



APRIL 2026

MFDF Report

Fund Board Composition



Introduction and Methodology

This report contains findings and insights from MFDF's 2025 survey of fund boards about their composition. The objective of the survey was to take a point-in-time view of the skills and experience of the directors represented on participating boards as well as their allocation to leadership roles within the boardroom. The survey was distributed to independent fund directors via email, LinkedIn, and MFDF's News Feed between October and December 2025.

MFDF presents this snapshot of the industry to illustrate how boards are composed, and the data shows both variability and points of commonality among a plurality of boards. For example, in a majority of boardrooms, half or more of the independent directors had experience on a non-fund board before joining the fund board. Conversely, there was a full range of responses from none of the independent directors to all of them on questions about having C-Level/Executive experience prior to joining the board. While in certain places the report identifies common or majority responses, it is important to bear in mind that common practice does not equate to best practice. Each board must consider its own unique circumstances in determining the skills and experience it needs around the board table.

MFDF would like to extend its gratitude to the fund directors who reported their data to enable the creation of this report.

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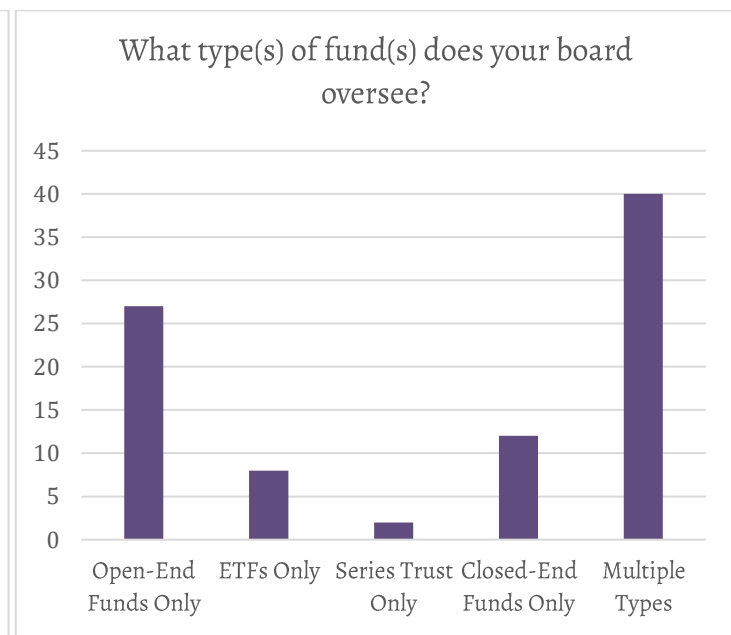
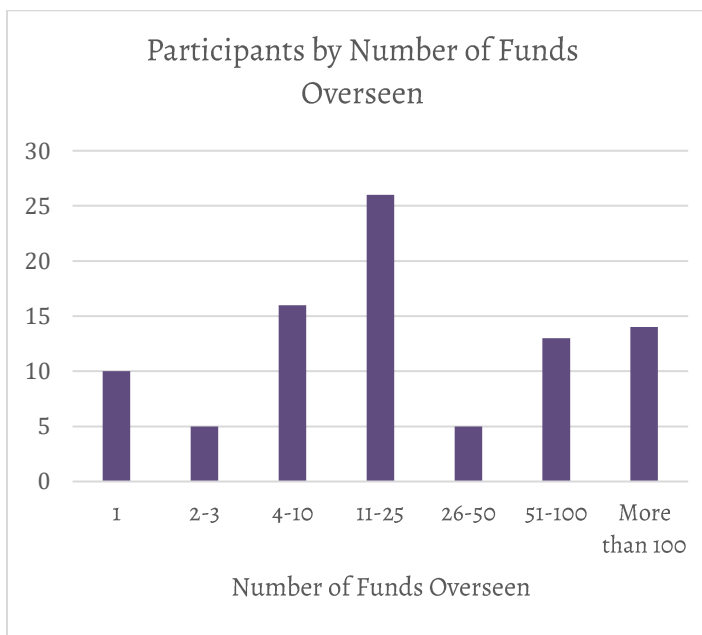
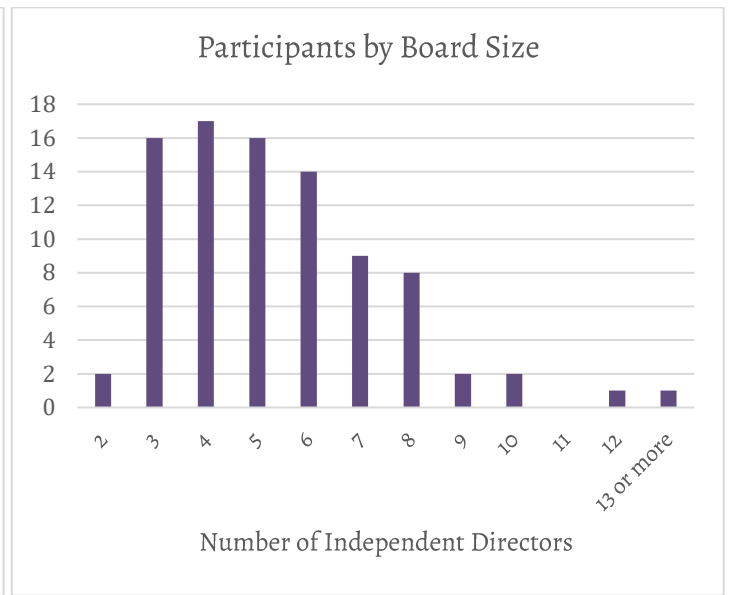
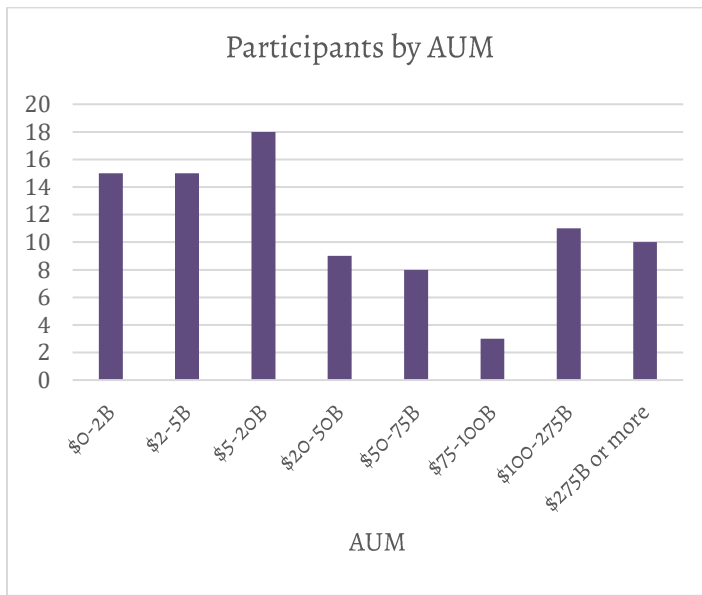
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THE SAMPLE

MFDF distributed this survey to independent board members on the boards of registered funds. The survey responses represent 89 unique board groups, and cover a range of board sizes by number of trustees, number of funds overseen, and AUM. The boards also oversee a variety of different types of funds. The charts below illustrate the survey participants.



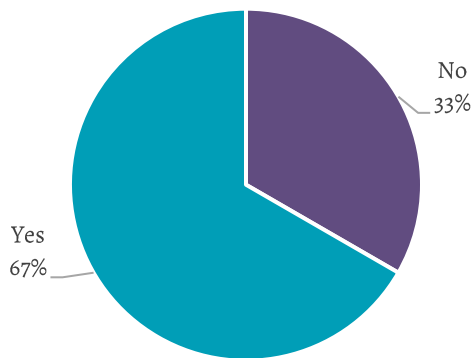
Director Qualifications

In thinking about the knowledge and skills needed in their specific boardroom, boards may grapple with what directors need to know already when they join the board (qualifications) and what individual directors and/or the board can learn either through onboarding, learning “on the job,” or continuing director education.

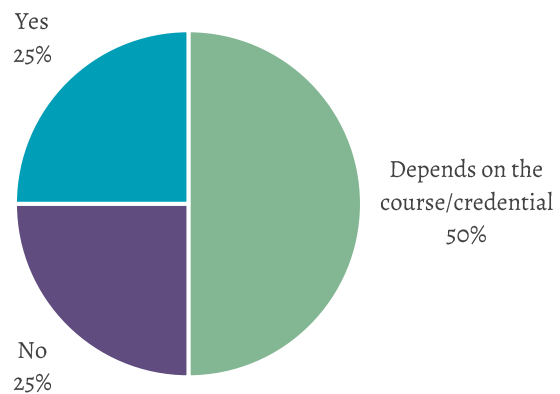
The survey looked at both sides of this composition issue, with a mapping of qualifications represented in the boardroom, and examining how/whether a board monitors and/or proactively adds to directors’ skills and knowledge.

MONITORING BOARD COMPOSITION

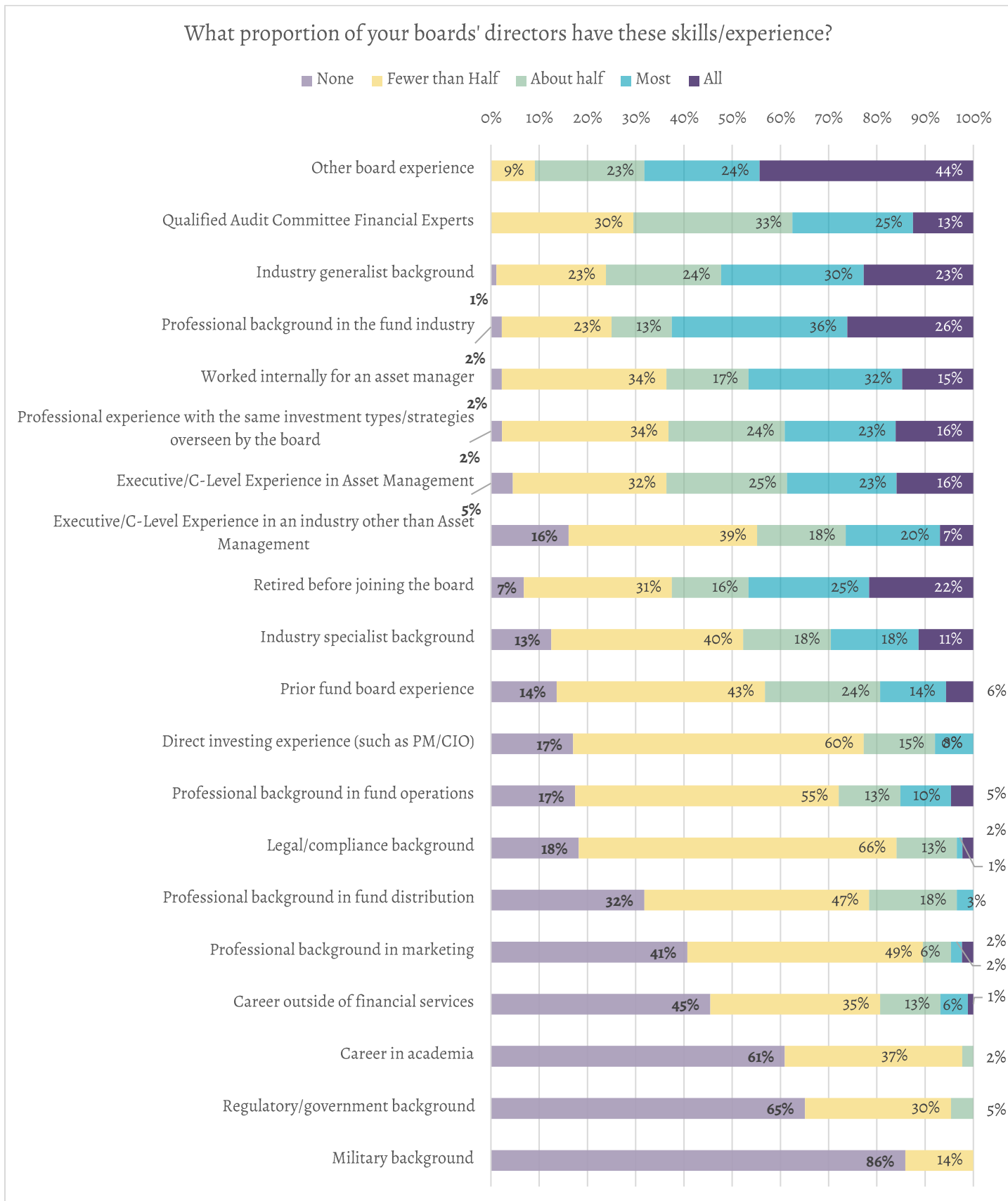
Does your board use a skills matrix or similar tool to monitor the composition of your board with regard to areas of expertise, knowledge, skills, etc?



When identifying areas of knowledge/skills on a skills matrix for self-assessment, is continuing education pursued outside the boardroom considered relevant?



INDEPENDENT DIRECTOR QUALIFICATIONS



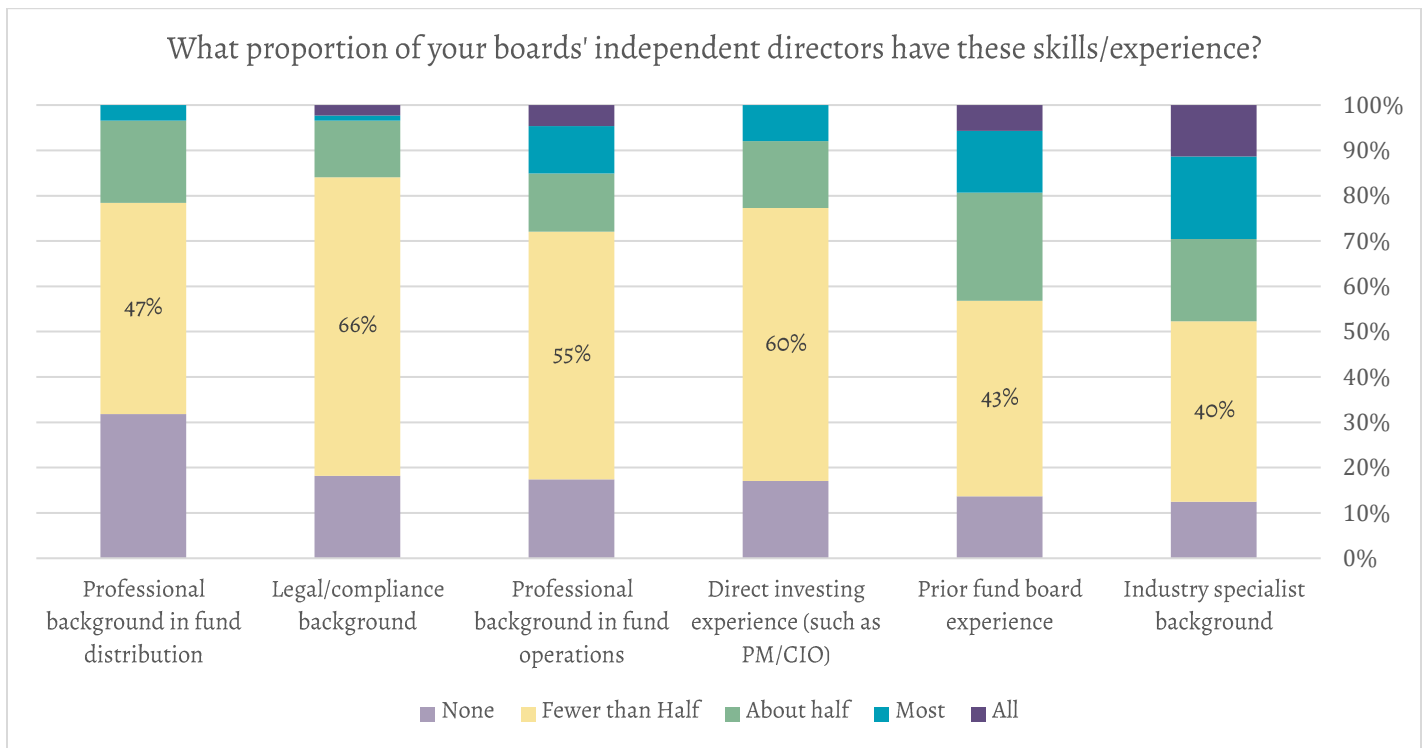
Common Qualifications

91% of survey respondents indicated that half or more of their independent directors had experience on non-fund boards prior to joining their fund board, with 44% saying that all of their independent directors had experience on other types of boards (corporate, non-profit, higher education) prior to joining their board. Comparatively, only about 44% of respondents said half or more of their independent directors had prior experience on a fund board.

77% of respondents said half or more of their directors had industry generalist backgrounds, and 75% of respondents said half or more of their directors had professional backgrounds in the fund industry.

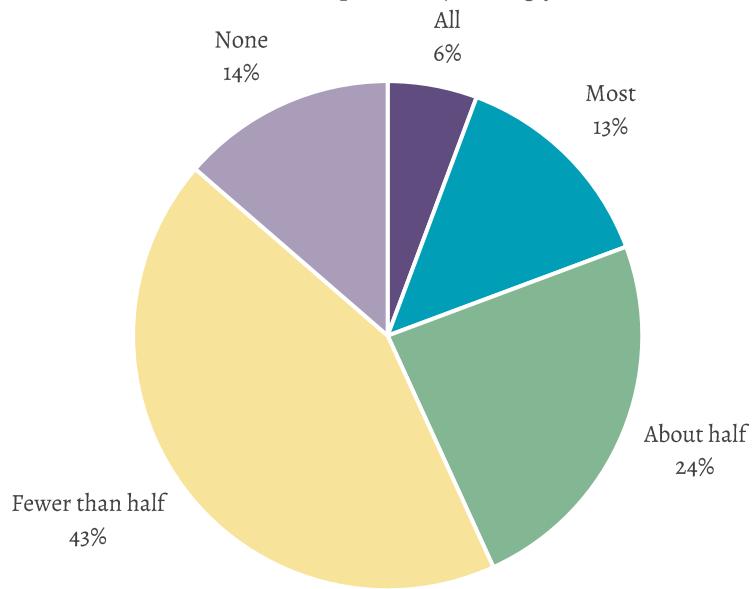
Someone, Not Necessarily Everyone

A few of the qualifications listed in the chart on the previous page were marked as being held by “fewer than half” of the independent directors on the board by a majority of respondents. These areas may represent skills/experience that certain boards seek in at least one member of the board but may not consider a base qualification that is expected among all or most members of the board. Some of the qualifications that fall into this category are legal/compliance background, direct investing experience, and professional background in fund operations.

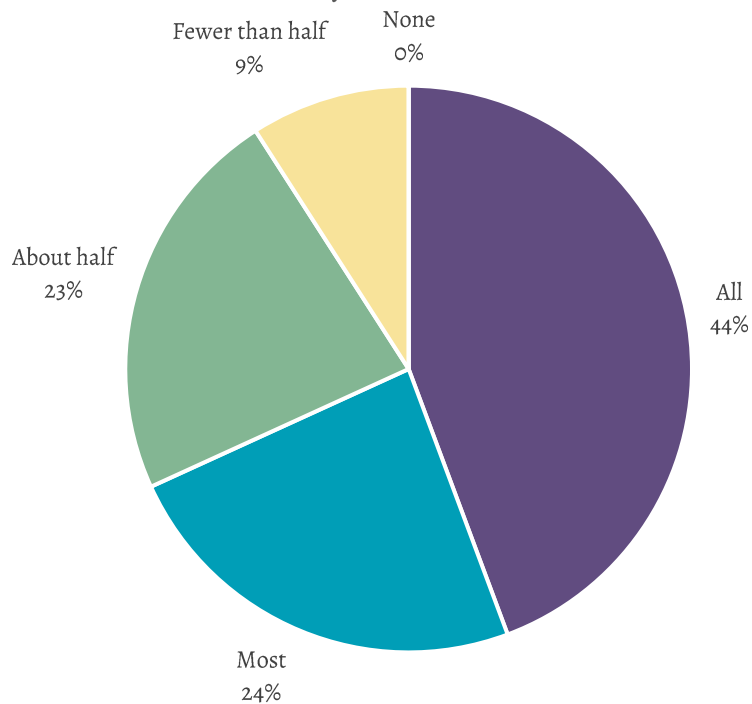


Board Experience

Of the independent directors on your board, how many of them had experience on another fund board prior to joining your board?

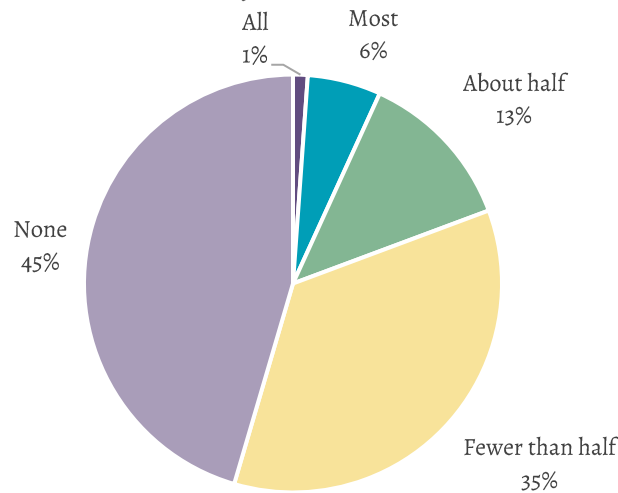


Of the independent directors on your board, how many of them had experience on another type of board (such as higher ed, nonprofit, corporate, etc.) prior to joining your board?

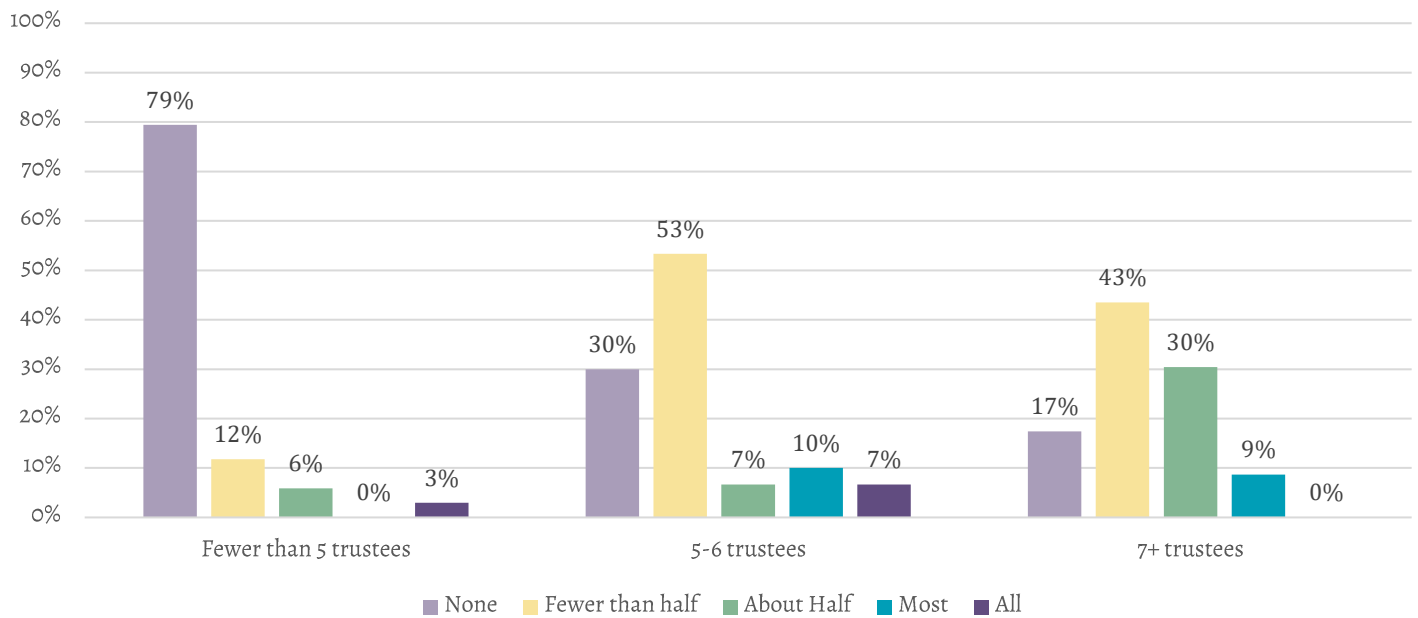


Career Outside Financial Services

Of the independent directors on your board, how many of them spent most of their career in an industry outside financial services?



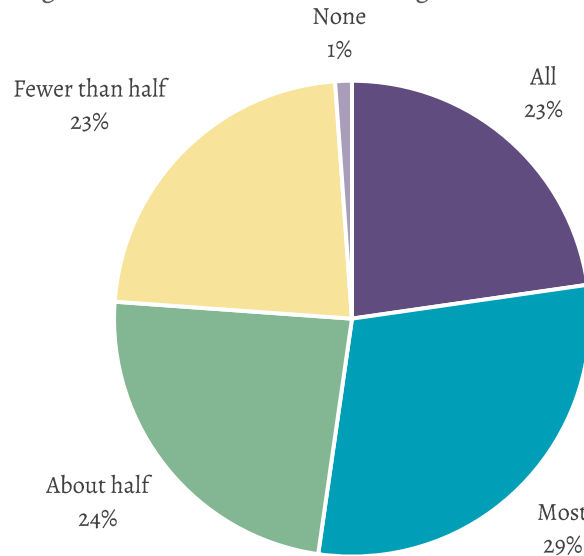
Non-Financial-Industry Backgrounds by Number of Trustees



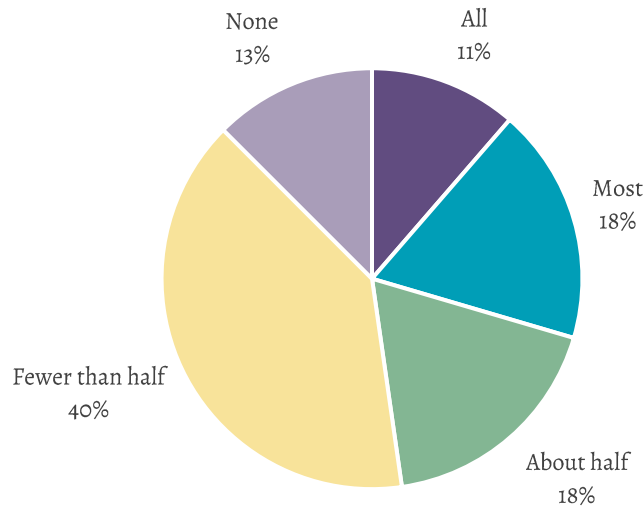
55% of survey respondents indicated that at least one member of the board had spent most of their career in an industry outside of financial services. Some of the more common industries represented among these include academia, regulatory/government, and the military. When asked what insights/experience directors from fields outside of financial services bring to the boardroom, responses ranged from management and leadership skills to decision-making and risk management perspectives.

Specialist and Generalist Directors

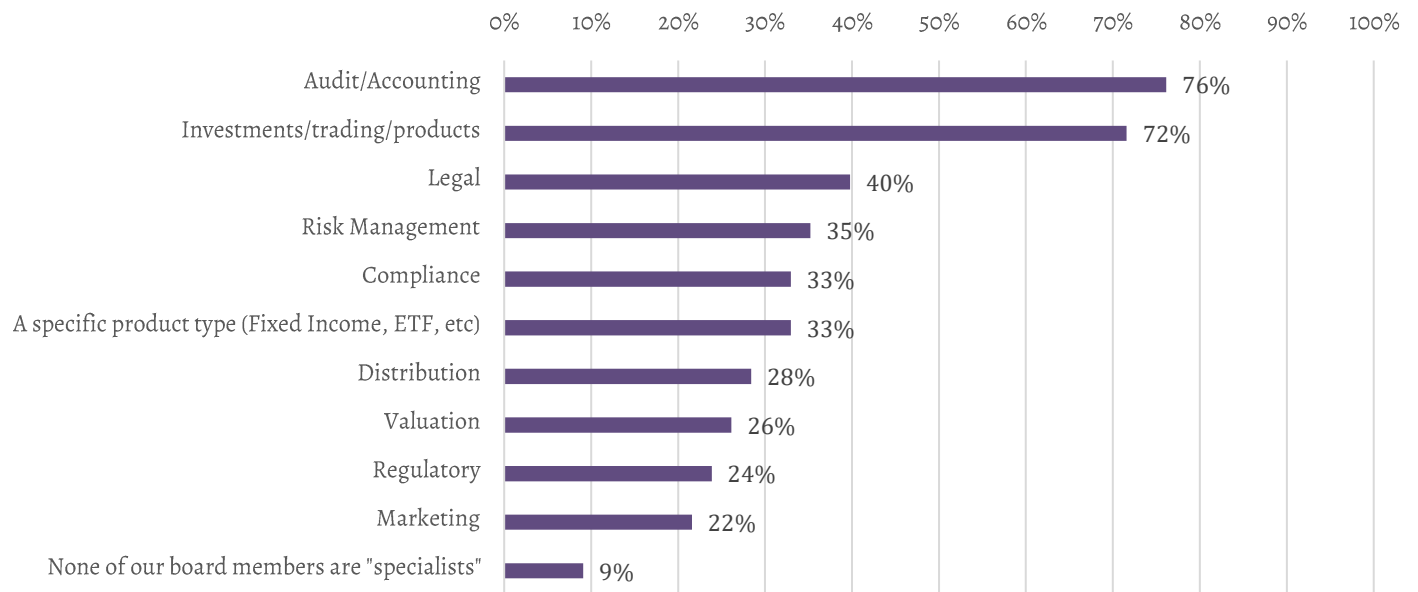
Of the independent directors on your board, how many of them have generalist backgrounds with broad knowledge of the fund industry?



Of the independent directors on your board, how many of them have specialized professional backgrounds with specific experience/expertise in a particular functional area, investment type, strategy, or industry?

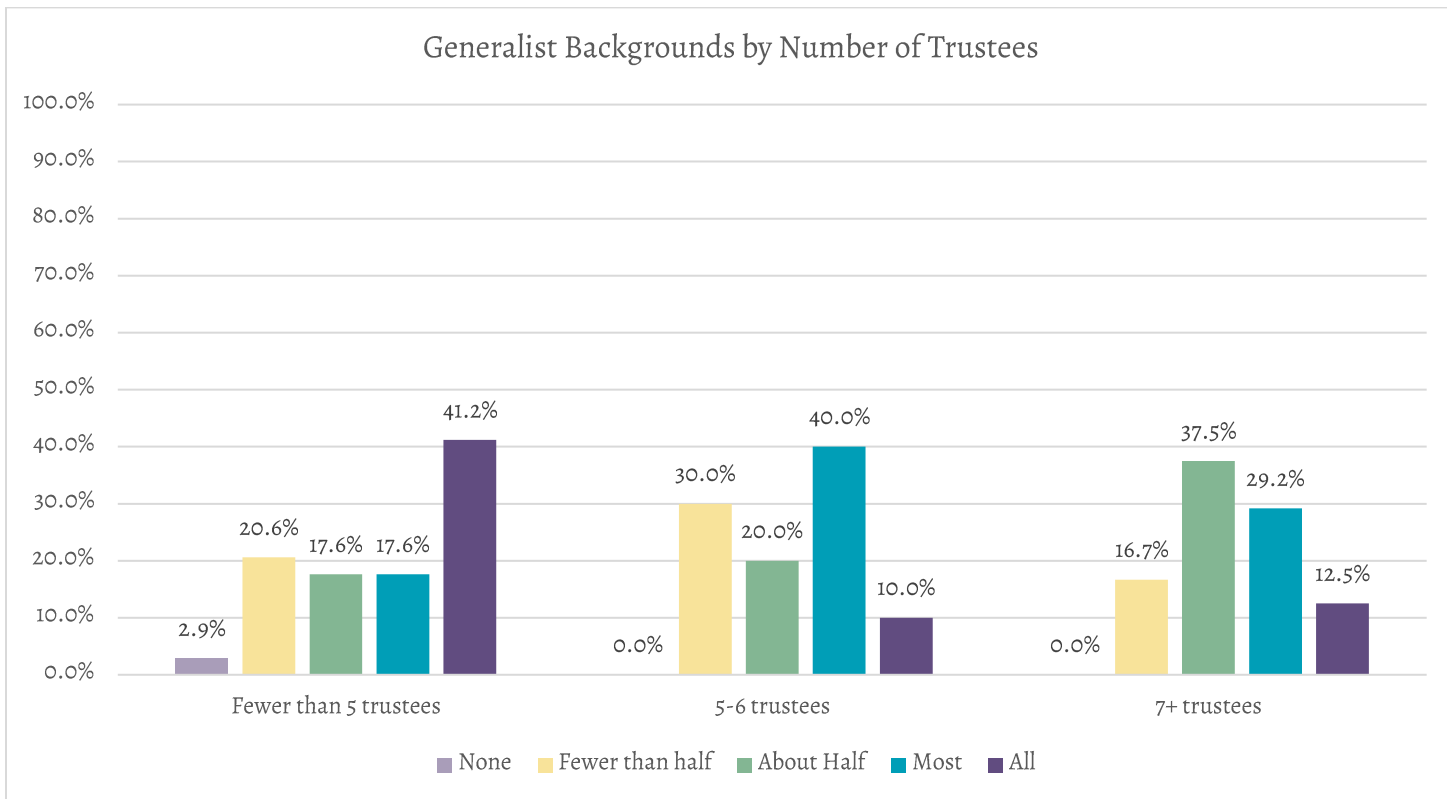
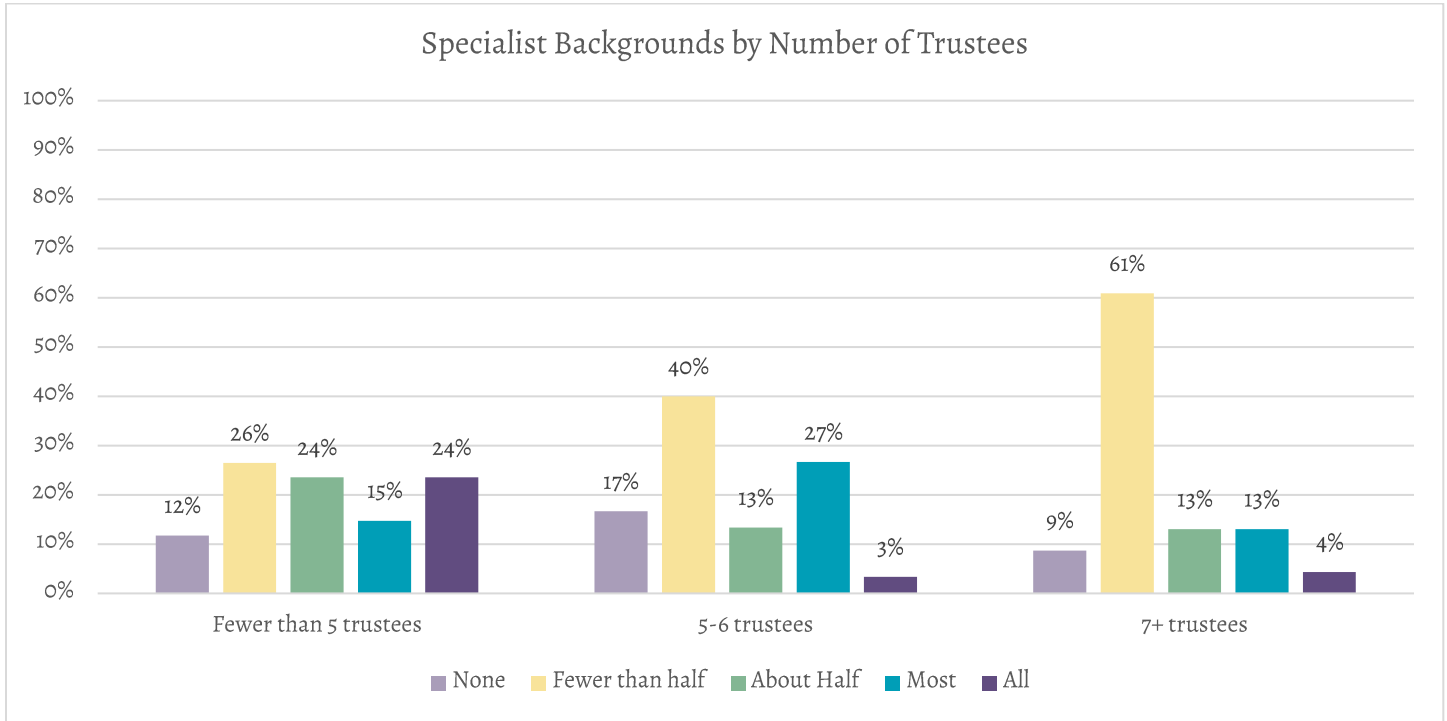


In which of the following areas (if any) do you have independent directors that could be considered specialists?



Participants could select multiple answers to the above question, so totals do not sum to 100%. Out of 88 responses, there were 66 unique combinations of specialists selected by respondents.

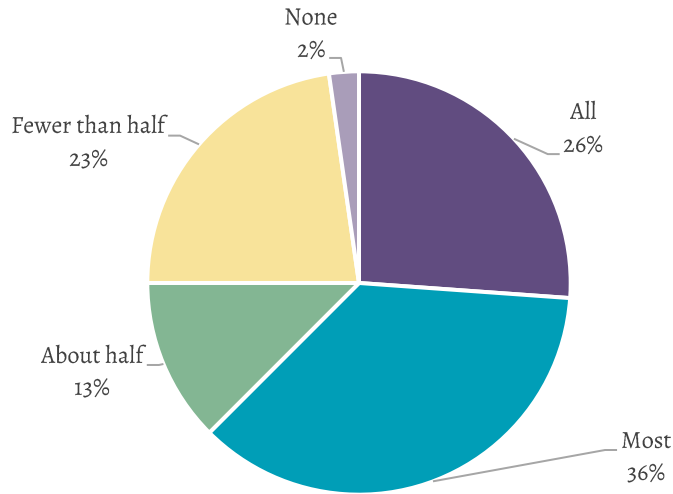
By Number of Trustees



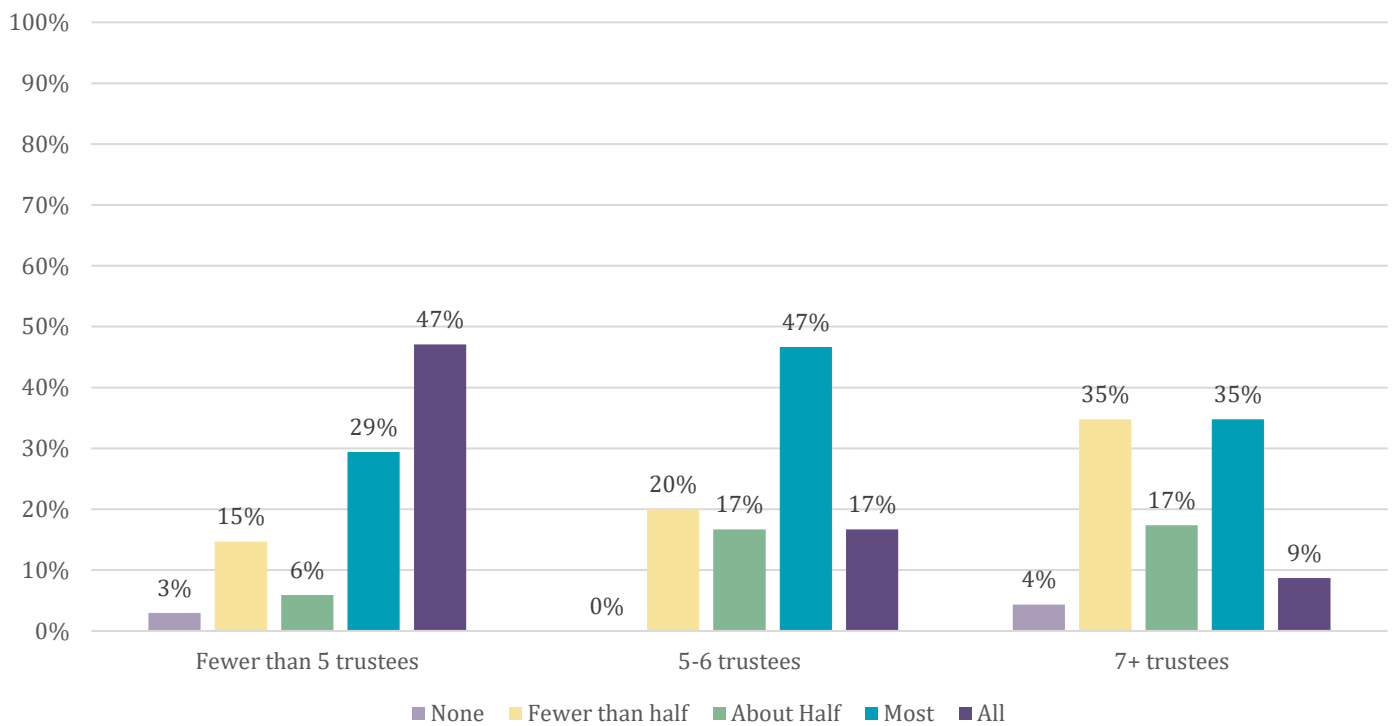
DEFINING QUALIFICATIONS

Fund Industry Experience

Of the independent directors on your board, how many of them have professional backgrounds in the fund industry?



Directors With Industry Backgrounds by Number of Trustees



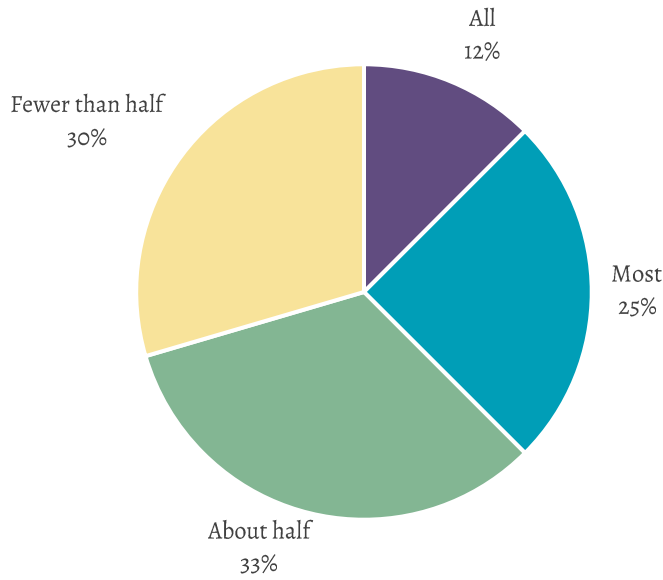
What does “from the fund industry” mean?



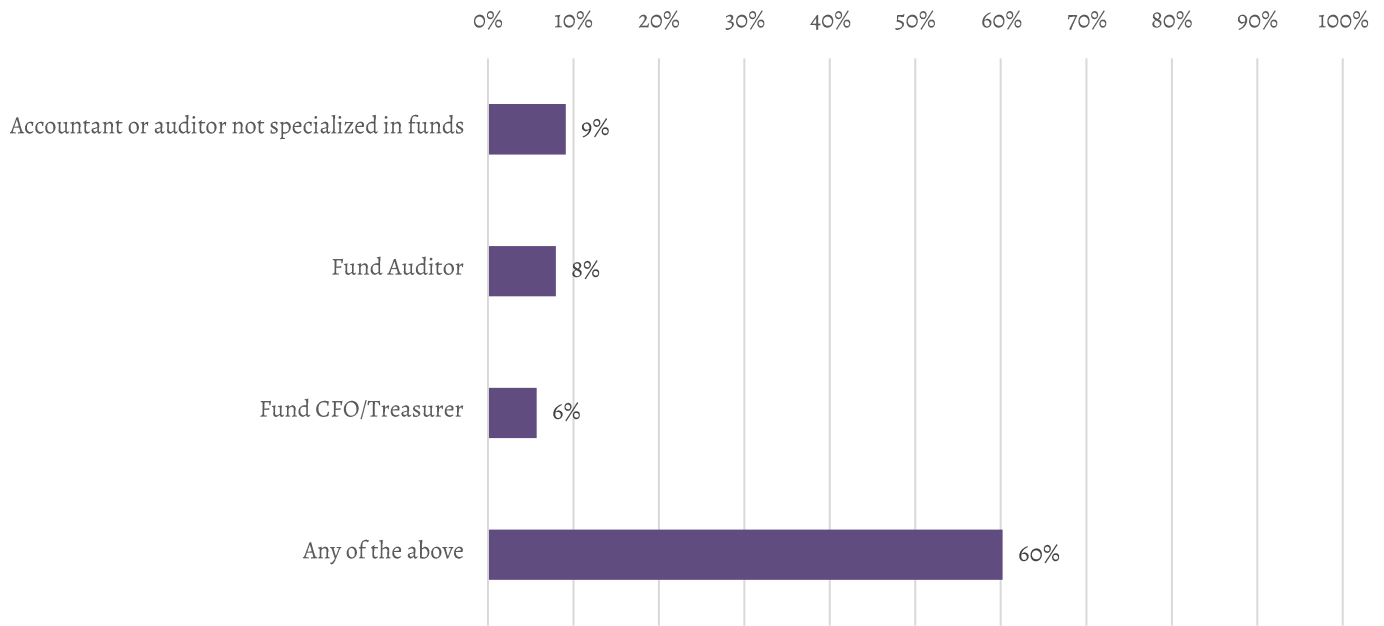
Participants could select multiple answers to the above question, so totals do not sum to 100%.

Audit Committee Financial Expert

Of the independent directors on your board, how many of them are Qualified Audit Committee Financial Experts?

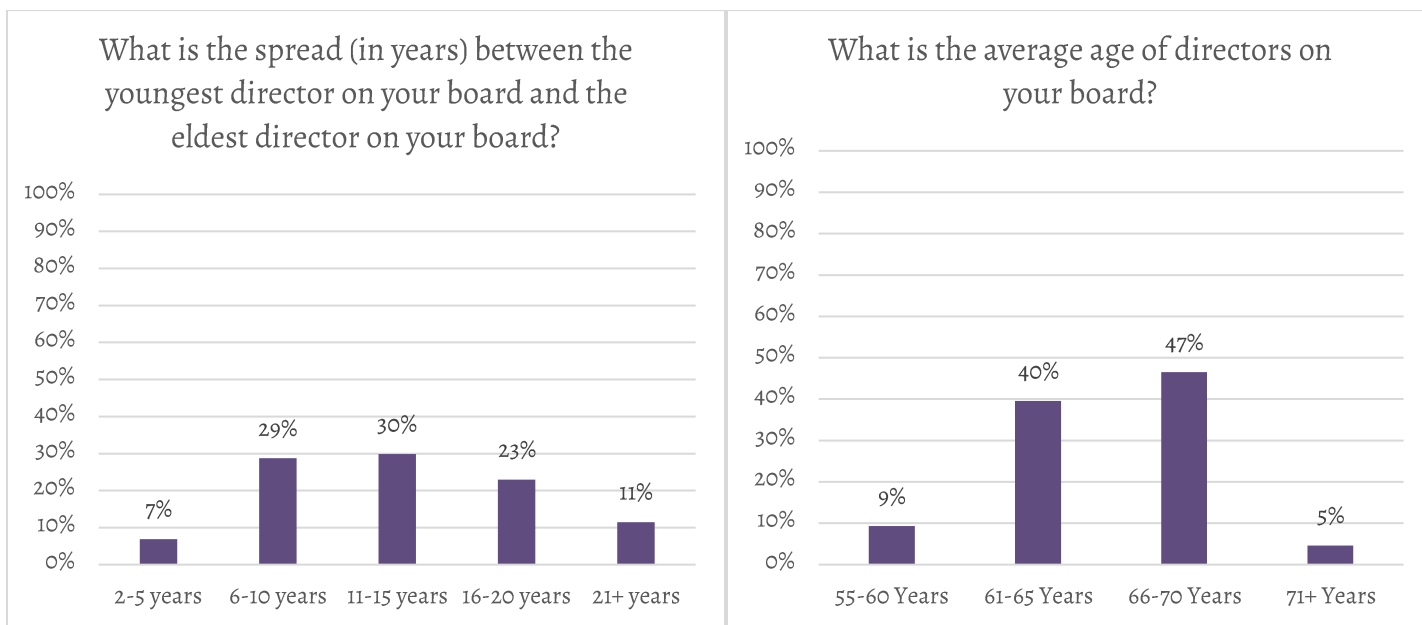


For a director on your board to be considered qualified to serve as an Audit Committee Financial Expert, which of the following experience would be desired?

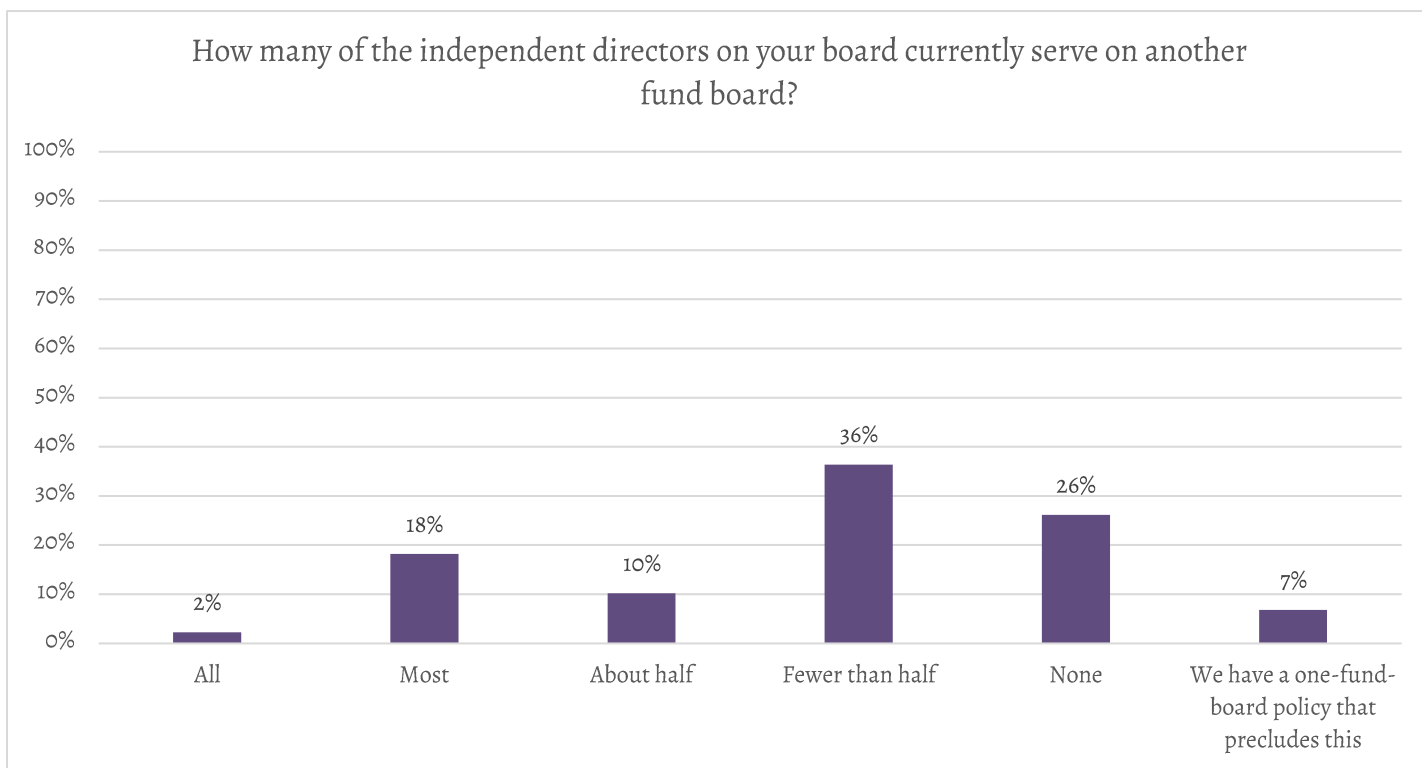


Board Attributes

DIRECTORS' AGE

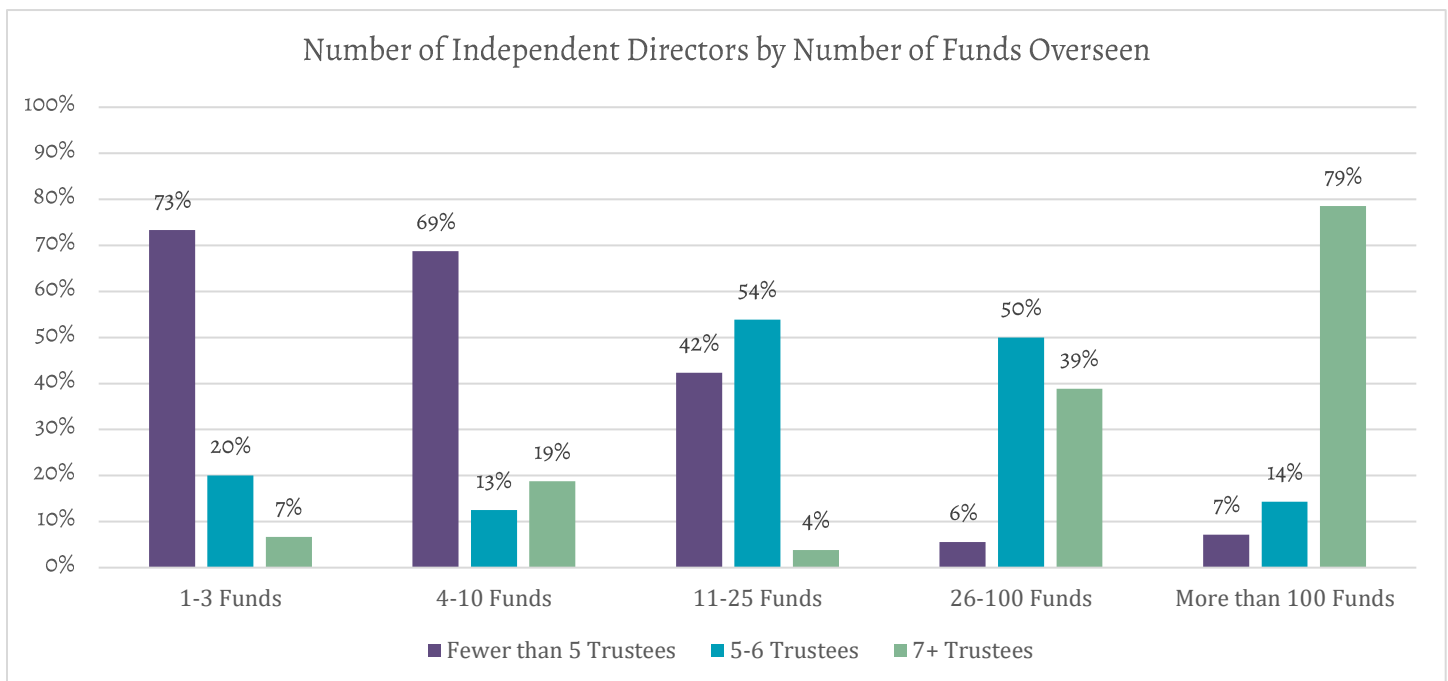
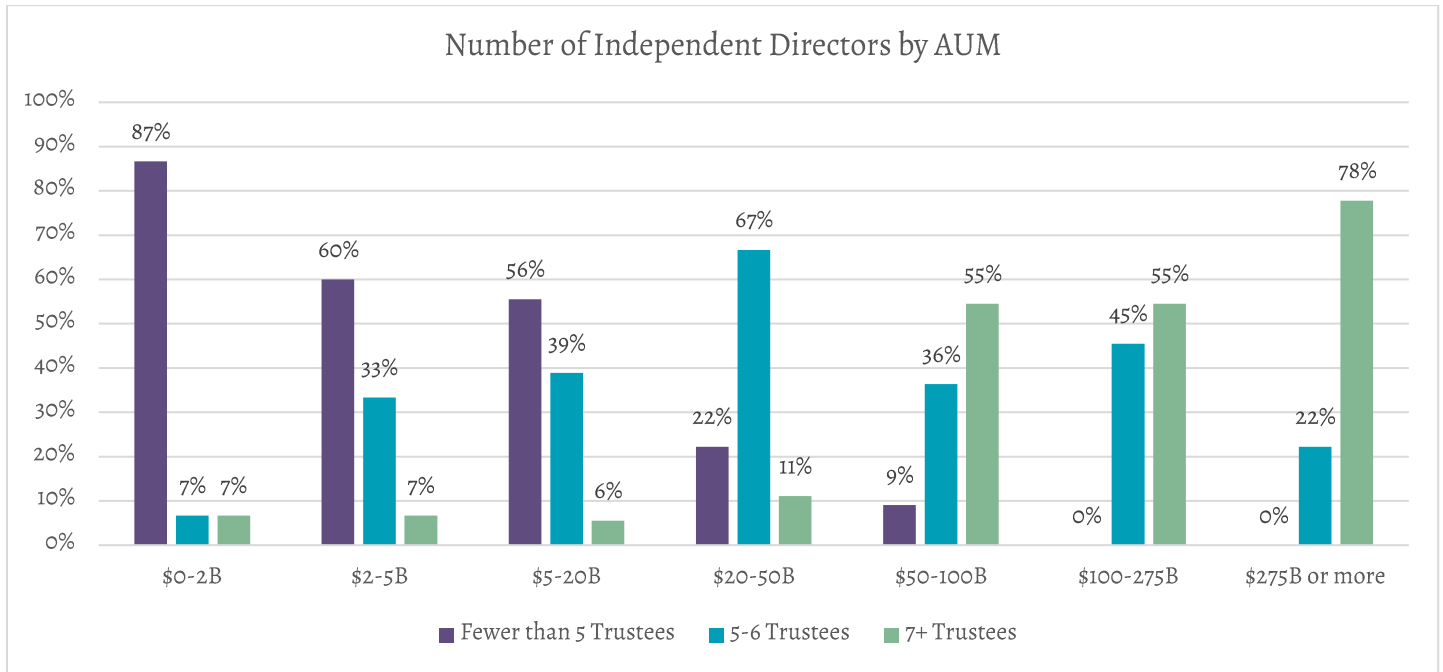


SERVICE ON OTHER FUND BOARDS



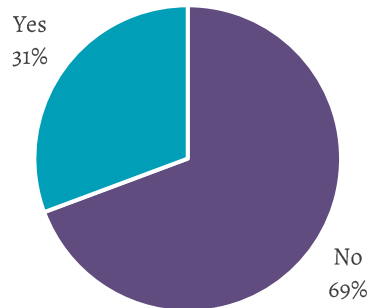
Board Structure

BOARD SIZE

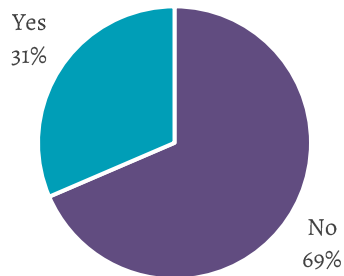


LEADERSHIP

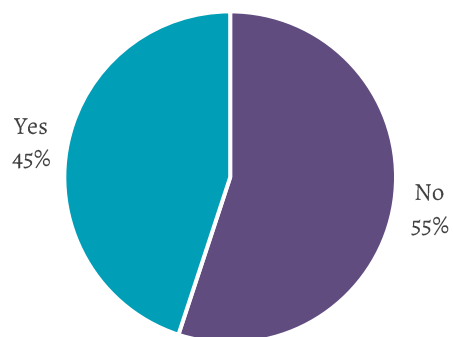
Do all of the independent directors on your board have a leadership role, chairing either the board or a committee?



Does your board rotate lead independent directors or independent chairs? (Where the independent chair serves for a period of time and then steps out of the chair seat but remains on the board)



Does your board rotate committee chair appointments?



Survey respondents were asked to rank six different factors in order of their relevance in consideration of making an independent director chair of a committee. Those factors were:

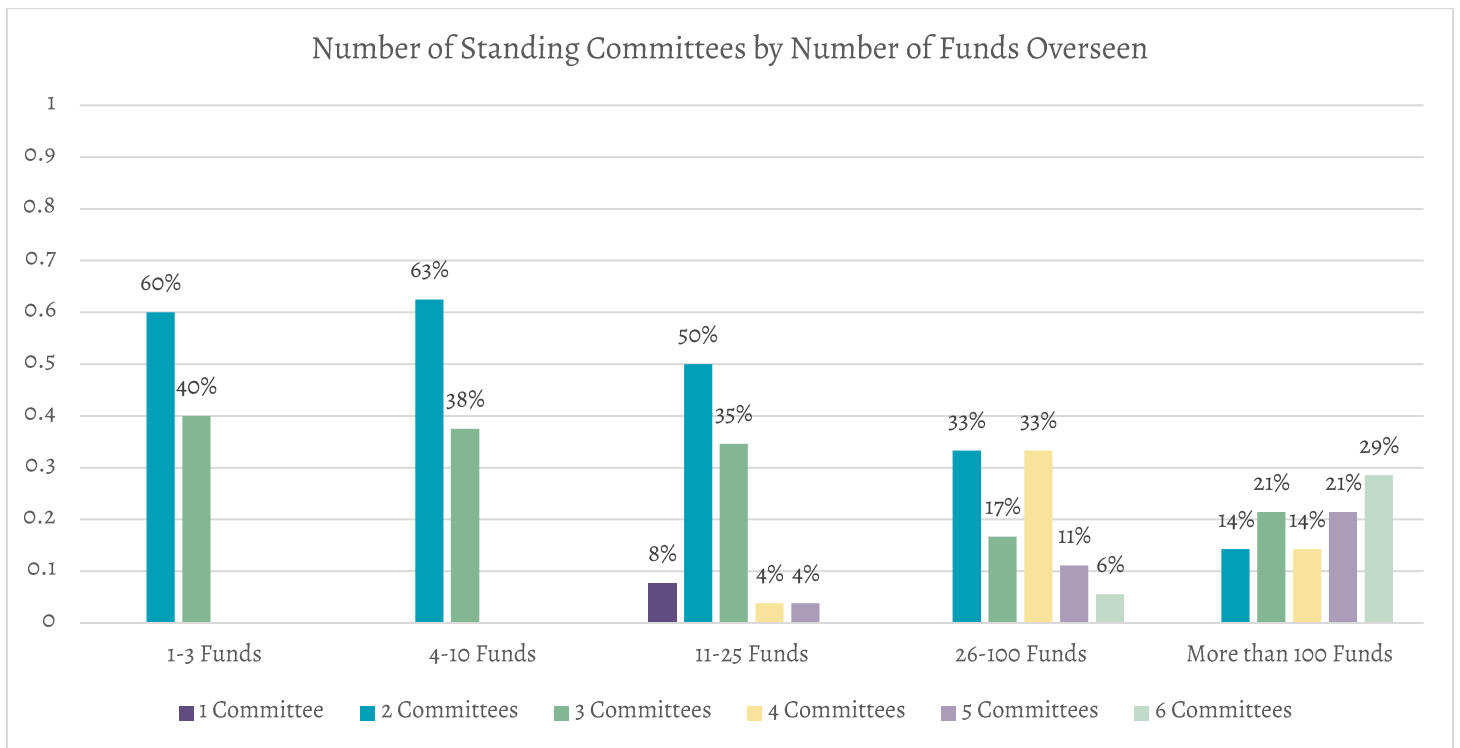
- Years of experience on the board,
- Experience with the area overseen by the committee,
- Director interest in the role,
- Demonstrated leadership capabilities,
- Rotation from other committee posts, and
- Years of experience on the committee.

The most relevant factors, in order of their most common rankings, were:

1. Experience with the area overseen by the committee (ranked first by 49% of respondents)
2. Demonstrated leadership capabilities (ranked second by 32% of respondents and first by an additional 20%)
3. Director interest in the role (ranked third by 31% of respondents and ranked first or second by an additional 42%).

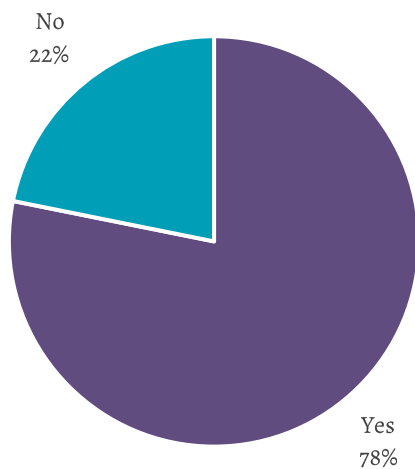
The other three factors had varied responses but were most often ranked as ‘not relevant in our considerations.’

COMMITTEES

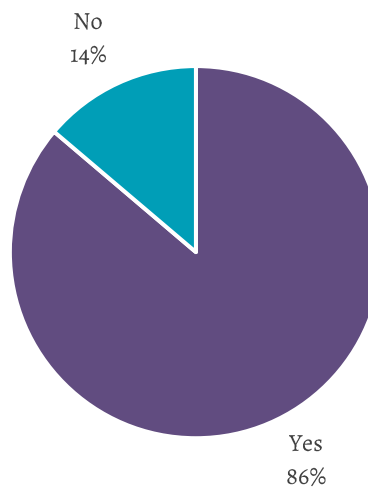


Board and Director Education

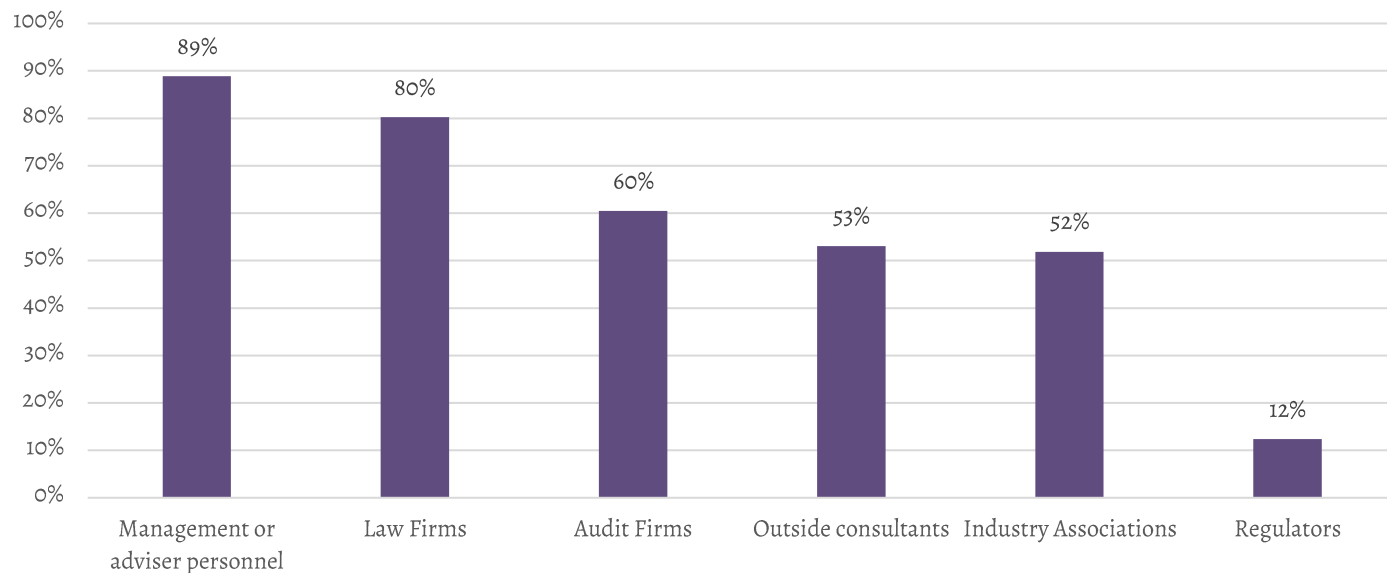
Is continuing education for directors offered on a regular cadence within your boardroom?



Are independent directors on your board expected to participate in continuing education regarding board-related topics **outside** the boardroom?



When education is offered within the boardroom, which of the following sources are drawn upon to provide it?



Participants could select multiple answers to the above question, so totals do not sum to 100%.

Further Reading

For more on topics relating to board composition, directors may be interested in reviewing MFDF's reports on:

- [Creating and Using Skills Matrices](#)
- [Board Committee Insights](#)
- [Fund Director Recruitment Practices](#)