

- **Senior Independent Directors (SIDs)**

SIDs should ensure the role develops relational, evaluation and governance capabilities rather than serving as a compliance endpoint. They should also drive principled, transparent and capability-based Chair recruitment processes.

- **Aspiring Chairs**

Aspiring candidates should intentionally seek assignments that broaden and build-upon their experience, provide them with strategic judgement and enterprise level decision-making. Building a board career / portfolio requires intentional planning and networking that takes a different amount of time to achieve versus an executive career.

- **Executive Search Firms**

Firms must broaden briefs beyond CEO / CFO default profiles and incorporate professional services and advisory leaders where appropriate. P&L and other complex operational roles should be prioritised. Ensuring that first time Chair candidates are fairly represented. Compliance with the Enhanced Code should be demonstrated through outcomes, not process.

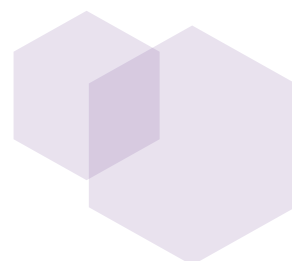
- **Investors And Proxy Advisers**

Investors must differentiate between high quality explanations and genuine non-compliance, reducing the risk averse behaviour that narrows shortlists. They should evaluate the robustness of Chair succession plans, not the mechanical adherence to rigid criteria.

- **The System-Wide Imperative**

Progress depends on shared accountability, not additional regulation.

Each stakeholder controls only part of the pipeline. Together, they determine whether the future Chair population is broader, more diverse, and better equipped for the complexity ahead. It takes collective effort and time. System redesign requires aligned action, across boards, Chairs, SIDs, executive search firms and investors, to prioritise capability, judgement and long-term stewardship over narrow credentials and compliance-driven selection.





Vivienne Artz OBE was appointed CEO of the FTSE Women Leaders Review in April 2024. As the former CEO of Women in Banking and Finance and a passionate advocate for gender balance in business, Vivienne has a wealth of experience. She currently holds a number of board and advisory roles supporting businesses in their data, privacy and digital transformation strategies, having previously held the role of Managing Director and Chief Privacy Officer for London Stock Exchange Group. Prior to that, she also held senior leadership roles at Refinitiv, Thomson Reuters and Citibank. In 2021 she was awarded an OBE for services to Financial Services and Gender Diversity.



Professor Irene-marié Esser FAcSS is the Sir Alexander Stone Chair in Commercial Law and Head of Commercial Law in the School of Law at the University of Glasgow and Dean of the Graduate School, College of Social Sciences. She is also a fellow at the Academy of Social Sciences. Since 2020 she is an Extraordinary Professor at Stellenbosch University, South Africa and also a Visiting Professor at the National Law University Jodhpur, India. She is a Senior Advisor at the Centre of Corporate Governance at the Institute of Directors. She sits on the board of the Global Research Foundation for Corporate Governance as well as the Corporate Governance Centre for Africa. Her research spans doctrinal and empirical approaches, covering the UK, EU and South Africa in the field of corporate governance, company law and corporate social responsibility. She was admitted as an Attorney in South Africa (2005).

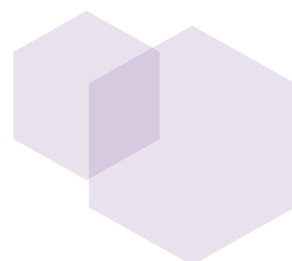


Alexa Bailey is a leadership and talent advisor with experience of working in Fortune 500 global companies and Tier 1 leadership advisory firms. Alexa brings experience of leading and scaling global executive talent functions in US listed companies, Visa and Baker Hughes. She has also supported enterprise tech companies, such as Workday, with strategic succession planning. Her corporate career has enabled her to be a trusted leadership advisor, providing advice and go-to-market strategies on; succession planning, talent strategy, executive recruitment, org design, people risk mitigation and assessment to support talent selection. She has worked closely with C-suite and HR leadership teams to engage the organisation in talent transformation initiatives that accelerate business impact and create value. Prior to her corporate career, Alexa worked in executive search – a boutique tech executive search firm and later, Heidrick & Struggles, where she led board practice strategy, client relationship management and business development. Alexa has been an advocate for diversity and women in business. She previously established leadership and board networks for senior women. She serves as a strategic advisor to the FTSE Women Leaders Review.

Annexures

1. Pathways to Becoming a Chair

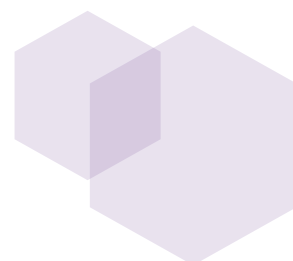
Pathway	Why It Is a Strong Pathway (Majority Views)	Limitations / Risks (Minority or Noted Concerns)
CEO Experience	<ul style="list-style-type: none"> Provides credibility with investors and boards. Offers deep operational, strategic and crisis-leadership experience. Helps Chairs empathise with CEO pressures. 	<ul style="list-style-type: none"> Some CEOs struggle to transition due to high-control, directive styles. Over-reliance on CEO backgrounds narrows the pool and disadvantages women.
CFO Experience	<ul style="list-style-type: none"> Seen as strong, often better aligned with the facilitative Chair style. Financial expertise and collaborative working style valued. Growing number of women CFOs strengthens the pipeline. 	<ul style="list-style-type: none"> Some CFOs may lack broader strategic breadth if they haven't held wider operational roles. Less external exposure and dealing with investors and stakeholders, compared to the CEO role.
Divisional/Business Unit Leadership (P&L roles)	<ul style="list-style-type: none"> Develops operational insight and commercial judgement. Considered sufficient preparation by several interviewees, especially combined with NED/SID experience. 	<ul style="list-style-type: none"> Still perceived as "not quite enough" by some boards and search firms. Leap to Chair may be seen as too large without CEO-level exposure.
Senior Independent Director (SID)	<ul style="list-style-type: none"> Strong feeder role because SIDs handle sensitive issues, evaluate Chairs, and navigate crises. Develops relationship and governance skills essential for chairing. 	<ul style="list-style-type: none"> Role varies widely; in stable boards, SIDs may do little. Hard to move from SID to Chair in the same company (nine-year rule and conflict of interest). Sometimes used to fulfil diversity targets, limiting chair progression.
Committee Chair (Audit, RemCo, Risk)	<ul style="list-style-type: none"> Strong governance grounding; develops agenda-setting and meeting leadership skills. Audit Chairs gain credibility with investors. Good stepping stone into broader board leadership. 	<ul style="list-style-type: none"> Sometimes considered too functional or narrow to prepare someone for full board chairing. RemCo chairing is politically difficult.



Annexures

1. Pathways to Becoming a Chair (Cont)

Pathway	Why It Is a Strong Pathway (Majority Views)	Limitations / Risks (Minority or Noted Concerns)
NED with Broad Board Exposure	<ul style="list-style-type: none"> Learning from observing great Chairs is highly valued. Builds governance fluency, judgement, and understanding of board dynamics. 	<ul style="list-style-type: none"> NED roles taken too early may limit executive progression (especially for women).
Chairing in Other Sectors (Charities, HE, Public Bodies)	<ul style="list-style-type: none"> Builds confidence, public exposure, multi-stakeholder experience. Demonstrates leadership in complex governance environments. 	<ul style="list-style-type: none"> Often undervalued by FTSE boards as “not commercial enough”. Risk of being pigeonholed into public-sector or charity profiles.
Private Equity/Private Company Chair Roles	<ul style="list-style-type: none"> More hands-on, operational; provides deep strategic exposure. Good for developing judgement, decision-making under pressure. 	<ul style="list-style-type: none"> Not always seen as directly transferable to FTSE due to different governance expectations.
Functional Executives (GC, HR, etc.) with Strong Board Experience	<ul style="list-style-type: none"> Some interviewees argue senior functional leaders can make good Chairs with sufficient board exposure. 	<ul style="list-style-type: none"> Rarely selected due to lack of P&L experience; seen as exceptions.
First-Time Chairs (External Appointments)	<ul style="list-style-type: none"> Several Chairs argued boards should be more open to first-timers. Broader pipelines improve gender diversity. 	<ul style="list-style-type: none"> Search firms and boards often require prior Chair experience, creating a “Catch-22”.



Annexures

2. Interview questions

Questions to FTSE Chairs:

Skills & mechanisms – macro of the conversation

- What is the role of the Chair? How does it operate amongst the board – (good to get each interviewer's definition.)
- What skills and competencies do current Chairs view as essential to be considered as a Chair candidate?
- What mechanisms and initiatives (mentorship, sponsorship, training, networks) were most impactful in their journey and why?
- Do leadership programmes work to develop the next generation of board directors?
- Do board training programs and certifications lend to being able to serve on a board or be selected for shortlist for a board role?
- How are chairs appointed? Is there a specific process for the selection and recruitment? Who else is involved?

Pathways & pipelines:

- How can organisations better prepare exec leaders for the Chair role? Is there a typical route to becoming a board Chair? What alternative pathways have you seen?
- Is the SID role a feeder for the Chair role and if so why? If not, what are the blockers / derailers?
- Is being a Committee Chair a prerequisite for being a company board Chair?
- Is being a CEO / CFO a prerequisite for being a Chair?
- Is there a difference in responsibility from being a FTSE 250 Chair to being a FTSE 100 Chair or a private company Chair? Equally, are there any sector differences to serving in the chair role from a role responsibility perspective?
- Do Chairs need to have previous non-exec board experience?
- Do Chairs need to have a specific executive career / tenure in exec roles?

Challenges & looking ahead:

- What are the most significant challenges for becoming a Chair, and are these different if you are of a different gender?
- Could the Chair role be structured or performed differently? Different types of governance roles / structures e.g.: Exec Chair vs Non-Exec Chair.
- How will the role of the Chair change or evolve over the next 3 – 5 years? What aspects will change or impact the role of the Chair (looking for answers relating to macro-events, technology / AI, company structures, voice of the customer, company and governance sentiment etc.)
- Any other comments or suggestions?

Questions to the FRC:

1. **Evolution of Leadership:** What do you identify as the essential skills and core competencies required for the Chair role in today's complex governance environment?
2. **Regulatory Balance:** We have noted significant sentiment regarding a potential "roll-back" on regulation; what is your perspective on the current regulatory burden versus board effectiveness?
3. **The "Comply or Explain" Principle:** Insights suggest the "comply or explain" model is increasingly treated as a binary compliance exercise rather than a flexible tool, does this align with the feedback you have received?
4. **Actionable Progress:** From your experience, what three practical recommendations would most effectively accelerate and improve the pathway to the Chair role for women?
5. **Diversity and the Code:** How effective do you believe the Corporate Governance Code has been in successfully integrating diverse perspectives and backgrounds into Chair positions?

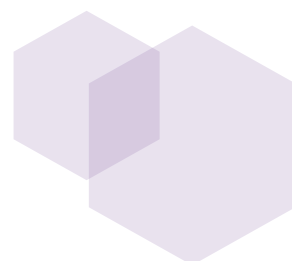
Annexures

Questions to the Investment Association:

1. **Diversity Feedback:** Regarding progress in board and executive diversity, what specific feedback or recurring themes are you hearing from your members?
2. **Investment Outlook:** Looking at 2025 and beyond, where do you anticipate major capital flows will be directed, and do you believe access to capital will remain a primary driver of corporate growth?
3. **Strategic Skill Sets:** If capital becomes more constrained, should the profile of a Chair shift from traditional corporate oversight toward more "dealmaker" or "broker" capabilities?
4. **Political and Economic Leadership:** Given the current evolving political and economic climate, how do you define the role of the Chair in navigating external volatility and representing the company to wider stakeholders?
5. **Actionable Progress:** From your experience, what three practical recommendations would most effectively accelerate and improve the pathway to the Chair role for women?

Questions to Executive Search Firms:

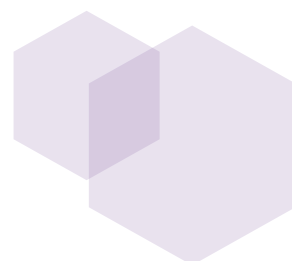
- **The Future of Board Appointments**
From your perspective, how is the landscape of board hiring evolving? What key trends do you anticipate shaping the future of board recruitment over the next five to ten years?
- **The Role of Technology and AI**
How do you see artificial intelligence and data analytics influencing the board search process? In what ways might these tools enhance, or complicate, the assessment of leadership potential and fit at board level?
- **Gender Diversity and Inclusion**
In your experience, is gender diversity on boards still viewed as a strategic priority for clients? How has this conversation evolved in a more complex and fast-changing global environment?
- **International Perspectives on Gender Diversity**
From your vantage point, how does gender diversity, particularly the representation of women in chair and other key leadership roles, compare across international markets? Are there regions or sectors leading the way, and what lessons can be drawn from global best practice?
- **Barriers and Challenges for Women Candidates**
Based on your experience in executive search, what are the most persistent challenges or barriers facing women seeking board roles? Where do you see progress and what still needs to change to achieve meaningful equity at the top?



Annexures

3. List of sources

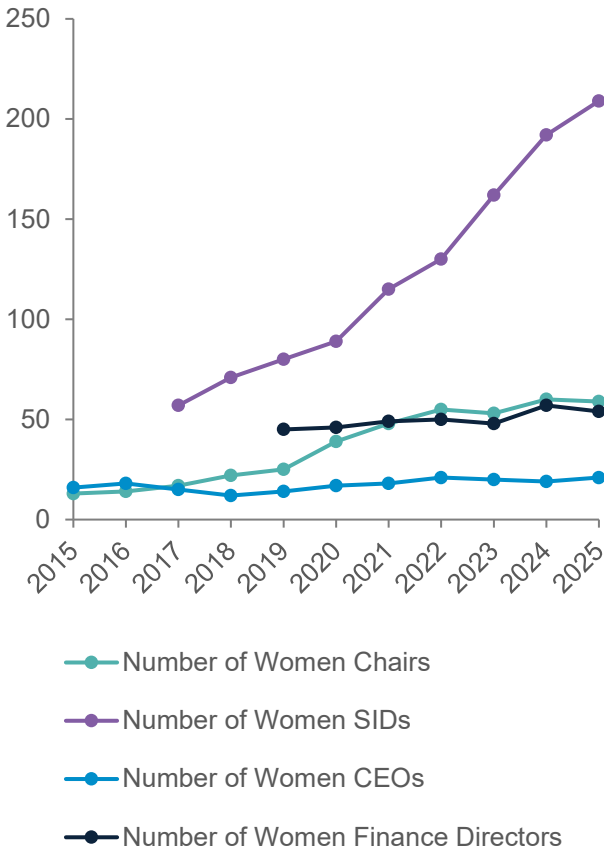
- <https://ftsewomenleaders.com/wp-content/uploads/2026/02/ftse-report-2026-final-online.pdf>
- Board Diversity and Effectiveness in FTSE 350 Companies, July 2021: https://media.frc.org.uk/documents/FRC_Board_Diversity_and_Effectiveness_in_FTSE_350_Companies.pdf
- FRC Board Effectiveness Guidance, 2024: <https://www.frc.org.uk/library/standards-codes-policy/corporate-governance/corporate-governance-code-guidance/#section.37593fb8>
- <https://www.spencerstuart.com/research-and-insight/succession-planning-strategies-for-building-the-pipeline>
- <https://www.spencerstuart.com/research-and-insight/potential-and-experience-diversifying-the-ceo-pipeline>
- <https://balanceinbusiness.org/>
- <https://hbr.org/2026/01/hb-the-questions-ceo-candidates-should-be-asking>
- <https://www.spencerstuart.com/research-and-insight/women-leaders-how-far-have-we-come>
- <https://www.linkedin.com/pulse/role-chair-modern-expectations-effective-board-karl-simpson-1y3pe/>
- <https://www.frc.org.uk/news-and-events/news/2021/02/frc-encourages-more-transparency-when-reporting-against-the-uk-corporate-governance-code/>
- <https://www.aoshearman.com/en/insights/new-uk-corporate-governance-code-carefully-choreographed>
- <https://www.frc.org.uk/news-and-events/news/2024/01/frc-revises-uk-corporate-governance-code/>
- https://media.frc.org.uk/documents/The_influence_of_proxy_advisors_and_ESG_rating_agencies_on_the_actions_and_reporting_of_FTSE_350_com.pdf
- <https://mentorloop.com/blog/mentorship-vs-sponsorship/>
- https://media.frc.org.uk/documents/Annual_Review_of_Corporate_Governance_Reporting_2025.pdf
- <https://www.mckinsey.com/capabilities/strategy-and-corporate-finance/our-insights/stepping-up-becoming-a-high-potential-ceo-candidate>
- <https://hbr.org/2026/03/the-skills-board-chairs-need-now?ab=HP-hero-featured-1>
- <https://noon.org.uk/the-silent-revolution-why-midlife-women-are-walking-out-at-the-peak-of-their-careers/>
- <https://www.bsigroup.com/en-GB/insights-and-media/media-centre/press-releases/2023/july/second-glass-ceiling/>
- <https://ppr.lse.ac.uk/articles/10.31389/lseprr.121>
- <https://parentandprofessional.co.uk/why-are-so-many-senior-females-retiring-early/>
- <https://www.fnlondon.com/articles/women-flee-uk-fund-jobs-after-50-398c445d>
- <https://www.forbes.com/sites/avivahwittenbergcox/2025/11/24/uks-50-workforce-crisis-why-employment-is-falling-and-how-to-fix-it/>
- Page et al, Regulation and the trickle-down effect of women in leadership roles', *The Leadership Quarterly* (35) (2024).
- 'Boardroom pay deserves a rethink', Financial Times, 16/02/2026
- 'Who would be a FTSE 100 Chair', Financial Times, 13/02/2026.



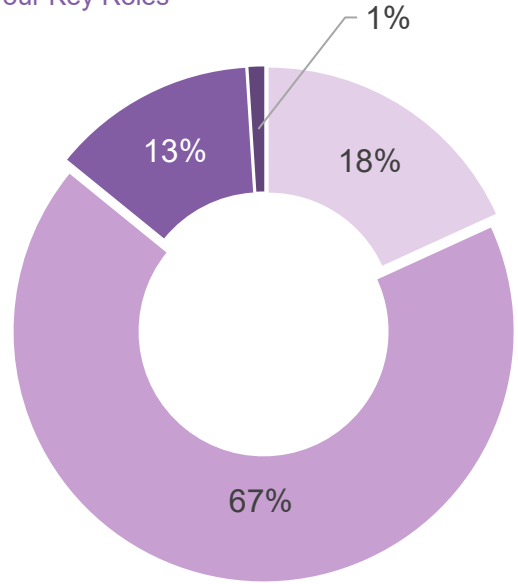
FTSE Women Leaders Review report - Four Key Roles

4. FTSE 350

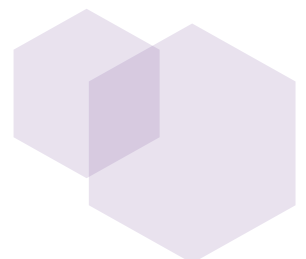
Women's progress in Four Key Roles



Percentage of companies with women in Four Key Roles



0 roles 1 roles 2 roles 3 roles



www.ftsewomenleaders.com

 [Ftsewomenleadersreview](#)

Scan for a digital copy



Sponsored by

