



Corporate Directors Survey 2024

Shifting the narrative for board diversity from compliance to strategic priority



May 2025

Introduction

Megatrends like climate change, technological disruption and trade tensions are fundamentally altering our world. There's been a major shift in how and where value pools are created, changing how we feed ourselves, move around, build things and power things. Industries are working together in ecosystems in new ways, propelling value in motion and pushing businesses to address immediate challenges while simultaneously reinventing themselves to survive and thrive in the long term.

This shift in where value is created means that the role of corporate boards become ever more crucial. Diverse perspectives are essential, and enhancing gender diversity within boardrooms can effectively enrich discussions, bring varied experiences, and improve decision-making.

Encouragingly, boards in Malaysia are more gender diverse than ever, showing steady [progress over the last decade](#). Our [survey of corporate directors](#) also highlights this progress—65% of directors report that their boards have actively sought female candidates. Furthermore, 68% of directors acknowledge that diversity has resulted in positive outcomes.

Despite the promising developments, women continue to be underrepresented on company boards in the country especially at the aggregate level and across all public-listed companies (PLCs) on average. A critical question remains: Why haven't more companies fully embraced the transformative potential of diverse boards? Our survey points towards a few challenges: only 25% of directors report that increasing their boards' diversity has enhanced company performance, and 46% of boards claim there is a lack of qualified women candidates.

Our findings show that moving beyond checklists and positioning board diversity as central to the strategic agenda is essential. Progress can only be made when companies have a compelling reason—a true 'why'—to make gender diversity a deliberate priority. Otherwise, prevalent arguments of tokenism will continue to cloud the impact of these mandates.

In this extension of PwC Malaysia's Corporate Directors Survey 2024, we explore why scepticism around gender diversity on boards persists. Using data from the Corporate Directors Survey and insights from our debate event*, we identify barriers and opportunities for advancing diversity and examine how boards can better harness this to navigate emerging challenges and build trust across their organisations.

65%

actively seek
qualified women
candidates

68%

say diversity has
resulted in positive
outcomes e.g., unique
perspectives, better
culture or improved
company performance

25%

say that efforts to
increase board
diversity have resulted
in enhanced company
performance

46%

cite the lack of
qualified candidates
as a challenge to
board diversity

Source: PwC Malaysia's Corporate Directors Survey 2024

*The debate is part of PwC's Board Agenda Series, organised in collaboration with the 30% Club Malaysia and supported by the Securities Commission Malaysia. The debate motion is: "The responsibility to improve gender diversity on boards lies with regulators and not companies."



Validating diversity's impact

While regulations have been important in driving diversity on boards, companies are not solely pursuing these changes for compliance; they also seek tangible impact and value. In fact, 68% of directors in the Corporate Directors Survey believe board diversity brings positive outcomes like unique perspectives, better culture, and improved performance.

This sentiment is echoed by attendees and speakers at the 'Board Agenda Series: Diversity in debate' event. As noted by a debate participant, 'Companies want to see business value.'

What's more: For larger companies, they need to respond to local regulations in other countries, which allows them to compete in a global market.

Looking at Malaysian PLCs, the Top 100 have consistently had, on average, more women on their boards compared to the overall average across all PLCs. Our survey corroborates this: Directors from larger companies* are more confident in the positive outcomes they've experienced, compared to smaller companies**. The biggest differences can be observed in the increased experiences of unique perspectives and board culture.

Discussions from 'Board Agenda Series: Diversity in debate'

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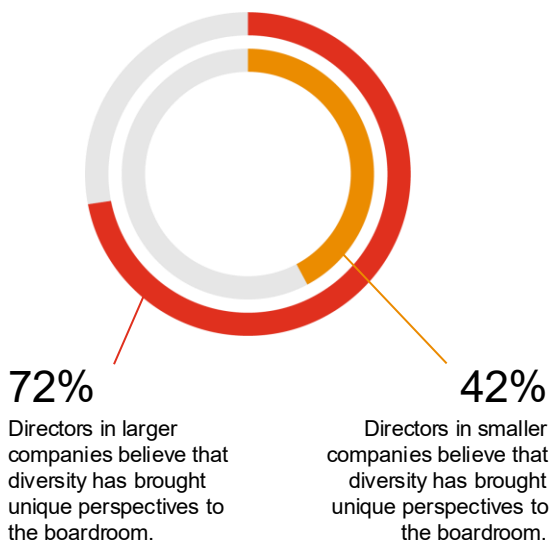
Diversity brings impact to boards, but tokenism dilutes this over time. So, we need to bring a shift in how diversity on boards is viewed - from compliance to value.

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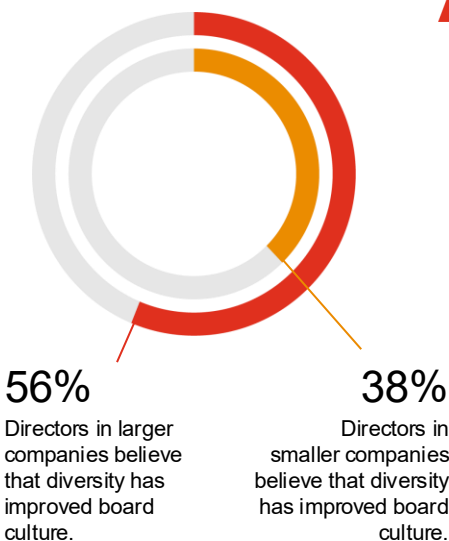
Diverse boards bring value, but it only brings value if you have intentionally designed it that way.

Q: Efforts to increase board diversity have resulted in...

Unique perspectives to the boardroom



Improved board culture



* Market capitalisation >RM5bn ** Market capitalisation <RM5bn

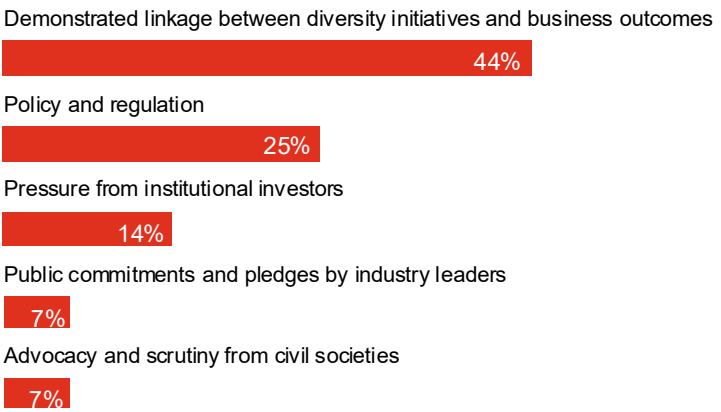


Validating diversity’s impact

Directors believe that the impact they see are mainly at the board level, with a quarter of directors from our survey saying that board diversity has enhanced company performance.

It’s clear that they are looking for greater ways to extract value from their board composition strategy, rather than relying on regulatory push alone. 44% of surveyed directors believe that a stronger linkage between diversity initiatives and business outcomes will most effectively encourage board gender diversity.

Q: What factors do you think will most effectively encourage or help achieve gender diversity at the board and corporate level?



Source: PwC Malaysia’s Corporate Director Survey 2024

This desire reveals an appetite for a bottom-up, company-led approach to diversity. And, as debate participants have emphasised, establishing value allows these initiatives to be sustainable.

Both teams in the debate spoke about the differences in the number women on boards across sectors, highlighting the reality of an equally diverse and complex business landscape. However, as we will explore in this report, this appetite needs to be met with a mindset shift and investment in actions that will systemically drive diversity all throughout the talent pipeline. Currently, 79% of directors in our survey believe that even at management levels, the reporting of diversity initiatives and performance is not prioritised or non-existent. If the tracking of outcomes is important to boards and management, discussions need to take place to define what the outcomes should be and establish reporting parameters.

Discussions from ‘Board Agenda Series: Diversity in debate’



Organisations that integrate gender parity into their culture and business strategy achieve more organic and lasting change than those merely complying with regulatory requirements.



The push for inclusion, at board levels are important because you can bring the best talent. And if that board is not an inclusive board, there will be a lot of attrition.



Consider the practicalities of diverse business models and the need for tailored solutions.



Validating diversity's impact

A PwC perspective

Board effectiveness evaluations can offer valuable insights into how diverse boards impact decision-making processes. And while it's natural for companies to seek positive business outcomes from the changes to their board composition, it's important to be realistic about what these outcomes entail.

Diversity, without inclusion, will likely be inadequate. Making changes to board composition does not guarantee that diverse perspectives will be considered in discussions and decision-making. Companies must assess influence and visibility of board members and monitor inclusion indicators, such as board attrition, to ensure diverse voices are genuinely heard.

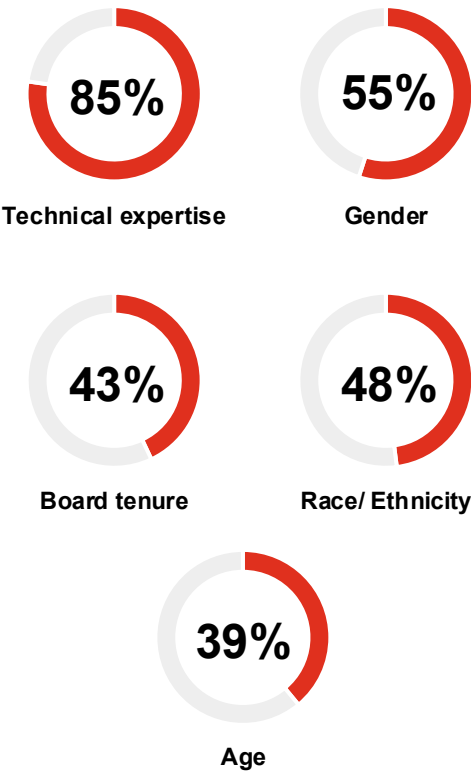
Underpinning this is a board chair who seeks out insights, empowers female directors to participate in sub-committees and helps directors appreciate the contribution from their peers.



Meeting demands of today

Corporate directors from our survey and at the debate overwhelmingly tell us that technical expertise is a key criteria for achieving diversity of thought in the boardroom. From the survey, we see that this outweighs other factors such as age, gender, race/ethnicity and board tenure.

Q: How important are the following factors in achieving diversity of thought in the boardroom?



Source: PwC Malaysia's Corporate Directors Survey 2024

Discussions from 'Board Agenda Series: Diversity in debate'

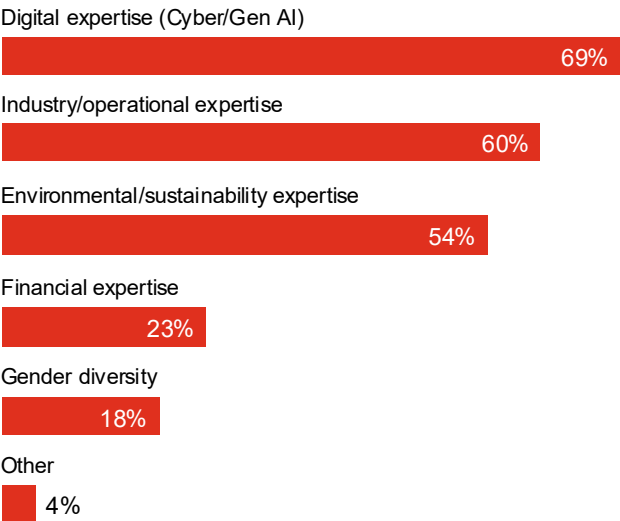


We are seeing more women in senior roles, yet there remains a significant gap when it comes to board positions. Many women work in supportive roles like HR or finance, while men dominate leadership roles such as CEO. This raises the question: is there an inherent bias in the selection process even before candidates are considered for board positions?"

This emphasis on technical expertise is hardly a revelation; the landscape is shifting dramatically as legislative frameworks—such as the Cyber Security Act 2024 and the National Sustainability Reporting Framework—usher in a new era of accountability and expertise. Additionally, PwC's [28th Annual Global CEO Survey](#) reveals that nearly half of CEOs in Malaysia are responding to the pressing need for business reinvention by developing innovative products or services.

When asked about which technical skills are most important to boards today, directors from our survey tell us that digital and industry-specific expertise are most sought after. However, women account for just [35% of the workforce in Malaysia's digital economy](#), highlighting persistent gender gaps. The qualified candidate pool shrinks further when we layer on the ['drop to the top' phenomenon](#), as women face considerable challenges transitioning from entry-level roles to C-suite positions. Traditional gender roles also result in more women in supportive functions, while men continue to lead in strategic or technical roles.

Q: Over the next 12 months, which of the following skills/attributes do you plan to add to your board? (Select all that apply)



Source: PwC Malaysia's Corporate Directors Survey 2024



Meeting demands of today

The varying levels of gender representation can be observed even within sectors. As noted by a participant in the debate, while the financial services sector demonstrates healthier gender parity in board positions compared to other sectors, there are large variations, for example, between banks and insurance companies.

Expanding the criteria for board candidates across various skills expertise will open the door to greater diversity, allowing for richer representation that balance out over- or under-representation in certain technical areas and enhance boards' impact in charting a path across new business models.

Discussions from 'Board Agenda Series: Diversity in debate'

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The initial days of board diversity was very much target and drive. But we're beginning to see that you need to look at individual capabilities, talent, strengths and place them in the right roles for you to really see impact.

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We are saying add the element of gender diversity because there is also a huge impact in the way we think and the perspectives we bring to the board, and harness that value.

A PwC perspective

While demands of the present driven by today's megatrends have boards racing to pad the ranks with the necessary technical skills, this narrow focus risks disregarding the wealth of perspectives that broader representation can offer.

The Institute of Corporate Directors Malaysia (ICDM) observes that board candidates with skill sets across the three areas of its [Board Skills Matrix](#)—conventional, technical and unique values have an advantage in board sourcing and placements. As business models undergo reconfiguration, boards will need to consider how their board composition matrix needs to evolve to incorporate unique values and soft skills—which are less likely to be gender specific—to help them remain adaptable to future challenges. This approach can enable women to transition from traditionally perceived 'supportive' roles into technical board positions.

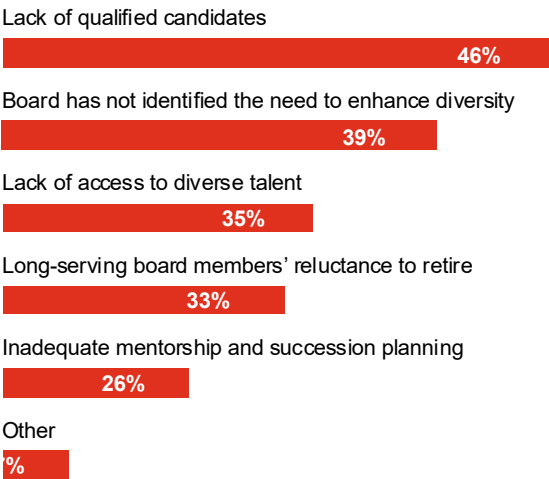




Perceptions of the talent pipeline

More than half of directors from the survey (65%) say they actively seek out women candidates for board positions. And yet, just under half (46%) identify the lack of qualified candidates as a key challenge to recruiting diverse board candidates.

Q: What are the challenges to recruiting diverse board candidates? (Select all that apply)



Source : PwC Malaysia's Corporate Directors Survey 2024

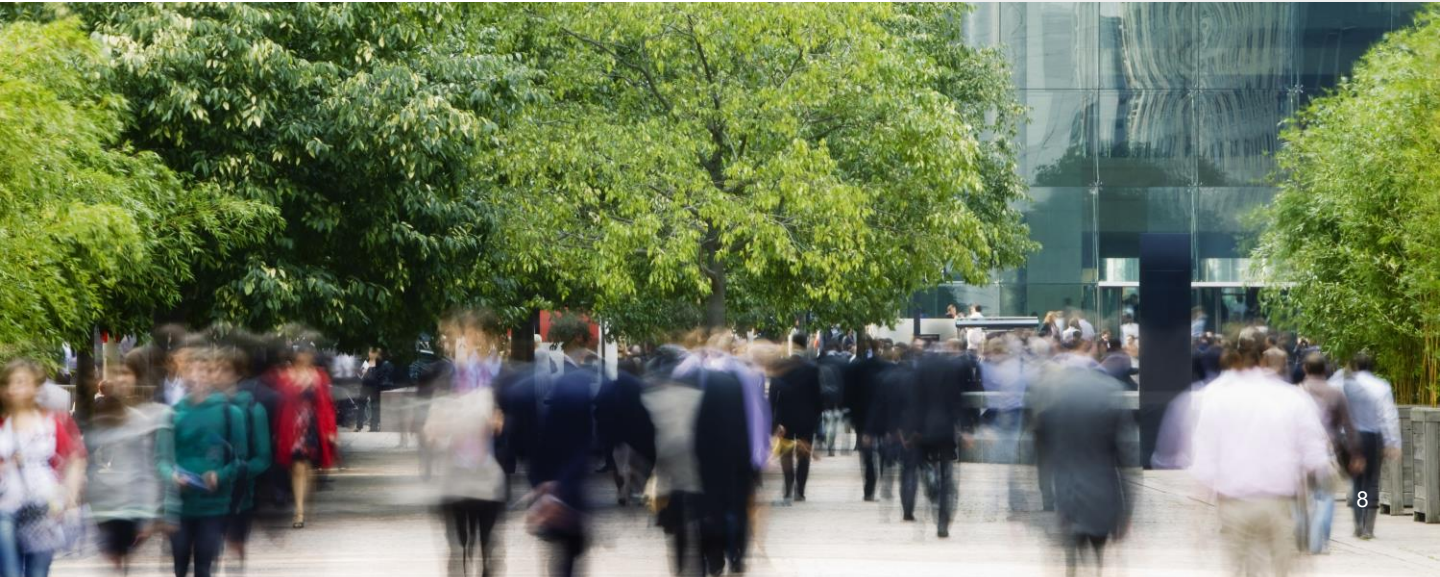
This finding is consistent with what we've observed earlier: boards continue to prioritise technical expertise, especially in high-demand areas where the gender gap is most pronounced. Furthermore, 35% believe there is a lack of access to diverse talent. Considering the [labour force participation rate](#) for women in Malaysia stands at 56.2%, this points towards a solution that is rooted in talent development within organisations.

Discussions from 'Board Agenda Series: Diversity in debate'

“ To the point of lack of qualified candidates – maybe we need to redefine what is a “qualified” candidate.

“ True diversity is not a number; it is a culture, a mindset and a commitment that must be fostered from within. The goal is to drive long-term sustainability and good corporate governance practices.

“ They [companies] are better positioned to develop and implement diversity strategies that align with their unique needs and long-term objectives.



Perceptions of the talent pipeline

Despite knowing what these barriers are, only 40% of surveyed boards have established gender diversity targets. Even fewer have taken proactive steps to nurture future talent by making the necessary investments in talent structures that will help cultivate a sustainable and diverse pipeline of board-ready women.

Q: What strategies or actions has your board taken to increase gender diversity? (Select all that apply)



Source: PwC Malaysia's Corporate Directors Survey 2024

During the debate, participants emphasised the role of intent, purpose and outcome in driving meaningful progress toward gender diversity. Organisations have the best understanding and insight of their own needs and sector-specific challenges of the future. Intent points to the deliberate efforts that need to be driven within organisation to overcome cultural and systemic barriers to access and opportunity.

Many boards continue to recruit through their networks. While this provides a level of comfort in knowing who the person is, boards may not find the diversity that they seek. Outreach efforts which include targeted recruitment efforts and working with advocacy groups can expand the talent pool and improve access to qualified candidates.

It's worth highlighting that emerging fields like sustainability and AI often have a generational gap at leadership level. Without intervention, sustainability and AI experts who are younger won't reach the board for at least another decade, pointing to a need to consider age as well as gender and skills.

Discussions from 'Board Agenda Series: Diversity in debate'

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There has to be intentionality on the part of companies. Board appointments that are carried out to meet regulatory requirements do not address the broader organisational, culture or systemic barriers that women face in corporate environments.

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There is a healthy pipeline of women coming through. There are little excuses for companies not wanting to appoint women to their boards.

Perceptions of the talent pipeline

A PwC perspective

Boards that genuinely want to make progress on gender diversity need to go beyond the optics of appointment. This means intentional action to invest in the pipeline, such as setting targets, supporting mentorship and critically, examining the biases that may be embedded in how 'qualified' is defined. If technical expertise remains the priority, then the responsibility lies with boards to ensure that they're exploring different avenues in sourcing talent and that women are given equitable access to these opportunities.

In parallel, organisations should explore ways to better foster diverse talent. This could mean working closely with industry bodies and advocacy groups to build a stronger, more inclusive ecosystem for future leaders.

Without applying a systemic lens, diversity efforts will continue to stall—not because qualified women are absent from the candidate pool, but because they have not been considered in the first place.

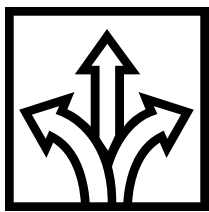




Three strategic actions for gender-inclusive boards

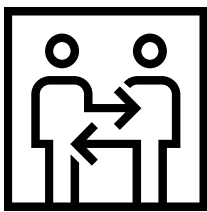
While policies and regulations can facilitate the necessary momentum for change, it is crucial that boards make gender diversity a deliberate priority. Boards need to foster an environment that not only includes but actively engages with these perspectives to fully benefit from gender-diverse boards.

Boards can consider the following:



Implement strategies to improve inclusion in boardroom:

What steps are we taking to promote a boardroom culture that values inclusion? Do we have a chair who is truly committed to fostering an inclusive environment?



Highlight the synergy between skills and gender diversity:

Do we have the right mix of experiences, skills, and backgrounds to position ourselves to succeed in light of the complexities of today? How do we ensure our board composition reflects a balance between varied competencies and gender representation?



Cultivate talent pipelines intentionally:

As a board, are we exploring avenues to source talent—outside of conventional networks? How are we identifying and addressing barriers that might prevent certain individuals from reaching board or senior leadership positions?

These areas are just the beginning, and boards cannot address them on their own. Leaders across all industries must commit to working collaboratively, sharing both their challenges and successes. Boards need to have the courage to ask tough questions and actively contribute to accelerating progress towards gender parity in boardrooms.

Contact us



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About the survey

PwC Malaysia's Corporate Directors Survey examines the perspectives of company directors throughout Malaysia on various corporate governance issues. The survey gathered input from 90 directors across multiple industries via surveys and interviews conducted from 6 September to 18 December 2024. Additionally, insights from the 'Diversity in Debate' discussion—held on 25 March 2025, in partnership with the 30% Club Malaysia and supported by the Securities Commission Malaysia— were used to enrich the analysis in this publication.