



Webinar

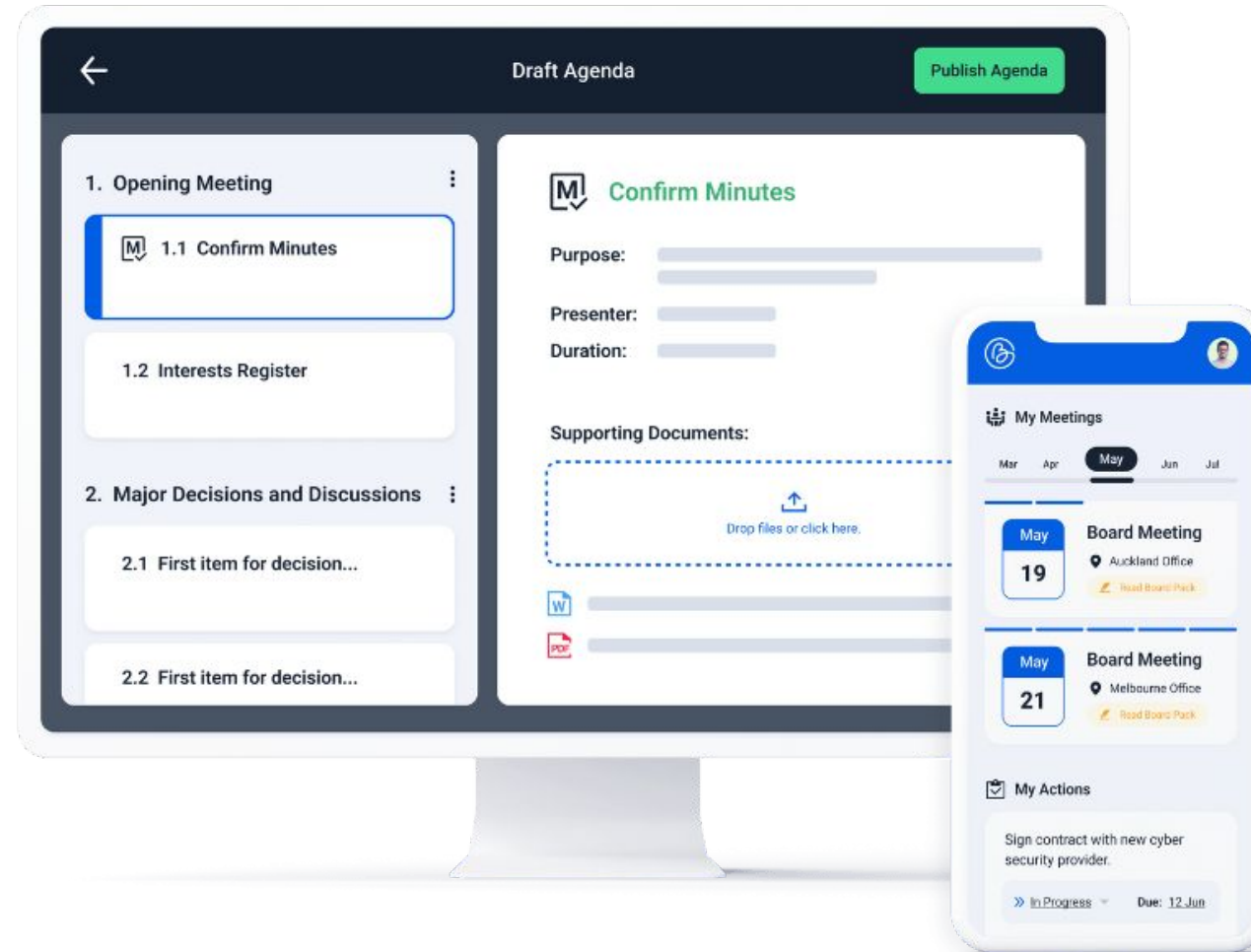
Board Remuneration 2026

Understanding board fees

With Paul Riggs - Chair Insightpay









**Making the fundamentals of
governance free and
easy to implement**



Governance Made Easy

Governance Resource Center

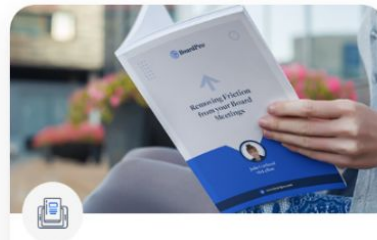
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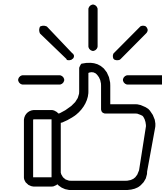
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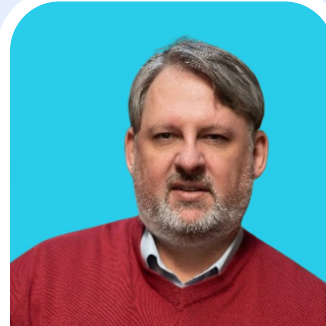
Slides, webinar video, and transcript will be sent to you. Sit back, relax and enjoy the conversation





Paul Riggs

Chair
Insightpay



Mark Chilcott

Managing Director
Insightpay



Ilona Charles

CEO
Shilo



About Inshtpay



01

Paul Riggs and Mark Chilcott

02

Melbourne based remuneration consulting
for 30+ years:

- Salary surveys
- Remuneration Consulting
- Job Evaluation

03

Specialists in the following markets:

- Not for Profit / Profit for Members
- Government (esp LG)
- Water Industry
- Private for profit



Board Remuneration →

Background

- Thousands of Australian organisations have Boards, and many of these Boards have Non Executive Directors (NEDs)
- A previous BoardPro Webinar focussed on practices around Board membership, meetings, succession, committees, performance
- **This Webinar focusses more tightly on Fees paid to NED Board members**



- Practices for NED Board Fees vary widely, from “no fees”, to fees of up to \$1 million pa and higher
- For many organisations, Fees are a difficult and sensitive issue, as there are Governance, Data and Methodology issues

Board Remuneration

***Independent NEDs* are appointed to a Board for their skills and expertise**

- The role of an Independent NED can be clearly distinguished from Executive roles in the organisation, and from the roles of consultants or advisors to the Board or the organisation
- NEDs should be paid differently to Executive Directors for various reasons: independence, part-time etc



- ***Executive Directors*** should be paid based on their executive role, perhaps with an allowance if additional Board commitments are significant.
- ***Non-Independent Directors*** should be remunerated by the person or organisation that appoints them to a Board.

③ Why board fees matter



- Regarded as an indicator of Board process and stakeholder alignment
- Sometimes reflecting other concerns about the Board





Board Remuneration →

Topics for discussion



Governance issues

- Should your organisation pay NED fees
- Who recommends and who approves Fees?

Data issues

- Access to and use of appropriate Market data on Fees
- How to assess / recommend fees
- Structure of Fees



Board Remuneration →

Should your organisation pay board fees?

01

This is an issue for the Board itself to resolve! (despite the unavoidable conflicts of interest)

→ For Listed organisations, fees are almost always paid to NEDs in one form or another

→ For other organisations the key questions are :

→ Are fees permitted by the Constitution and relevant regulation

→ Does the Board require particular skills and experience on an ongoing basis which can only reasonably be expected to be available by paying individual(s) who possess these skills?

02

If the answer is YES to both, then the Board should consult with stakeholders, then work to develop an approach

03

The Board should also seek guidance and data from colleagues, their network, consultants or surveys



Action Points →

Determine your issues (if any)

If there are reasons to consider change:

01

Consult Stakeholders, who include the "Owners", Board Members, customers

02

Consider future directions and whether Board skills need to change, or time commitments and responsibilities are increasing

03

Perhaps ask a Board member to prepare a paper

04

Look for sources of data on relevant Board practices and Board fee structure and levels

05

Following page provides a sample of a report on market data for Fees



Board Remuneration →

Implementation

Who handles implementation, including sourcing data, analysis and preparing recommendations?



The Board should direct someone on the Board to be responsible, and appoint someone in management to support them



It is impossible to avoid theoretical conflicts of interest, but the Board must recognise and manage them as best it can, and communicate with stakeholders



The engagement of an independent advisor may assist



Board Remuneration →

Data Issues

01

Board remuneration Practices, including Fee levels, vary widely in the market

02

It is often hard to obtain adequate sample sizes / data points for comparable organisations

03

Triangulation (interpolation between a few available data points) is sometimes the best you can do

04

Market data is dispersed across many categories / segments; results can be extreme and / or unstable over time



Current Board remuneration surveys provide data in traditional market segmented format:

- These require the client organisation to review a range of survey indicators, make judgements (e.g. data segment selection and positioning) and prepare internal reports.
- Governance and conflict issues may arise as these judgements relate to remuneration for those making the judgement
- Alternate techniques are available to deal with the difficulties, when traditional survey outputs are inadequate or require too much subjective assessment



Board Remuneration →

Data analysis approaches

Segmented approach

This approach relies on data organised into segments (groups), typically based on:

- Sector eg NFP, Profit for Member, Private for Profit, Government
- Revenue eg under \$50M, \$51M to \$200M, etc
- Other size indicators eg Assets, Market Capitalisation (for Listed companies)
- Location (State)
- Industry

But data may be spread too widely, or may be contradictory between segments you fit into.

Multi Factor Analysis

01

A new approach suitable to assist all types of organisations, particularly those in low sample size groups

02

Provides independent analysis and for making clear recommendations to the Board

03

Creates Benchmarks for each director role in each type of organization generating a 'score' each role

04

Enables fair remuneration to be assessed for each role, even if a broader data set is used

05

Comparability is created between roles and fees, based on the differences in organisations and requirement for the sectors

06

A report is created for each organisation, tailored to the exact organisation and NED role characteristics



Board Remuneration →

Structure of fees

Base NED fee (start with this!)

- Chair base fee: often 50% to 100% higher, to allow for more responsibility and more time required
- Extra regular commitments can be covered by an allowance (or increased regular fee) eg Committee Chair, committee member if significant extra workload and uneven distribution of workload
- Superannuation: as usual for employment (specific issues arise, see your tax advisor)
- In organisations with shares (eg Listed), share allocations / equity may be made as part of the fee
- Incentives are quite rare in Australia for NEDs





Example Report →

Computershare NED



Board Fees Report

Market Comparison Report

Market Base fee (BF) and Total Fee (TF) vs your 2024 data

Market data from: Board Fees Report 2024

Name: Computershare Limited Location: NSW
Type: Listed
Revenue: 3535 million Revenue group: 1000m and over
Position: Non Executive Director Incumbent ref: Tiffany Lee Fuller

Multi-Factor Comparison

Includes all data on Organisation Factors and Job Factors

Comparison Group		Your data	P25	P50	P75	Ratio to P50
For Profit (sample 883)	BF	235,472	158,449	202,138	253,568	116%
	TF	261,069	188,403	235,754	303,182	111%
For Profit / 1000m and over (sample 606)	BF	235,472	154,428	195,343	241,751	121%
	TF	261,069	182,929	228,320	288,277	114%
For Profit / Financial and Insurance Services / 1000m and over (sample 120)	BF	235,472	184,970	228,335	267,384	103%
	TF	261,069	214,181	254,689	296,757	103%

Segmented market data

Comparison Group		Your data	P25	P50	P75	Ratio to P50
For Profit / Financial and Insurance Services / NSW / 1000m and over (sample 57)	BF	235,472	211,712	250,000	328,068	94%
	TF	261,069	242,000	301,023	362,262	87%
	Rev\$M	3,535	5,802	9,935	24,299	P25
For Profit / Financial and Insurance Services / 1000m and over (sample 120)	BF	235,472	211,501	260,672	301,760	90%
	TF	261,069	238,000	288,474	337,198	91%
	Rev\$M	3,535	2,565	6,558	15,522	P43
For Profit / NSW / 1000m and over (sample 285)	BF	235,472	159,159	212,613	250,467	111%
	TF	261,069	195,600	244,699	295,719	107%
	Rev\$M	3,535	1,777	3,826	12,486	P45





Board Remuneration →

Case Study 1

A major Australian University considered, at Council level, whether Fees should be paid to members

Appointment to the University Council is prestigious, and fees had not been paid previously

Members of the Council are appointed in various ways: State Government, Union reps, student reps, expertise

We prepared a paper for the Executive who was tasked with addressing the issue.

Issues covered included:

- Roles of Council Members
- Skill requirements
- Independence of Council Members
- Benefits of Fees
- Hybrid models

A solution was subsequently developed, based on several inputs, and heated debate!





Board Remuneration →

Case Study 2

Background

A Profit For Members organisation approached us for advice on changes in Board fees

The organisation already had Board fees, but the organisation was growing fast, and had acquired another organisation

Some members of the Board were to become members of the subsidiary Board

- For being on both Boards
- Separate fee for the subsidiary?
- For being Chair of the subsidiary

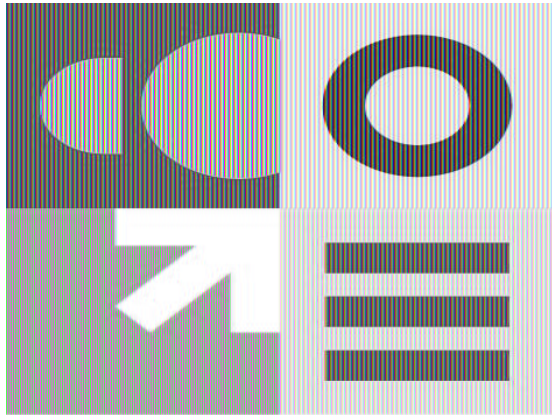
Outcome

We reviewed the responsibilities of all the roles on both Boards, and the current Fee practices

We applied MFA to the old roles and the new roles, and the two different organisations

Recommendations

- Align the fee structures eg frequency, travel allowances
- Set new fee and allowance levels for:
 - Each role on each Board eg Chair, NED
 - based on role size and organisation size
 - Members on just one Board received the relevant fee
 - Provide allowances for members sitting on both Boards, primarily for additional time required



Board
Fees
Report

www.boardfeesreport.com

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www.shilopeople.com



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Webinar Schedule

Nov 25 - Feb 2026

boardpro.com/resource-centre/webinars

256.	Psychosocial hazards in the workplace	Nov 13
257.	Board remuneration in 2026	Nov 20
258	Identifying and Managing Conflict of Interest	Nov 27
259.	Negotiation and Influence: Increasing Your Impact	Dec 4
260.	Ending Micromanagement around the Boardroom	Dec 11
261.	Setting your strategic board agenda	Feb 5
262	How to continually refresh your annual board strategy	Feb 12
263.	Tension Tolerance: fostering healthy debate around the board table	Feb 19



Thank you

