

SEPTEMBER - DECEMBER 2018  
QUARTERLY REPORT | VOLUME 14

# 30% by 2018: Gender diversity progress report





## Results are in



For almost a decade the Australian Institute of Company Directors has been spearheading a campaign to increase the gender diversity on Australian boards, launching the Chair's Mentoring Program in 2010 and board diversity scholarships a few years later. Progress was slow and so in 2015, we challenged the director community to meet a voluntary target of 30 per cent female representation on ASX200 boards by the end of 2018.

Quarterly reporting, continuous awareness building, and collaborations with other supporters in this domain, has seen the percentage of women on these boards increasing by 10 per cent over that period. As at 31 December 2018 women represented 29.7 per cent of directors on ASX200 boards. The figures were even better for the ASX100 and 50 with 31.5 per cent and 31.1 per cent respectively.

When we began the journey, the number of ASX200 boards with 30 per cent female representation was 40. This figure has more than doubled to 96 and those with no women has decreased from 26 to only four. In 2018 women represented 45.4 per cent of all ASX200 appointments up from 37 per cent when we set the 30 per cent target in 2015.

Particularly encouraging is that of the women appointed to ASX200 boards over the past three years, for almost half it was their first ASX200 appointment, testament to the importance organisations placed on seeking out diverse talent for their boards.

Our Chair's Mentoring Program continues to deliver results. Last year another 55 women completed our year-long program joining the other 300 graduates, many of whom are now serving on the boards of Australia's most prominent companies.

We were buoyed by the enthusiastic response we received from the director community who embraced the voluntary target, understanding the benefits diversity brings to good governance and as such, pursued better gender balance for their boards.

Finally, I would like acknowledge that the positive results are also due to the incredible work of Elizabeth Proust AO FAICD, immediate past Chairman AICD, who drove our gender diversity agenda, advocating tirelessly over the years to promote better representation of women on Australian boards.

We look forward to another productive year ahead as we consolidate and embed 30 per cent female representation and then continue our journey towards gender parity on Australian boards.

A handwritten signature in black ink, appearing to read 'Angus Armour'. The signature is fluid and cursive, with a long horizontal line extending to the right.

**Angus Armour**

Managing Director & Chief Executive Director  
Australian Institute of Company Directors

## 30% by 2018 Progress report

### Tracking

There have been 20 additions to the list of companies with at least 30 per cent female directors since August 2018. The current number of companies with at least 30 per cent female directors is 96 (31 December, 2018).

### Additions

1. Rio Tinto Limited joined the list with the retirement of Christopher Lynch on September 3, 2018.
2. Pact Group Holdings (Australia) Pty Limited joined the list with the resignation of Malcolm Bunday on September 9, 2018.
3. oOh!Media Limited joined the list with the resignation of Michael Anderson on September 21, 2018.
4. Elders Limited joined the list when the company was listed on the ASX200 on September 24, 2018.
5. InvoCare Limited joined the list with the appointments of Jacqueline McArthur and Megan Quinn on October 1, 2018.
6. Westpac Banking Group joined the list with the appointment of Anita Fung on October 1, 2018.
7. CYBG PLC joined the list with the appointments of Geeta Gopalan and Amy Stirling on October 15, 2018.
8. Resolute Mining Limited joined the list with the retirement of Henry Price on October 25, 2018.
9. Skycity Entertainment Group Limited joined the list with the retirement of Phillip Harman on October 30, 2018.
10. St Barbara Limited joined the list with the appointment of Stefanie Loader on November 1, 2018.
11. Macquarie Group Limited joined the list with the appointment of Jillian Broadbent on November 5, 2018 and the retirement of Nicholas Moore on November 30, 2018.
12. Domino's Pizza Enterprises joined the list with the retirement of Paul Cave on November 7, 2018 and the appointment of Uschi Schreiber on November 30, 2018.
13. James Hardie Industries joined the list with the appointment of Rada Rodriguez on November 13, 2018.
14. ResMed Inc joined the list with the resignations of Gary Pace and Christopher Roberts on November 15 and 17 respectively and the appointment of Gill Harjit on November 15, 2018.
15. Lendlease Group Services Pty Limited joined the list with the resignation of Phillip Colebatch and retirement of David Crawford on November 16, 2018.
16. Coles Group Limited joined the list when the company joined the ASX200 on November 21, 2018.
17. Webjet Limited joined the list with the resignation of Rajiv Ramanathan on November 22, 2018.
18. Treasury Wines Estates Limited joined the list with the appointment of Louisa Cheang on December 1, 2018.
19. Syrah Resources Limited joined the list with the resignation of Stefano Giorgini December 7, 2018.
20. Shopping Centres Australasia Property Group joined the list with the appointment of Beth Laughton on December 13, 2018 and resignation of James Hodgkinson on December 31, 2018.

### Deletions

1. Breville Group Limited left the list with the appointment of Peter Cowan on September 1, 2018.
2. Genworth Mortgage Insurance Australia Limited left the list with the appointment of Duncan West on September 1, 2018.
3. Sirtex Medical Limited left the list when it was removed from the ASX200 on September 24, 2018 in connection with the acquisition Grand Pharma Pty Ltd.
4. Perpetual Limited left the list with the appointment of Robert Adams on September 26, 2018.
5. Gateway Lifestyle Group left the list when the company was removed from the ASX200 at the opening of trading on October 12, 2018.
6. Aurizon Holding Limited left the list with the retirement of Karen Field on October 18, 2018.
7. Crown Resorts Limited left the list with the appointment of John Poynton on November 20, 2018.
8. Charter Hall Group left the list with the appointment of Gregory Paramor on November 30, 2018.

### No female directors

There are currently four companies in the ASX200 without any female directors. The number has increased by one since the last quarterly report for the period June-August 2018. Tassal Group Limited left the list with the appointments of Jacqueline McArthur and Georgina Lynch on November 27, 2018. Emeco Holdings Limited was added to the list when the company joined the ASX200 on October 12, 2018. AMP joined the list with the resignation of Patricia Akopiantz on December 31, 2018.

The full list of ASX200 companies with the number of women on their boards is listed below. Individual chairs with an asterisk next to their name are members of the 30% Club and have committed to achieving at least 30 per cent females on their boards by the end of 2018 or as soon as they can.

ASX200 Company	Chair	No. of Female Directors	% of Female Directors
Bapcor Limited	Andrew Harrison	3	60.0%
NIB Holdings Ltd	Steven Crane*	4	57.1%
MetCash Limited	Robert Murray	4	57.1%
Fortescue Metals Group Ltd	Andrew Forrest*	5	55.6%
Medibank Private Limited	Elizabeth Alexander	5	55.6%
Commonwealth Bank of Australia	Catherine Livingston*	4	50.0%
Woolworths Group Ltd	Gordon Cairns*	4	50.0%
Mirvac Limited	John Mulcahy*	5	50.0%
Spark New Zealand Limited	Justine Smyth	4	50.0%
SEEK Limited	Graham Goldsmith	3	50.0%
Altium Limited	Samuel Weiss*	3	50.0%
Abacus Property Group	John Thame*	3	50.0%
IOOF Holdings Ltd	Allan Griffiths	2	50.0%
Navitas Limited	Tracey Horton*	3	50.0%
Inghams Group Limited	Peter Bush*	3	50.0%
Unibail-Rodamco-Westfield	Colin Dyer	5	45.5%
Suncorp Group Limited	Christine McLoughlin	4	44.4%
Insurance Australia Group Limited	Elizabeth Bryan	4	44.4%
Coca-Cola Amatil Limited	Ilana Atlas*	4	44.4%
Bendigo and Adelaide Bank Limited	Robert Johanson*	4	44.4%
GPT Group	Vicki McFadden	3	42.9%
Xero Limited Npv	Graham Smith	3	42.9%
Boral Limited	Kathryn Fagg	3	42.9%
Incitec Pivot Limited	Paul Brasher*	3	42.9%
WiseTech Global Limited	Andrew Harrison	3	42.9%
Downer EDI Limited	Richard Harding	3	42.9%
DuluxGroup Limited	Graeme Liebelt*	3	42.9%
Pendal Group Limited	James Evans	3	42.9%
Nine Entertainment Co. Holdings Limited	Peter Costello	3	42.9%
Super Retail Group Limited	Sally Pitkin	3	42.9%
G8 Education Limited	Mark Johnson*	3	42.9%
InvoCare Limited	Bart Vogel*	3	42.9%
Estia Health Limited	Gary Weiss	3	42.9%
Infigen Energy Limited	Leonard Gill	3	42.9%
St Barbara Limited	Timothy Netscher	2	40.0%
Trade Me Group Ltd	David Kirk*	2	40.0%
Elders Limited	Michael Carroll	2	40.0%
ANZ Banking Group Limited	David Gonski*	3	37.5%
Wesfarmers Limited	Michael Chaney*	3	37.5%
ResMed Inc	Peter Farrell	3	37.5%
Scentre Group Limited	Brian Schwartz*	3	37.5%
Coles Group Limited	James Graham	3	37.5%

ASX200 Company	Chair	No. of Female Directors	% of Female Directors
Aristocrat Leisure Limited	Ian Blackburne	3	37.5%
Dexus Property Group	Richard Sheppard*	3	37.5%
Treasury Wine Estates Limited	Paul Rayner	3	37.5%
APA Group	Michael Fraser	3	37.5%
Computershare Limited	Simon Jones*	3	37.5%
Stockland Corporation Ltd	Thomas Pockett*	3	37.5%
Caltex Australia Limited	Steven Gregg	3	37.5%
Orica Limited	Malcolm Broomhead	3	37.5%
BlueScope Steel Limited	John Bevan	3	37.5%
WorleyParsons Limited	John Grill	3	37.5%
Link Administration Holdings Pty Limited	Michael Carapiet	3	37.5%
Ansell Limited	Glenn Barnes*	3	37.5%
Shopping Centres Australasia Property Group	Philip Clark*	3	37.5%
Chorus Limited	Patrick Strange	3	37.5%
IRESS Limited	Anthony D'Aloisio	3	37.5%
Macquarie Group Limited	Peter Warne*	4	36.4%
QANTAS Airways Limited	Richard Goyder	4	36.4%
James Hardie Industries PLC	Michael Hammes	4	36.4%
BHP Group Limited	Kenneth MacKenzie*	3	33.3%
Westpac Banking Corporation	Lindsay Maxsted*	3	33.3%
CSL Limited	Brian McNamee	3	33.3%
Telstra Corporation Limited	John Mullen*	3	33.3%
Transurban Limited	Lindsay Maxsted*	3	33.3%
South32 Limited	David Crawford*	3	33.3%
AGL Energy Limited	Graeme Hunt*	2	33.3%
ASX Limited	Rick Holliday-Smith*	3	33.3%
Oil Search Limited	Rick Lee*	3	33.3%
The A2 Milk Company Limited	David Hearn	2	33.3%
Alumina Limited	Peter Day	2	33.3%
Lendlease Group Services Pty Limited	Michael Ullmer	3	33.3%
Whitehaven Coal Limited	Mark Vaile	2	33.3%
Spark Infrastructure Trust	Douglas McTaggart*	2	33.3%
Orora Limited	Christopher Roberts*	2	33.3%
Domino's Pizza Enterprises Limited	Jack Cowin*	2	33.3%
Afterpay Touch Group Limited	Anthony Eisen	2	33.3%
Platinum Asset Management Ltd	Michael Cole	3	33.3%
OZ Minerals Limited	Rebecca McGrath*	2	33.3%
Skycity Entertainment Group Limited	Robert Campbell	2	33.3%
Sims Metal Management Limited	Geoffrey Brunsdon*	3	33.3%
Webjet Limited	Roger Sharp	2	33.3%
CSR Limited	John Gillam	2	33.3%
Appen Limited	Christopher Vonwille	2	33.3%
Pact Group Holdings (Australia) Pty Ltd	Raphael Geminder*	2	33.3%
Lynas Corporation Limited	Richard Harding	2	33.3%
Resolute Mining Limited	Marthinus Botha	2	33.3%
oOh!Media Limited	Tony Faure	2	33.3%

ASX200 Company	Chair	No. of Female Directors	% of Female Directors
Automotive Holdings Group Limited	No Chair	2	<b>33.3%</b>
Syrah Resources Limited	James Askew	2	<b>33.3%</b>
CYBG PLC	James Pettigrew	4	<b>30.8%</b>
National Australia Bank Limited	Kenneth Henry*	3	<b>30.0%</b>
Woodside Petroleum Ltd	Richard Goyder	3	<b>30.0%</b>
Rio Tinto Limited	Simon Thompson	3	<b>30.0%</b>
Brambles Limited	Stephen Johns*	3	<b>30.0%</b>
Vicinity Centres RE Ltd	Peter Hay*	3	<b>30.0%</b>
Viva Energy Group Limited	Robert Hill	2	28.6%
Charter Hall Group	David Clarke*	2	28.6%
Iluka Resources Limited	Gregory Martin*	2	28.6%
Adelaide Brighton Ltd	Zlatko Todorovski	2	28.6%
Carsales.com Limited	Patrick O'Sullivan	2	28.6%
JB Hi-Fi Limited	Gregory Richards	2	28.6%
Cromwell Property Group	Geoffrey Levy	2	28.6%
Steadfast Group Limited	Francis O'Halloran	2	28.6%
Blackmores Limited	Brent Wallace	2	28.6%
MYOB Group Limited	Justin Milne*	2	28.6%
Technology One Limited	Adrian Di Marco	2	28.6%
Perpetual Limited	Anthony D'Aloisio	2	28.6%
Healius Limited	Robert Hubbard	2	28.6%
Breville Group Limited	Steven Fisher	2	28.6%
Domain Holdings Australia Pty Ltd	Nicholas Falloon	2	28.6%
Tassal Group Limited	Allan McCallum*	2	28.6%
Eclix Group Limited	Kerry Roxburgh	2	28.6%
Southern Cross Media Group Limited	Peter Bush*	2	28.6%
Australian Pharmaceutical Industries Limited	Mark Smith	2	28.6%
Sigma Healthcare Limited	Brian Jamieson	2	28.6%
Crown Resorts Limited	John Alexander	3	27.3%
Janus Henderson Group PLC	Richard Gillingwater	3	27.3%
News Corporation	Keith Murdoch, Lachlan Murdoch	3	27.3%
Newcrest Mining Limited	Peter Hay*	2	25.0%
Amcor Ltd	Graeme Liebelt*	2	25.0%
Sydney Airport Limited	Trevor Gerber*	2	25.0%
Santos Limited	Keith Spence	2	25.0%
Origin Energy Limited	Gordon Cairns*	2	25.0%
Sonic Healthcare Limited	Mark Compton	2	25.0%
REA Group Ltd	Hamish McLennan	2	25.0%
Tabcorp Holdings Limited	Paula Dwyer*	2	25.0%
Aurizon Holdings Limited	Timothy Poole	2	25.0%
Fisher & Paykel Healthcare Corporation Limited	Antony Carter	2	25.0%
Challenger Limited	Peter Polson	2	25.0%
Atlas Arteria Limited	Nora Scheinkestel	2	25.0%
The Star Entertainment Group	John O'Neill*	2	25.0%
Fletcher Building Limited	Bruce Hassall	2	25.0%
Bank of Queensland Limited	Roger Davis	2	25.0%



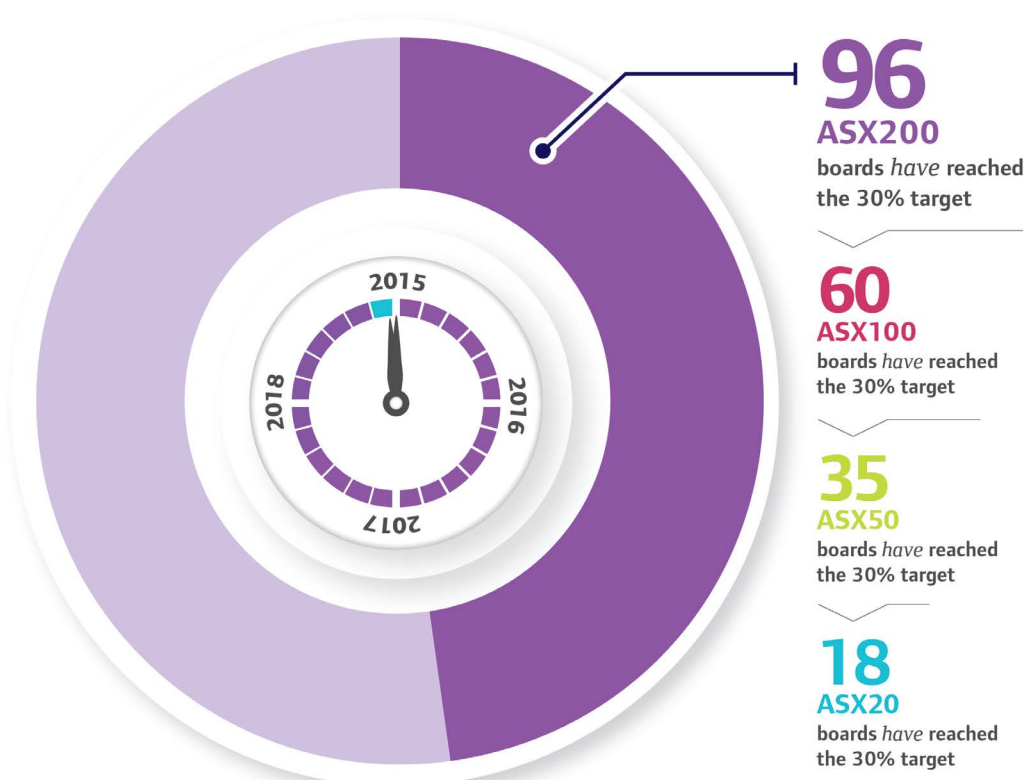
ASX200 Company	Chair	No. of Female Directors	% of Female Directors
Healthscope Limited	Paula Dwyer*	2	25.0%
Growthpoint Properties Australia Limited	Geoff Tomlinson*	2	25.0%
Nufarm Limited	Donald McGauchie	2	25.0%
IPH Limited	Richard Grellman	1	25.0%
Goodman Group	Ian Ferrier	2	22.2%
QBE Insurance Group Limited	W Becker	2	22.2%
Ramsay Health Care Limited	Michael Siddle	2	22.2%
Cochlear Limited	Rick Holliday-Smith*	2	22.2%
AusNet Services Ltd	Peter Mason	2	22.2%
Premier Investments Limited	Solomon Lew	2	22.2%
GrainCorp Limited	Graham Bradley*	2	22.2%
Northern Star Resources Ltd	William Beament	1	20.0%
Flight Centre Travel Group Limited	Gary Smith	1	20.0%
NEXTDC Limited	Douglas Flynn	1	20.0%
Charter Hall Retail REIT	Roger Davis	1	20.0%
Viva Energy REIT Limited	Laurence Brindle	1	20.0%
Charter Hall Long Wale REIT	Peeyush Gupta	1	20.0%
Pilbara Minerals Limited	Anthony Kiernan	1	20.0%
G.U.D. Holdings Limited	Mark Smith	1	20.0%
Credit Corp Group Limited	Donald McLay	1	20.0%
Bellamy's Australia Limited	John Ho	1	20.0%
Seven West Media Limited	Kerry Stokes	2	18.2%
Reliance Worldwide Corporation Limited	Jonathan Munz	1	16.7%
Mineral Resources Limited	Peter Wade	1	16.7%
Brickworks Ltd	Robert Millner	1	16.7%
Regis Resources Limited	James Mactier	1	16.7%
Saracen Mineral Holdings Limited	Anthony Kiernan	1	16.7%
Corporate Travel Management Limited	Anthony Bellas	1	16.7%
BWP Trust	Erich Fraunschiel	1	16.7%
Monadelphous Group Limited	Calogero Rubino	1	16.7%
National Storage REIT	Laurence Brindle	1	16.7%
McMillan Shakespeare Limited	Timothy Poole	1	16.7%
Bingo Industries Limited	Michael Coleman	1	16.7%
Sandfire Resources NL	Derek La Ferla*	1	16.7%
Galaxy Resources Limited	Martin Rowley	1	16.7%
Nanosonics Limited	Maurie Stang	1	16.7%
Bravura Solutions Limited	Brian Mitchell	1	16.7%
Ardent Leisure Group Limited	Gary Weiss	1	16.7%
Speedcast International Limited	John Mackay	1	16.7%
Western Areas Limited	Ian MacIver	1	16.7%
Evolution Mining Limited	Jacob Klein	1	14.3%
Washington H. Soul Pattinson and Company Limited	Robert Millner	1	14.3%
Magellan Financial Group Ltd	Hamish Douglass	1	14.3%
Qube Holdings Limited	Allan Davies	1	14.3%
Cleanaway Waste Management Limited	Mark Chellew	1	14.3%
ALS Limited	Bruce Phillips	1	14.3%

ASX200 Company	Chair	No. of Female Directors	% of Female Directors
Beach Energy Limited	Glenn Davis*	1	14.3%
New Hope Corporation Limited	Robert Millner	1	14.3%
IDP Education Limited	Peter Polson	1	14.3%
Costa Group Holdings Limited	Neil Chatfield*	1	14.3%
Independence Group NL	Peter Bilbe	1	14.3%
Smartgroup Corporation Ltd	Michael Carapiet	1	14.3%
Aveo Group Limited	Seng Lee	1	14.3%
Ausdrill Limited	Ian Cochrane	1	14.3%
GWA Group Limited	Darryl McDonough	1	14.3%
Orocobre Limited	Robert Hubbard	1	14.3%
Vocus Group Limited	Robert Mansfield	1	12.5%
Bega Cheese Limited	Barry Irvin	1	12.5%
CIMIC Group Limited	Marcelino Fernandez-	1	11.1%
Seven Group Holdings Limited	Kerry Stokes	1	11.1%
Harvey Norman Holdings Ltd	Gerald Harvey	1	11.1%
Mayne Pharma Group Limited	Roger Corbett	1	11.1%
AMP Limited	David Murray		0.0%
TPG Telecom Limited	David Teoh		0.0%
ARB Corporation Limited	Roger Brown		0.0%
Emeco Holdings Limited	Peter Richards		0.0%

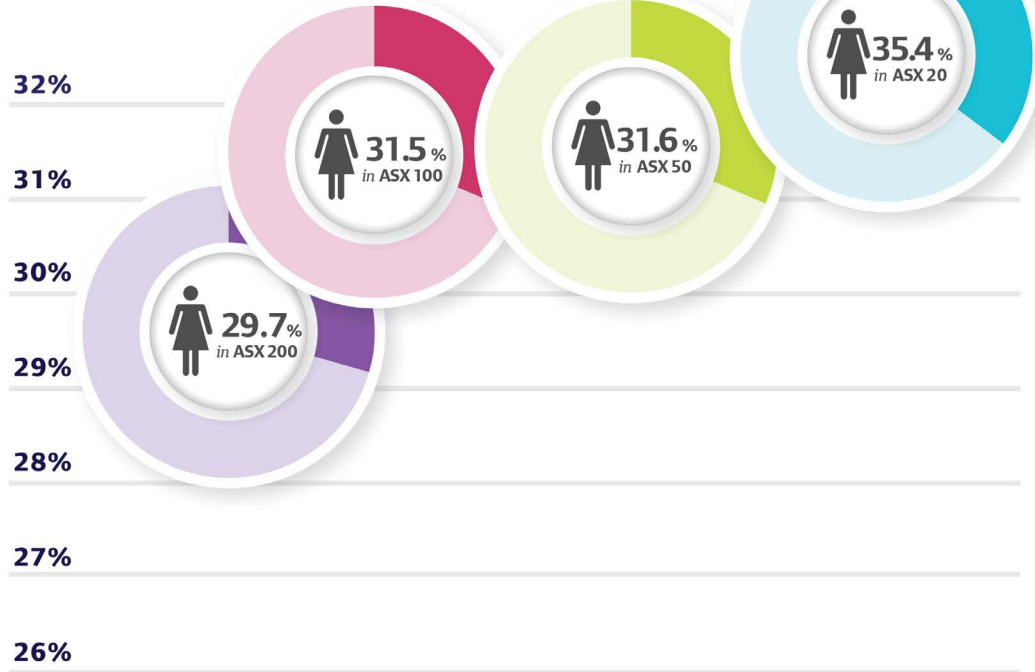
\* Members of the 30% Club

These figures are correct as of 31 December 2018.

The number of boards that have reached the 30 per cent target, and their position within the ASX200.



Female representation on **ASX200** boards



Just how close are we to reaching the **30%** target?



## 30% Club update

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**Nicola Wakefield Evans FAICD**  
Chair, 30% Club Australian Chapter  
Non-Executive Director



**Rhian Richardson**  
Board Diversity Manager,  
Australian Institute of Company Directors

31 December, 2018 marked the final day of our target set in 2015 which aimed at achieving 30% female representation on ASX200 boards. Given our call for participation was voluntary, and we started this journey when women only occupied 19.4% of positions, reaching a result of 29.7 per cent is incredibly rewarding. Not to mention, the ASX100, 50 and 20 exceeding 30 per cent in early 2018.

When I reflect over the past three years, I am humbled by the extraordinary support we have received, all contributing to this success. ASX chairs who worked tirelessly to promote the importance of gender balance on boards; the Executive Search cohort that committed to only presenting balanced lists; and the Investor Relations community which signed a Statement of Intent publically rallying against ASX200 boards yet to meet the target.

To continue to promote awareness of the importance of gender diversity on ASX200 boards and shed a spotlight on some of the issues and opportunities in this domain, the 30% Club Education working group produced a number of key studies. From *Leading by Example: Insights on board diversity from ASX200 Chairs who have 30% women on their Boards* which canvassed those Chairs on a wide range of topics, including the importance of board diversity, board recruitment, board dynamics and organisational impact; to *Shaping the Boards of the Future* which provided insights into the practices of ASX200 boards when engaged in succession planning, board evaluations and renewal processes.

And we were thrilled to see the tongue-in-cheek video, [Flipping the Script](#), which we launched on International Women's Day in 2018 to shine a light on the preposterous attitudes towards hiring female directors, picked up by the 30% Club Hong Kong chapter later in the year. Two versions were created – one in [English](#) and the other [Cantonese](#).

We plan to announce a new target next month.

“Despite our  
advancements  
here and abroad,  
30% Club  
Australia will  
not rest.”

Another working group with representation from the Australia’s leading Investment Bank and Private Equity companies, specifically those who advise on IPOs (to promote better gender diversity at listing stage) is being formed.

The Executive Search working group will extend its membership to include organisations that specialise on board appointments beyond ASX200 to assist us to expand our reach.

Already in play, and due for release late May, is another research report. This study will focus on the many new women appointed to ASX200 boards in 2018 and shed a light on how they secured those positions to provide a road map for others with similar aspirations.

I remain in gratitude to our amazing supporters and the achievements to date, and look forward to another exciting year ahead as we continue our journey towards gender parity.

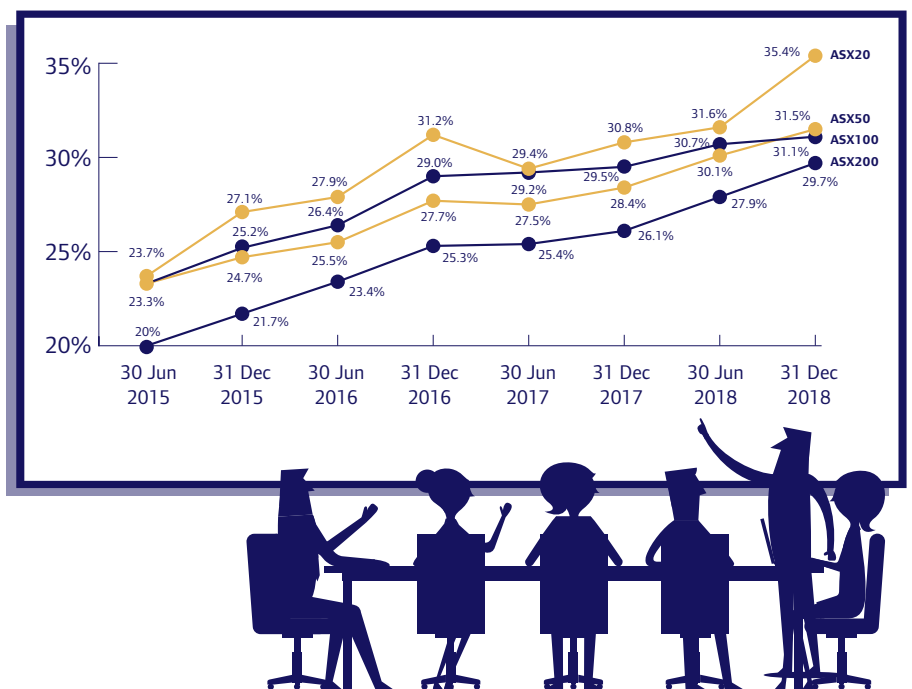
# Campaign results at a glance

## May 2015-December 2018

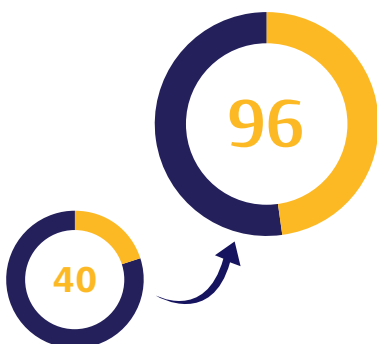
Female representation on ASX200 boards reached **29.7%**



Percentage of females on ASX200 boards



Number of ASX200 boards with 30%+ female representation more than **DOUBLED**



Number of ASX200 boards with no women **DECREASED**



Number of ASX200 boards with only one woman **DECREASED**



By May 2018,  
ASX20, 50 and 100 REACHED

**30%** target



Female talent pool continues to grow with **ALMOST HALF** of the women appointed

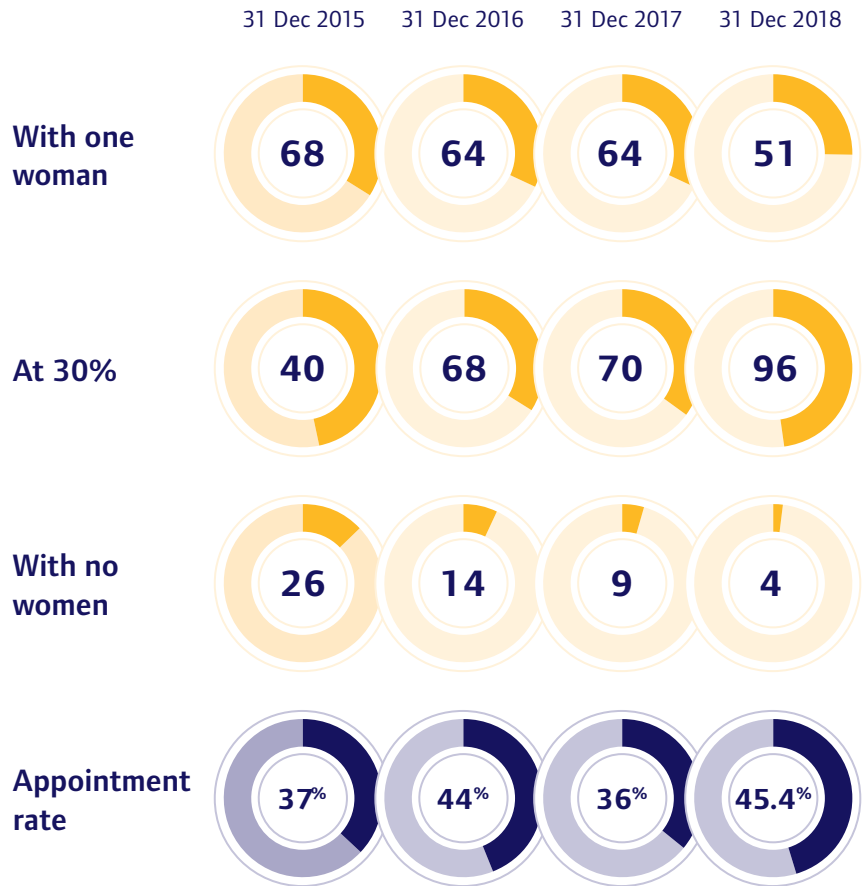
**NEW**  
to ASX200 boards



**15** ASX200 boards achieved gender parity or more



Representation of women on ASX200 boards



Female appointment rate on ASX200 boards increased from

**37%** to **45.4%**



## Within a whisker: 30% target in sight

BY DOMINI STUART

“The AICD and 30% Club Australia formed a partnership and, with the help of many individuals and organisations, came within a whisker of achieving their shared goal.”

In April 2015, the Australian Institute of Company Directors (AICD) announced a target of 30 per cent female representation on ASX200 boards by the end of 2018. At the time just 19.4 per cent of ASX200 board members were women. Today, the figure is 29.7 per cent, with the ASX100 reaching 30 per cent in May last year ahead of Canada, the US and the UK.

“30 per cent is significant,” says Elizabeth Proust AO FAICD, who was Chair of the AICD for most of the campaign. “Research has shown this is the point at which you genuinely change the conversation around any table.”

British financier Dame Helena Morrissey had already started a campaign with the aim of achieving a minimum of 30 per cent female representation on FTSE 100 boards. This was the original purpose of the 30% Club – launched in the UK in 2010 and now active in 11 other countries. Patricia Cross FAICD*Life*, who witnessed its impact first-hand as a director on a UK listed board, founded the Australian chapter in May 2015, when she also took on the role of Chair.

The AICD and 30% Club Australia formed a partnership and, with the help of many individuals and organisations, came within a whisker of achieving their shared goal.

“Elizabeth and Patricia made an impressive team,” says Nicola Wakefield Evans FAICD, a founding director of 30% Club Australia, current Chair and AICD board member. “They’re both very senior, highly-regarded female non-executive directors with considerable influence, and they worked incredibly well together. But, overall, I think we were all surprised by how challenging a task this proved to be. We were fortunate to receive support from a huge number of people including executive search firms, professional services companies, the investor community and individual chairs. We also formed close relationships with a number of like-minded organisations such as Chief Executive Women and Male Champions of Change.”

### Accelerating change

When the target was first announced it attracted mixed reactions.

“Some thought it should have been 50 per cent, others that we were aiming too high,” says Proust. “We thought it would be a stretch, but there’s no point in setting a target that’s easy to achieve.”

By 2015, the AICD had already spent five years working towards gender diversity with initiatives such as the Chairs’ Mentoring Program and Board



Diversity Scholarship Programs. It also played a leading role in the development of the ASX reporting guidelines on diversity which, from January 2011, required listed companies to include the number of women on their boards in their Annual Reports.

But the pace of change had been disappointingly slow. There was talk of mandated quotas – in Europe more than a dozen countries had established compulsory targets of 30 or 40 per cent. The fact that Australia decided on a voluntary target underscores the scale of the achievement.

“I believe in targets rather than quotas because they give people a mission and something to aspire to,” says David Gonski AC FAICD *Life*, Chair of ANZ Banking Group. “Setting a target of 30 per cent drew attention to the issue and provided a clear delineation of what we should try to achieve.”

The requirement to disclose performance against a target was also strong motivation for change.

“My colleagues and I noticed a far more determined effort to recruit capable women on to boards,” says Michael Ullmer FAICD, Chair of Lendlease Corporation. “That might have been for the right reason – realising this is the appropriate thing to do – or to avoid criticism. Either way the impact is the same – greater diversity around the table for better decision making, and a better reflection of society and the stakeholders we serve.”

Graeme Liebelt FAICD, Chair of Amcor Ltd and DuluxGroup, believes that the target, and the publicity generated around it, forced companies to contemplate where they stood in terms of diversity.

“Chairs also started talking to each other about it,” he says. “I’m sure the involvement of chairs and other members of the 30% Club had a direct impact on the structure of a number of boardrooms.”

Throughout the campaign, male chairs played a particularly influential role.

“Many have been sitting on boards with strong female representation for some time and have witnessed firsthand the enormous benefits that gender diversity brings to the board table,” says Gonski. “Diversity of thought is an essential element of an effective board.”

Kevin McCann FAICD, Chair of Citadel Group, was one of eight founding members of the National Male Champions of Change, an organisation that works with influential leaders to redefine men’s role in taking action on gender inequality. He makes the point that, while gender inequality is an issue that affects everyone, it is predominantly men who have the power to accelerate change.

“In a situation where men hold the majority of senior positions, women talking to other women can only go so far,” says Katie Lahey AM, Executive Director of Korn Ferry and former Chair of the 30% Club Executive Search working group. “Having supportive men talk to other men has made a critical difference.”

### Changing the focus

The rationale behind the 30 per cent target makes it clear that one woman on a board does not constitute diversity.

“A lone voice may not be heard,” says Paula Dwyer FAICD, Chair of Healthscope. “A sole woman can also find herself carrying the weight of everyone’s expectations as she’s considered the representative of all women. There clearly is strength in numbers but I think it’s important to recognise that we’re talking about good business practice, not ‘us versus them.’”

The campaign also shone a light on the business case for diversity.

“As a feminist who has spent much of my life working in the corporate sector, I had always regarded diversity as a fairness principle – that every suitably-qualified person should have an equal opportunity to take on any role,” says Sally Evans FAICD, a director of Healius (formerly Primary Health Care) and one of the over 120 female directors who have been appointed to their first ASX200 board since the target was set. “That never gained traction because, of course, merit is in the eyes of the beholder. The campaign brought the fact that diversity adds value to business to the fore and, once people became aware of the economic argument, we started to see a change in behaviour.”

This often meant employing a professional search firm for the first time.

“Many men at a senior level don’t have a very extensive network of prominent female businesswomen, but that doesn’t mean the same small handful of women is being appointed to multiple boards,” says Lahey. “Rather, they’re coming to firms like ours to extend their search. We’re hearing more chairs and heads of nominations committees saying they need to balance their board and I’d expect most executive search firms to provide a diverse short list whether or not they’re asked for one. In our firm, 43 per cent of our board placements over the past three years have been women.”

“The rationale behind the 30 per cent target makes it clear that one woman on a board does not constitute diversity.”

### A number of strategies

The AICD and the 30% Club had a consistent approach to achieving a common goal and, from the outset, the AICD agreed to provide all of the back office support needed to drive the campaign.

“Their hard work in this area was a major contribution to the campaign’s success,” says Lahey. “The AICD was also measuring diversity from every angle – and I think it’s true that you can manage what you can measure.”

Regular reports were followed closely by the media.

“I’m sure the monthly listing of how many women ASX200 companies had on their boards was particularly influential,” says Jennifer Macdonald GAICD, a director of Bapcor Limited and another of the women who were appointed to their first ASX200 board during the campaign. “There was no benefit to be gained from being at the bottom end of that list.”

In 2017, the Australian Council of Superannuation Investors (ACSI) adopted a new voting policy – a move that Proust has described as a “game changer”.

“For many years ACSI had been engaging with company boards to promote our view that greater gender diversity would be beneficial,” says ACSI’s Chief Executive Officer Louise Davidson. “In 2015, we introduced a target of 30 per cent women on boards in the hope of increasing the glacial rate of change then, a couple of years later, we decided to recommend against the re-election of directors of companies with poor board gender diversity.”

ACSI wrote to ASX200 companies with one or zero women on their boards to give them notice of the change. Davidson had to sign no fewer than 100 letters.

“Since then, we’ve seen really significant improvement in the average percentage of women on boards as well as a substantial reduction in the number of boards with one or zero women,” says Davidson. “At the last count there were only four with no women at all compared with 26 at the start.”

In the light of this success, the investor community is now focusing on boards with a single woman.

“The most common argument from those who continue to defend their position is that they appoint on merit and can’t find any qualified women,” says Davidson. “We really challenge that – we think it’s nonsense.”

Dwyer believes it’s important to question companies with little or no inclination to change.

“Gender diversity is good policy,” she says. “It’s good for Australian commerce, and things that are good for Australian commerce should, by and large, be embraced. If you’re not doing that, you need to explain why.”

However, Wakefield Evans cautions that statistics don't necessarily tell the full story.

"Appointing a female director isn't always as straightforward as it sounds," she says. "There are approximately 1600 board seats in the ASX200 and, as most directors in Australia stay on listed boards for nine to 12 years, the turnover for the whole segment can be less than 100 each year. That means some boards go for quite long periods without a vacancy and, if that's the case, it's not just a question of adding another seat and appointing a woman. Most boards are limited in size by their constitution, so adding a seat would require a constitutional change at an annual general meeting or extraordinary general meeting. It may also require the shareholders to agree to a larger remuneration pool."

There can also be statistical blips at the high end of the scale.

"Macquarie, for example, dipped below its long-held 30 per cent when a female director retired and it took a couple months to appoint another female director," says Wakefield Evans.

### A bump in the road

It's also true that, while the statistics show a consistent upward trend, the journey hasn't always been plain sailing. Last year was particularly tough for many women in leadership roles, in politics as well as corporate Australia. One of the most troubling examples was the response to the resignation of AMP Chair Catherine Brenner and three female directors in the wake of the Royal Commissions into Misconduct in the Banking, Superannuation and Financial Services Sector.

"I thought this was extremely unfair to women directors and it certainly didn't reflect my experience with women on boards," says McCann. "Fortunately, I don't think it was more than a brief flurry of resistance – I don't think it has impeded overall progress."

Ullmer, who hadn't met Catherine Brenner when the news broke, was extremely disappointed by the way it was reported.

"I was concerned by what appeared to be a misogynous bent within sections of the media," he says. "For me this was brought home by the fact that another major organisation was going through a similar crisis yet the male Chair was rarely mentioned. Not only was Catherine featured extensively, a lot of the articles had very little to do with the issues at hand."

Little or no mention was made of the fact that Brenner had been AMP's Chair for less than two years following an unbroken line of males. And questions have also been raised as to why the three directors who left the organisation were all women. There are currently no women on AMP's board.

“Cultural change starts at the top and female directors can help to effect that.”

“I find it hard to understand why no men stepped down – why only women accepted any responsibility,” says Macdonald. “And the ferocity of the backlash was astounding. It was as if the incident lifted the lid on a mass of simmering resentment against the progress that women were making.”

Wakefield Evans has no doubt that some men see the push for gender diversity as fundamentally unfair.

“I’ve had men tell me there’s no point in applying for board roles anymore because they’re all going to women,” she says. “That might well be a minority view but it’s interesting that anyone would even suggest that when, in 2017 when the campaign was already in its third year, women comprised just 36 per cent of appointments to ASX200 boards. Last year, the figure was still only 45 per cent. Yes, there’s more competition but that’s raising the standard for everyone.”

#### Consolidation

Once the 30 per cent target is achieved throughout the ASX200 the first challenge will be making sure it sticks.

“We need to be conscious that, as the cohort of women appointed in the last four to five years move on, they’re being replaced by other women,” says Proust.

Liebelt is optimistic that, as people experience the benefits, diversity will start to generate its own momentum.

“My personal experience has been that, once you get to 30 per cent, boardrooms change for the better,” he says. “You have better conversations, arrive at better decisions and undertake a wider exploration of the various issues. I’m hoping that gender diversity will soon become a non-issue for all the right reasons.”

Macdonald believes that having more women on boards will help drive change deeper into the organisation.

“As a director I feel I can help bring more women into the C-suite because I have a degree of influence on the board,” she says. “Cultural change starts at the top and female directors can help to effect that.”

### Planning the next move

So what of diversity in the future?

“Hitting 30 per cent in the ASX100 was an outstanding result,” says McCann. “I believe this has created a critical mass which enables women directors to participate on an equal basis with their male counterparts. But we still have some work to do in taking these benefits to the ASX100-200 and quite a lot of work to be done outside the ASX200.”

Last year, the AICD and Heidrick & Struggles reported on this issue in *Beyond 200 – A study of gender diversity in ASX201-500 companies*. At June 31 2018, 15.4 per cent of the directors on ASX201-500 boards were female and 39 per cent had no women at all.

Of the many possibilities, Wakefield Evans thinks it most likely that the target will be rolled out to ASX200-300 boards.

“I suspect that, when the ASX releases its updated governance principles later this year, it will include something along these lines,” she says. “We could once again have the 30% Club, the AICD and ASX all working together on the same goal. The role played by investment bankers and underwriters in board selection will also be relevant as the focus shifts towards smaller companies and IPOs.”

There is still much to be done but, overall, the mood is optimistic.

“I think we’ve all realised that the journey hasn’t been straightforward and not all battles have been won,” says Proust. “I believe that’s a very good place to start 2019.”



For more information please contact

**t:** 1300 739 119

**e:** [diversity@aicd.com.au](mailto:diversity@aicd.com.au)

**w:** [companydirectors.com.au/boarddiversity](http://companydirectors.com.au/boarddiversity)

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