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CORPORATE GOVERNANCE SPECIALISTS ®
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Leading the Board - Rethinking the Role of the Chairperson

Corporate governance has spent the better part of two decades improving boards. Independence requirements have been strengthened, committee structures refined, disclosure standards enhanced and board evaluations introduced. The result is that boards today are arguably better structured and companies ought to be better governed than they have ever been.

Yet an important question remains largely unexplored:

Who is responsible for ensuring that the board itself functions effectively?

The ready answer is that boards function collectively. That is true from both a legal and governance perspective. However, anyone who has observed multiple boardrooms over time would acknowledge that all boards do not function with the same degree of effectiveness.

Some boards challenge management constructively. Others rarely move beyond presentations. Some identify risks before they become problems. Others recognise them only in hindsight. These differences often exist despite similar board compositions and comparable levels of experience.

If structure alone determined effectiveness, such differences would be difficult to explain.

The answer may lie in an aspect of governance that often sits in plain sight, yet receives far less attention than board composition itself: **Board Leadership.**

More Than the Person Running the Meeting

Ask directors what a Chairperson does and the answers are likely to sound familiar. The Chairperson approves agendas, conducts meetings and ensures that the business of the board is transacted efficiently.

All of that is true. It is also only part of the story.

The real influence of a Chairperson becomes visible in the quality of boardroom discussions.

Someone decides whether a difficult issue stays on the agenda long enough to be debated properly. Someone notices when a few voices dominate the conversation while others remain silent. Someone creates an environment where directors feel comfortable asking uncomfortable questions.

In practice, that responsibility usually rests with the Chairperson.

The best Chairpersons are often not the most vocal individuals in the room. Their contribution is reflected in the quality of the discussions they facilitate, rather than the quantity of their interventions. They create conditions in which directors challenge assumptions, management is constructively questioned and collective judgement is strengthened.

The Chairperson's influence often begins even before the meeting starts. In many organisations, the Chairperson plays an important role in shaping the agenda, requesting management to bring specific matters before the board and ensuring that strategic issues are not crowded out by routine business items. In doing so, the Chairperson influences not only how discussions take place, but also what discussions take place.

The role also extends beyond the board meeting itself. As board committees have assumed greater responsibilities, important discussions increasingly take place outside the boardroom in committee meetings. While minutes are placed before the board, they do not always capture the context, differing viewpoints or concerns that shaped a committee's conclusions. An engaged Chairperson can encourage committee chairpersons to brief the board on significant deliberations, areas of concern and matters requiring broader board attention, ensuring that important insights are not lost in the reporting process.

The effectiveness of a Chairperson is also reflected in the quality of engagement between the board and management. While management is responsible for running the business and the board is responsible for oversight, there is often a meaningful difference between information being presented and meaningful discussion taking place. An effective Chairperson is able to draw out perspectives, encourage deeper discussions and ensure that important strategic issues receive the attention they deserve. ***In many respects, the Chairperson helps shape the quality of the dialogue between management and the board.***

It also extends to interactions with key stakeholders. While management engages stakeholders on a day-to-day basis, the Chairperson often becomes the board's representative in discussions with shareholders, regulators, and at times employees and the broader ecosystem. These interactions are less about operational detail and more about providing assurance on how the board has exercised oversight, approached key risks, and supported long-term decision-making. In this sense, stakeholder engagement at the Chairperson level reinforces confidence in the board's judgement and helps align external perceptions with the way governance is actually being carried out within the organisation.

A well-constituted board can underperform under weak leadership. Equally, an effective Chairperson can elevate the quality of oversight, discussion and decision-making across the board, while also strengthening stakeholder confidence and enhancing the organisation's reputation.

The Conversation We Rarely Have

Governance discussions tend to focus on structure. Boards spend considerable time discussing composition, diversity, succession planning, committee effectiveness and regulatory compliance.

These conversations are important. However, they largely focus on the architecture of governance.

Far less attention is devoted to how that architecture is led.

This is surprising because boards themselves treat the position as important. Changes in Chairpersonship are often viewed as significant governance events. Nomination and Remuneration Committees (NRCs) devote considerable attention to identifying suitable candidates and investors frequently draw comfort from respected board leaders.

Yet discussions around what makes an effective Chairperson are comparatively limited.

While governance frameworks devote substantial attention to boards and committees, expectations from Chairpersons have largely evolved through practice and convention. As a result, many boards spend more time discussing who should occupy the role than what capabilities the position actually requires.

Even well-structured boards can drift into dysfunction when board leadership becomes overly centralised. A Chairperson who dominates information flow, filters discussion or discourages dissent can slowly reshape how the board functions, without any formal change in structure. Over time, questions may start to feel like challenges. Different views may get softened. And what looks like consensus may sometimes just be silence. These shifts are usually subtle, and they don't always show up in formal governance processes, even though they change how the board actually works.

Board Leadership Is Not the Same as Board Experience

Most Chairpersons are appointed from among highly accomplished individuals—promoters, former CEOs, industry leaders or experienced independent directors.

These credentials matter.

However, ***leadership of a board is fundamentally different from leadership of a business.***

A successful executive is expected to drive decisions and build alignment around a course of action. A Chairperson is expected to create the conditions in which diverse views can be expressed, challenged and ultimately converted into collective judgement.

That distinction is subtle, but important.

In practice, boards often gravitate towards individuals with deep industry knowledge, long board tenures, executive experience or strong professional standing. These are understandable considerations and, in many cases, necessary ones. However, they do not always answer a more fundamental question: can the individual lead a board?

The ability to facilitate debate, manage dissent, build trust among directors and maintain strategic focus are not always visible on a résumé. Yet these attributes frequently determine whether a Chairperson succeeds in practice.

The question, therefore, is not whether a candidate has been successful elsewhere. The question is whether the candidate possesses the capabilities required to lead a board.

An Interesting Regulatory Paradox

The importance of the Chairperson is not entirely absent from corporate governance regulation.

Governance frameworks recognise that the Chairperson occupies a position distinct from that of other directors. In fact, certain governance requirements themselves are triggered based on the nature of the Chairperson's position. Regulations differentiate between executive and non-executive Chairpersons. Governance reforms across jurisdictions have repeatedly highlighted the importance of separating board leadership from executive management.

These distinctions are not accidental. ***They reflect a recognition that the Chairperson performs a role that is different from that of other directors.***

The distinction often becomes most visible during periods of uncertainty. When organisations face significant governance challenges, strategic setbacks or reputational concerns, stakeholders rarely look towards the board as a collective institution. More often, attention gravitates towards the Chairperson. In many respects, the Chairperson becomes the visible face of the board and, by extension, a reflection of the organisation's governance credibility.

Yet a curious inconsistency remains.

While governance frameworks recognise the distinctiveness of the position, they say relatively little about what effective board leadership looks like in practice. Expectations from Chairpersons have largely evolved through convention, experience and market practice rather than through a commonly understood articulation of the role.

This is not necessarily a call for additional regulation. However, it does raise an important governance question. ***If the position is important enough to warrant separate regulatory treatment, should there not be a broader conversation around what effective board leadership looks like in practice?***

When Evaluation Becomes a Compliance Exercise

Most boards today evaluate the performance of their Chairperson. The issue is not whether evaluations exist.

The more important question is whether the feedback generated through those evaluations is being used effectively.

Many evaluations focus on preparedness, participation, conduct of meetings and adherence to process. While these are relevant considerations, they do not always provide meaningful insight into board leadership.

For example, does the Chairperson encourage independent thinking? Do directors feel comfortable expressing views that differ from those of the majority? Are difficult issues receiving adequate attention? Is sufficient time being devoted to strategy and emerging risks?

These are often the questions that determine board effectiveness.

In some cases, boards may already know the answers. The question is whether the feedback is sufficiently candid and whether boards are willing to act upon it.

Feedback on such matters is not always easy to capture through questionnaires. More importantly, even when valuable insights emerge, they do not always translate into changes in behaviour or board practices.

An evaluation that generates feedback, but does not influence board effectiveness, risks becoming a governance ritual rather than a governance tool.

Perhaps the Real Question Is This

Most boards devote considerable time and effort to deciding who should become Chairperson.

Far fewer spend the same amount of time discussing what success in that role actually looks like. That may be worth reflecting upon.

Because if board leadership influences the quality of oversight, challenge, decision- making and long-term governance outcomes, the question is not simply who occupies the Chairperson's seat.

The question is whether boards have clearly defined what they expect from the individual occupying that position.

A Final Reflection

For many years, governance reform has focused on improving boards. That focus has been both necessary and valuable.

The next governance conversation may be different.

Not about who sits around the board table.

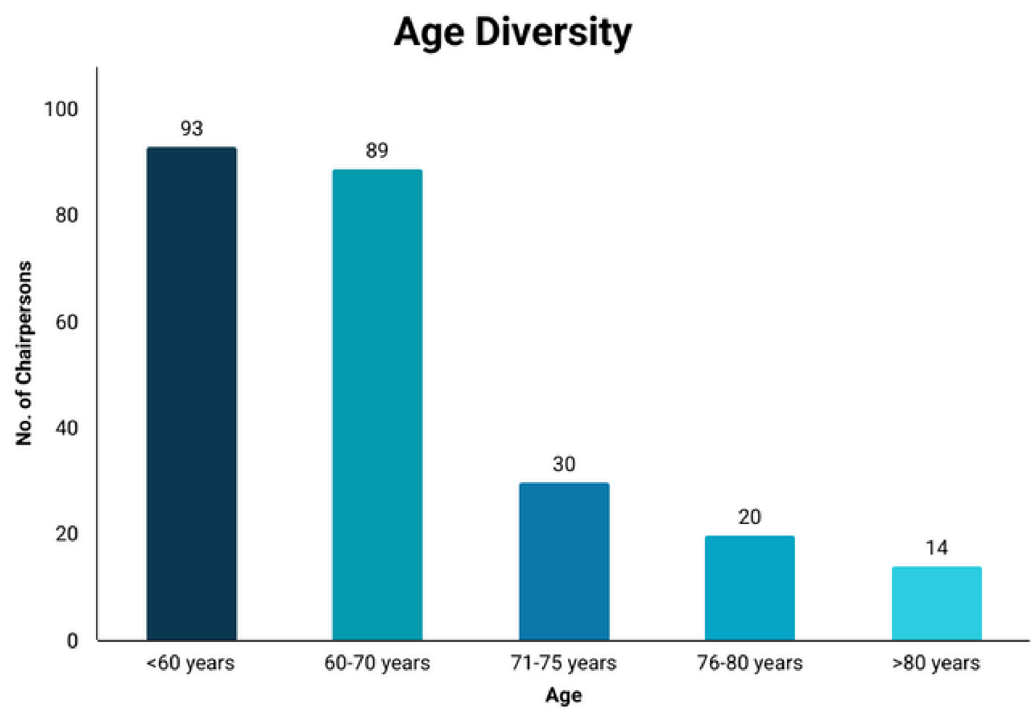
But about who leads it.

Because strong boards do not emerge solely from structure, independence or process.

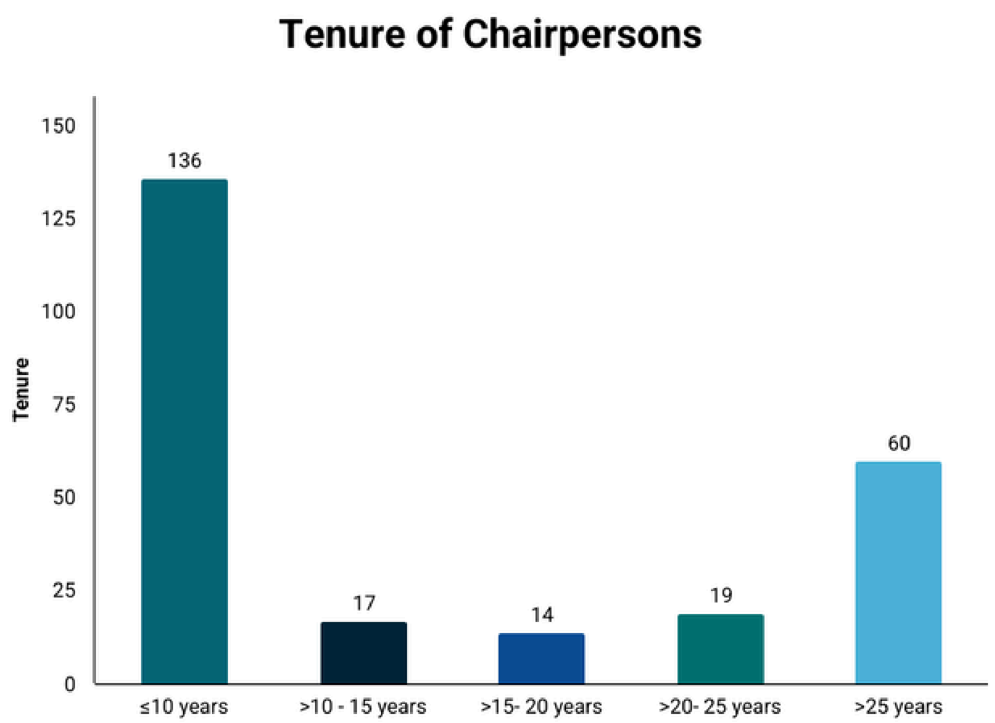
They are shaped by leadership.

And if board effectiveness matters, perhaps it is time we paid as much attention to board leadership as we do to board composition.

WHERE ARE WE NOW?

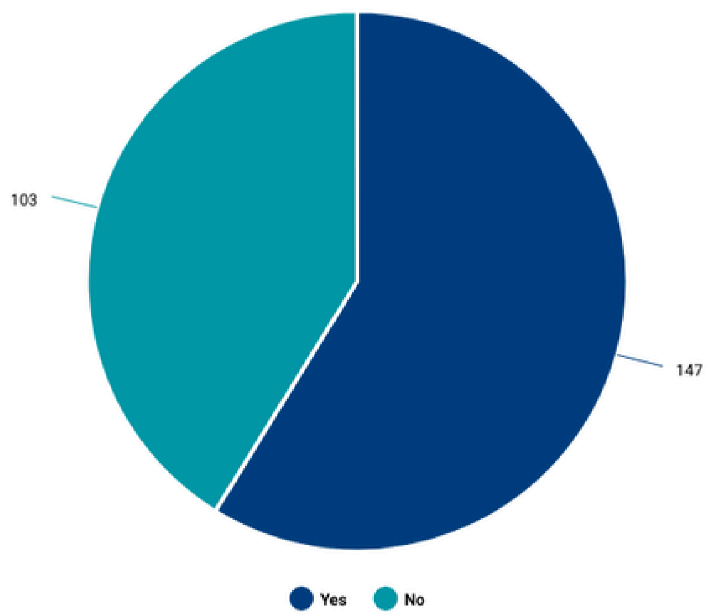


- *Details available have been considered*
- *Source: Stock Exchange filing as on March 31, 2026*



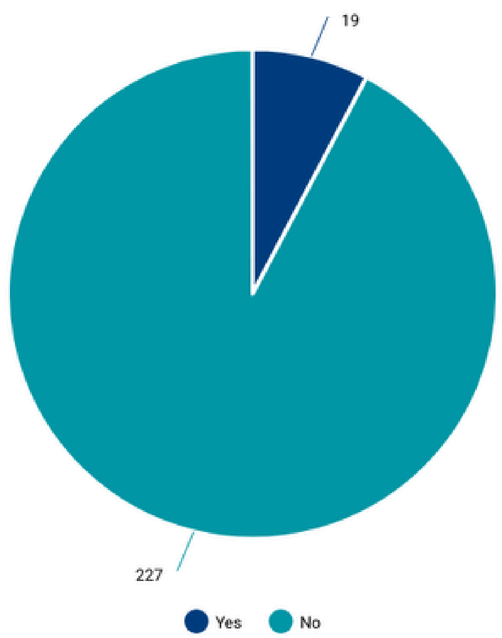
- *Details available have been considered*
- *Source: Stock Exchange filing as on March 31, 2026*

Presence of Non-Executive Chairpersons



- Source: Stock Exchange filing as on March 31, 2026

Presence of Women Chairs



- Details available have been considered
- Source: Stock Exchange filing as on March 31, 2026

ANNEXURE

Regulatory and International Perspectives on the Role of the Chairperson

A. Age Limits Applicable to Chairpersons

Framework	Position
Companies Act, 2013	No upper age limit prescribed for the Chairperson.
SEBI (LODR) Regulations, 2015	No upper age limit prescribed for the Chairperson.
RBI – Corporate Governance in Banks	Maximum age limit of 75 years applicable to Non-Executive Directors, including the Chairperson.
IRDAI (Corporate Governance for Insurers) Regulations, 2024	Maximum age limit of 75 years applicable to Non-Executive Directors, including the Chairperson.

B. Tenure of Chairpersons

Framework	Position
Companies Act, 2013	No specific tenure prescribed for the Chairperson. If the Chairperson is an Independent Director, the tenure provisions applicable to Independent Directors would apply.
SEBI (LODR) Regulations, 2015	No specific tenure prescribed for the Chairperson. If the Chairperson is an Independent Director, the tenure provisions applicable to Independent Directors would apply.
RBI - Corporate Governance in Banks	Total tenure of a Non-Executive Director, continuously or otherwise, shall not exceed eight years. Reappointment is permitted only after a cooling-off period of three years.
Banking Regulation Act, 1949	No director of a banking company, other than its Chairperson or Whole-time Director, shall hold office continuously for a period exceeding eight years.
UK Corporate Governance Code, 2024	Chairperson should not remain in office beyond nine years from the date of first appointment to the Board.
Sarbanes-Oxley Act, 2002	Board members, including the Chairperson, may serve a maximum of two terms of five years each.

C. Separation of the Roles of Chairperson and CEO / Managing Director

Framework	Position
SEBI (LODR) Regulations, 2015	Listed entities may appoint separate individuals as Chairperson and MD/CEO. The Chairperson should be a Non-Executive Director and should not be related to the MD/CEO *(discretionary requirement)*.
RBI - Corporate Governance in Banks	Chairperson of the Board shall be an Independent Director.
IRDAI (Corporate Governance for Insurers) Regulations, 2024	Distinct oversight responsibilities recognised for the Chairperson. Non-Executive Chairperson encouraged as good governance practice.
Cadbury Report, United Kingdom	Recommended a clear division of responsibilities between the Chairperson and Chief Executive Officer.
UK Corporate Governance Code, 2024	Chairperson and CEO roles should not be exercised by the same individual. A CEO should generally not become Chairperson of the same company. Further, the Chairperson should be an Independent Director, when appointed.
United States - Securities Exchange Act, 1934	Companies must disclose whether the Chairperson and CEO roles are combined or separated and explain the rationale.

International comparison on different persons occupying the positions of Chairperson and CEO:

Countries	Law/ Regulation/ Code	Split of position mentioned
OECD Principles		✓
Australia	Corporation Act, 2001	✗
	ASX Listing Rules	✓
	Corporate Governance Principles and Recommendations	✓
	ACSI Governance Guideline	✓
Brazil	Brazilian Corporate Governance Code	✓
Canada	Canada Business Corporations Act	✗
	Toronto Stock Exchange (TSX) Listing Rules	✗
	National Policy 58-201 Corporate Governance Guidelines) for listed corporations	✓1
	Corporate Governance Guideline 2018 (applicable to Financial Institutions)	✓
Germany	German Stock Corporation Act	✓
	German Corporate Governance Code	✓

Hong Kong	Companies Ordinance	✗
	HKEX Main Board Listing Rules	✓
	Code of Corporate Governance and Corporate Governance Report	✓
India	Companies Act, 2013	✗
	SEBI LODR Regulations, 2015	✗
	Corporate Governance Voluntary Guidelines, 2009	✓
	Corporate Governance in Banks - Appointment of Directors and Constitution of Committees of the Board	✓
	IRDAI (Corporate Governance for Insurers) Regulations, 2024	✓
Japan	Companies Act (Act No. 86 of 2005)	✗
	Japan's Corporate Governance Code	✗
Malaysia	Companies Act, 2016	✗
	Bursa Malaysia Listing Requirement	✗
	Malaysian Code of Corporate Governance	✓
Netherland	Dutch Corporate Governance Code	✓
New Zealand	NZX Corporate Governance Code	✓

Singapore	Companies Act, 1967	✗
	SGX Listing Rules	✓
	Code of Corporate Governance 2018	✓
South Africa	Companies Act, 2008	✗
	JSE Listing Requirements	✓
	King Code V - Code on Corporate Governance for South Africa 2025	✓
United Kingdom	Companies Act, 2006	✗
	UK Listing Rules	✓
	UK Corporate Governance Code 2024	✓
	The Wates Corporate Governance Principles for large private companies	✓
United States	Securities Exchange Act, 1934	✓2
	NASDAQ Listing Rule	✗
	NASDAQ Corporate Governance Guidelines	✓3

1. The Chairperson of the Board should be an Independent Director. Where this is not appropriate, an Independent Director should be appointed to act as "Lead Director".
2. Disclosure in the Annual proxy sent to the investors with reasons of either the same person serving as Board Chairperson and CEO or different individuals serving as Board Chairperson and CEO.
3. The Board recognizes that when the positions of Chairperson and Chief Executive Officer are combined, or when the Chairperson is not an independent director, it is imperative that the Board elect a strong Lead Independent Director with a clearly defined role and robust set of responsibilities and will annually elect a non-management, independent director to serve in the Lead Independent Director role.

D. Statutory and Governance Responsibilities of the Chairperson in India

1. Under IRDAI Governance Framework - (Guidelines for Corporate Governance for insurers in India, 2016)

Responsibility
Distinct oversight responsibilities over directors and key management personnel.
Employees may report concerns directly to the Chairperson under the whistleblower mechanism.

2. Under Secretarial Standards (SS-1 and SS-2)

The Chairperson is entrusted with several responsibilities relating to the conduct and governance of meetings, including:

- Conducting meetings of the Board and General Meetings.
- Encouraging deliberations, discussions and debate.
- Assessing the sense of the meeting and facilitating decision-making.
- Permitting consideration of items not included in the agenda, subject to consent of majority of Directors present in the meeting.
- Deciding whether a matter may be transacted through circulation.
- Ensuring meetings are properly convened and constituted.
- Adjourning a meeting, when the meeting is impossible to conduct.
- Ensuring proceedings are accurately recorded.
- Signing the attendance register, in place of the Company Secretary, if the company does not have a Company Secretary.
- Signing minutes and authenticating meeting records.
- Determining requests for recording specific views or dissent in the minutes.
- Explaining the objective and implications of resolutions placed before shareholders.
- Appointing scrutinisers and announcing voting results at general meetings.
- Recusing himself or herself where conflicts of interest arise.

E. International Expectations from Chairpersons

While governance frameworks across jurisdictions differ, a review of international standards indicates that the Chairperson's role extends significantly beyond presiding over meetings.

Jurisdiction / Framework	Role / Responsibility of the Chairperson
Bursa Malaysia - Corporate Governance Guide Pull-out II	Responsible for instilling good corporate governance practices, leadership and effectiveness of the Board.
HKEX Listing Regulations	Encourage all directors to make a full and active contribution to the Board's affairs and take the lead in ensuring that the Board acts in the best interests of the company.
	Encourage directors with differing views to voice concerns, allow sufficient time for discussion and ensure Board decisions fairly reflect Board consensus.
	Ensure effective communication with shareholders and that shareholder views are communicated to the Board as a whole.
UK Corporate Governance Code, 2024	Should not chair the committee when it is considering the appointment of his/her successor.
	Consider periodic externally facilitated Board evaluations (at least every three years for FTSE 350 companies) and act upon the findings by addressing weaknesses and building on strengths.
	Engage regularly with major shareholders to understand their views on governance, strategy and performance, and ensure that such views are understood by the Board.
UK Corporate Governance Code Guidance	Periodically review, together with the Company Secretary, whether the Board and governance processes remain fit for purpose and identify opportunities for improvement.
	Encourage disclosure of key outcomes and actions arising from Board evaluations in the annual report.

Malaysian Code on Corporate Governance	Ensure that general meetings facilitate meaningful engagement between shareholders, senior management and the Board, including discussion on financial and non-financial performance and long-term strategy.
Dutch Corporate Governance Code	Ensure effective communication with shareholders.
German Stock Corporation Act	Determine whether non-committee members of the Supervisory Board may attend committee meetings.
Singapore Code of Corporate Governance	Encourage a full and frank exchange of views, draw out contributions from all directors, foster constructive debate, set the ethical and behavioural tone and provide leadership to the Board.

Key Themes Emerging from International Practice

- Leadership of the Board and governance culture.
- Encouraging constructive challenge and diverse viewpoints.
- Ensuring Board effectiveness and continuous improvement.
- Acting as a bridge between shareholders and the Board.
- Driving stakeholder engagement and communication.
- Setting ethical and behavioural standards.
- Overseeing governance processes and Board evaluations.
- Providing stewardship during succession planning and governance transitions.

F. Participation of Chairpersons in Board Committees

Jurisdiction	Position
Companies Act, 2013 / SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015	Chairperson may be a member of the Nomination and Remuneration Committee but cannot chair it.
Reserve Bank of India	Chairperson cannot be a member of the Audit Committee, Nomination and Remuneration Committee or Risk Management Committee.
Insurance Regulatory and Development Authority of India	Chairperson should not chair any Board Committee.
Australia *(Corporate Governance Principles and Recommendations)*	Chairperson should not chair the Audit Committee. Further, Chairperson may Chair the Nomination Committee, unless the appointment of his/her successor is being discussed.
Germany *(German Corporate Governance Code)*	Chairperson should not chair the Audit Committee.
United Kingdom *(Corporate Governance Code, 2024 and Corporate Governance Code, 2024)*	Chairperson should not be a member of the Audit Committee and should not chair succession discussions concerning their own replacement.
Malaysia *(Malaysian Code on Corporate Governance)*	Chairperson should not be a member of the Audit, Nomination or Remuneration Committees.
Netherlands *(Dutch Corporate Governance Code)*	Chairperson should not chair the Audit or Remuneration Committees.
South Africa *(King Code V – Code on Corporate Governance for South Africa 2025)*	Chairperson should not serve on the Audit Committee. Further, Chairperson can be a member of the Nomination Committee, Remuneration Committee, Risk Governance Committee or/and Social and Ethics Committee, but cannot Chair these committees.

Key Observation

A review of Indian and international governance frameworks reveals that considerable attention has been devoted to structural aspects of Chairpersonship, including independence, tenure, age limits, committee participation and separation from executive management.

However, relatively limited guidance exists on the substantive leadership dimensions of the role. International practice increasingly views the Chairperson as a steward of board effectiveness, governance culture, stakeholder confidence and board-management engagement. This evolution reinforces the central question explored in the accompanying paper: whether greater clarity is needed regarding what boards should expect from those entrusted with leading them.

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