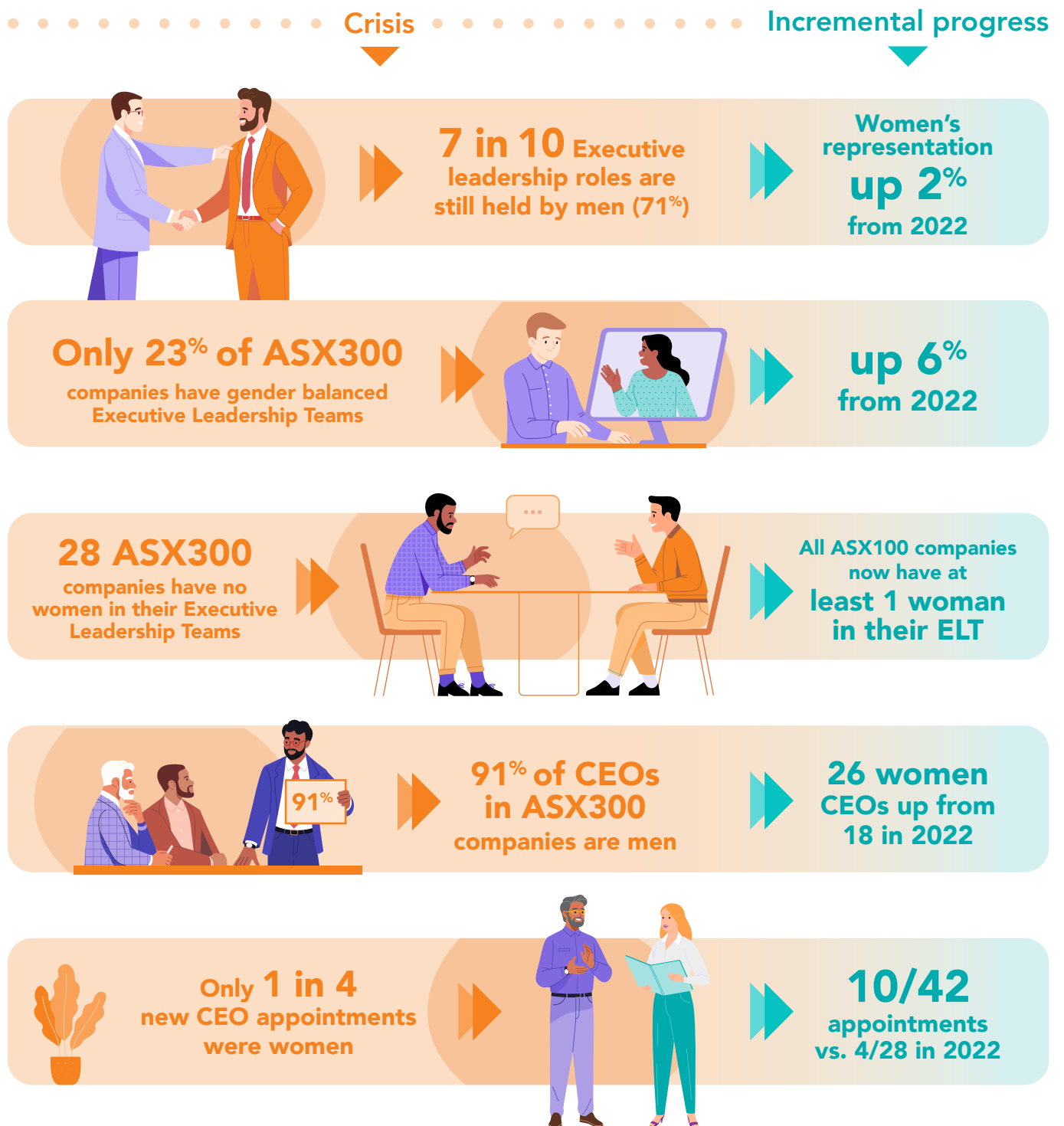


ASX300 Key Findings 2023

The Chief Executive Women (CEW) Senior Executive Census, now in its seventh year, tracks the annual progress of women's representation in the senior leadership teams in Australia's top companies¹. Seven years of data shows that women are undeniably underrepresented and incremental change is failing to solve the crisis.



Crisis

Incremental progress

82% of CEO pipeline roles are held by men

(Group Executive, COO & CFO)



Women's representation up 3% from 2022



42% of the ASX300
27% of the ASX100

have no women in CEO pipeline roles



40:40

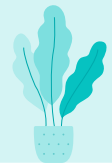


Companies with 40:40 or better gender targets were 3x more likely to achieve gender balance than those without targets



39% of the ASX300
55% of the ASX100

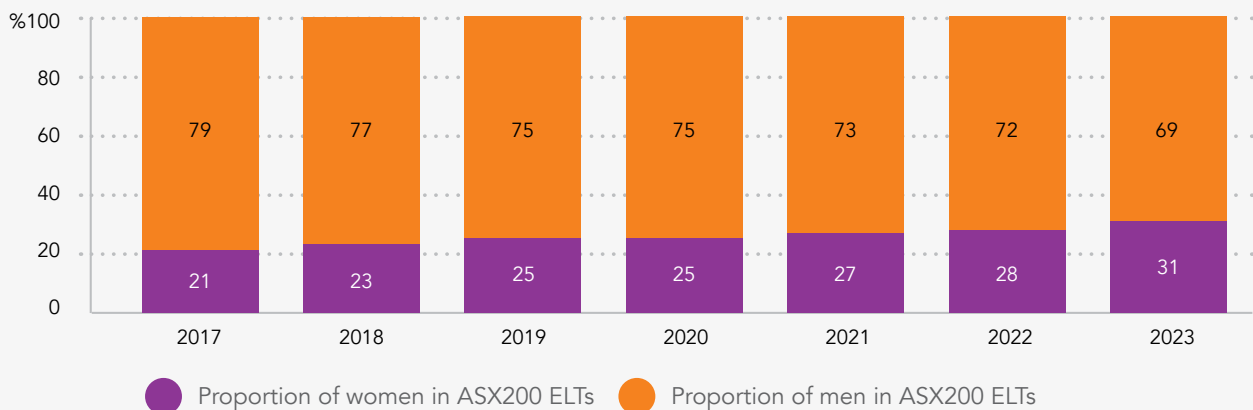
have set a 40:40 or better gender target



Crisis

- At the current rate of change, it could take up to 50 years to achieve gender parity in CEO roles.
- It will take over a decade to reach gender parity in Executive Leadership Teams.

Incremental Change



Take Action

CEW calls on all ASX300 companies to:

- Set a 40:40:20 by 2030 gender target with real accountability and transparency
- Invest in gender balanced CEO and Executive Leadership Team talent pipelines
- Build inclusive, flexible and respectful workplaces

Action 1: Set a 40:40:20 by 2030 gender target with real accountability and transparency

- Report on targets on a recurring and real-time basis both internally and externally. Diversity, Equity, and Inclusion (DEI) metrics should be regularly reviewed in leadership forums and root causes should be tracked where diversity is lacking (such as new hires, promotions, and exits by gender).
- A clear business case is required with internal resources allocated to initiate change. Best-in-class companies extend ownership of gender balanced outcomes to business unit leaders as they make talent acquisition and promotion decisions.
- Make Executives financially accountable for gender targets, but craft these linkages carefully. Over 60% of the gender balanced companies interviewed in [CEW's Take It From the Top report \(2022\)](#) linked DEI metrics to Executive performance and compensation.

Action 2: Invest in gender balanced CEO and Executive Leadership Team talent pipelines

- Develop proactive succession planning over short, medium, and longer time horizons, with cross-training or up-skilling to remove succession plan gaps. Best in class companies initiate succession processes early, looking beyond the most-likely successors to all levels of the organisation (including leapfrog successors) through systematic criteria. This prompts proactive conversations about their development plans to identify their development needs early, which can then be mitigated through cross-training (for example, rotating general managers across multiple business areas).
- Sponsor diverse emerging women leaders. Women are half as likely to have a sponsor as their male peers, according to *Harvard Business Review's "The Real Benefit of Finding a Sponsor"*¹¹. High-potential women who are sponsored – specifically by senior male leaders – are more likely to receive growth opportunities needed to prepare for Executive roles.

To advance women in leadership, enrol a woman leader for the [CEW Leadership Development Program](#) or nominate for a [CEW Scholarship](#).

- Invest in bias-free recruitment and talent management to remove barriers for diverse talent. Data-driven, skill-based, and competency-based processes provide more transparency around internal career paths. They also help remove biased metrics such as "potential", ensuring standards are equitable for all genders.

Action 3: Build inclusive, flexible and respectful workplaces

- Embed policies that remove gender norms for men and women
- Normalise flexibility for all roles and genders
- Role-model inclusive, respectful behaviours from top-down - intersectional diversity should be an organisational priority
- Build culturally safe workplaces, examine organisational policies and practices, assess cultural and racial safety, and take action
- Create safe workplaces where everyone is respected and enabled to thrive

Read CEW's [Unlocking Leadership: Conversations on Gender and Race in Corporate Australia](#) report.

Read CEW's [Respect is Everyone's Business Toolkit](#) for resources to eliminate sexual harassment in the workplace.

Actions for Investors

There is evidence demonstrating that diverse and inclusive company leadership teams generate greater value in the long term. Investors can and do consider gender diversity factors, such as the diversity of Executives and Boards, broader workforce composition, and company policies and culture when conducting due diligence and making investment decisions.

Melior has developed a proprietary gender benchmark for listed companies where they assess companies' relative ASX300 performance on a number of gender focused factors including:

- Achieving or targeting gender balance via 40% women, 40% men, and 20% any gender, both at senior management and board levels
- Disclosing gender pay gap data and targets
- The extent of women-friendly workplace policies
- **Use company engagement to drive accountability among portfolio companies**

Investors can engage portfolio companies, both at the management and Board level, and encourage them to set and disclose 40:40:20 targets for their leadership teams. Investors can increase influence by joining collaboratives such as [40:40 Vision](#), which brings together investors with over \$6 trillion in assets under management or advice.

Communicate investor expectations about what policies and procedures companies should have in place to support gender equality, such as equitable parental and carers leave, flexible work provisions, pay equity analysis, and sexual harassment prevention strategies.

- **Encourage a race to the top for disclosure and transparency**

Encourage a race to the top for disclosure and encourage companies to disaggregate workforce data according to gender and any other diversity information available. Greater availability of data allows investors to better assess cultural and financial risks and opportunities relating to gender.

- **Exchanges can play a role in driving Board and management diversity**

Various international regulatory approaches include listing requirements, voluntary guidance and mandated disclosures. For example, the Nasdaq implemented a Board diversity rule requiring listed companies to publicly disclose board-level diversity statistics annually, on a comply or explain basis. Investors can play a role in advocating for regulation that advances gender diversity.

- **Look internally and take action to promote gender balance within investment management**

Women are traditionally underrepresented in the investment management industry. Investment firms can benefit from the same diversity dividend stemming from diverse ideas and innovation, strong culture, and improved governance and risk management.

Actions for Government

- Set targets for government procurement processes to prioritise organisations with gender balanced leadership
- Make quality early childhood education and care universal
- Extend the superannuation guarantee to the Commonwealth Paid Parental Leave Scheme to help reduce the superannuation gap between men and women in retirement
- Embed gender equality institutionally through legislation, including for gender responsive budgeting