
New Corporate Governance Recommendations on Diversity

Tips for getting started

All ASX-listed entities will be required to comply with the recent changes to the Corporate Governance Principles and Recommendations on diversity. This booklet explains the changes and provides some practical tips to help ASX-listed entities to get started on embedding diversity within the culture of their organisation.

“ WE BELIEVE ASX-LISTED ENTITIES SHOULD SEEK TO COMPLY WITH THE SPIRIT AND INTENTION OF THE RECOMMENDATIONS RELATING TO DIVERSITY AND NOT SIMPLY ADOPT A STRICT LEGAL INTERPRETATION TO THEIR APPLICATION. ”

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1. Introduction

On 30 June 2010, the ASX Corporate Governance Council (Council) introduced a number of changes to its *Corporate Governance Principles & Recommendations (2nd edition)* (ASX Principles) including three new recommendations and other amendments relating to diversity.¹

When will the changes apply?

The changes will apply to a listed entity's first financial year commencing on or after 1 January 2011.² However, the Council encourages early transition to the changes from 1 July 2010.³

Who is required to comply?

The changes apply to all entities listed on the Australian Securities Exchange.

The Australian Institute of Company Directors believes that the recommendations represent good corporate governance practice and as such non-listed entities may also wish to draw on the Council's recommendations when considering diversity issues within their own organisations.

How to comply?

All ASX-listed entities are required to either comply with the new recommendations and amendments, or explain in their annual report why they have not done so (on an 'if not, why not?' basis).⁴ Accordingly, when we use the words "required" or "must" in this document, we mean if the entity wishes to comply with the recommendations rather than include a 'why not' disclosure in its annual report.

In considering how to comply with the ASX Principles, it is important to note the distinction between:

- the "Recommendations"; and
- the "Commentary" which accompanies the Recommendations.

Companies are required to explain their compliance with the "Recommendations" only.

The "Commentary" that follows each recommendation does not form part of the recommendation and companies are not required to report on their compliance with any suggestions made by the Council in the commentary. However, many companies find the commentary very useful and will look to follow it as well. It is provided to assist companies to understand the reasoning behind the recommendation, highlight factors which may be relevant to consider, and make suggestions as to how to implement the recommendation.⁵

To assist with distinguishing between the recommendations (which must be complied with on an 'if not, why not basis') and the ASX's and our own practical suggestions for complying with the recommendations, recommendations are highlighted in this document in white boxes with the heading 'Requirement'.

The Australian Institute of Company Directors believes companies should, where possible, seek to comply with the spirit and intention of the recommendations relating to diversity, and not simply adopt a strict legal interpretation to their application. Interested stakeholders will be looking to see whether companies are making a genuine commitment to improve diversity within their organisation, rather than focussing on technical compliance with the recommendations.

What are the changes?

Below is a summary of the changes and some suggestions as to how companies may seek to comply with them. The practical tips provided below are by no means exhaustive; they are offered simply to highlight factors which companies may wish to consider.

1 The changes to the ASX Corporate Governance Principles and Recommendations were released following public consultation, which included submissions from 23 entities in response to an exposure draft released by the Council on 22 April 2010. The Australian Institute of Company Directors lodged its submission on 27 May 2010 supporting the changes and suggesting a number of additional amendments which were incorporated by the Council in the final version released on 30 June 2010.

2 For example, where an entity's financial year begins on 1 January, disclosure will be required in relation to the financial year ending 31 December 2011 to be made in the annual report published by the end of April 2012. Similarly, where a company's financial year begins on 1 July, disclosure will be required in relation to the financial year ending 30 June 2012 to be made in the annual report published by the end of October 2012.

3 The Council considers that listed entities with a balance date of 30 June 2010 should be able to establish a diversity policy and report against the new recommendations in respect of the year commencing 1 July 2010: see Exposure Draft issued by the Council on 22 April 2010 at paragraph 3.2.

4 ASX Listing Rule 4.10.3.

5 See ASX Principles (2nd edition), page 5.

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2. Establishing a diversity policy and disclosing that policy

Requirement

Recommendation 3.2 requires ASX-listed entities to:

- (a) establish a diversity policy which includes a requirement that:
 - (i) the board establish measureable objectives for achieving gender diversity; and
 - (ii) the board assess annually both the measurable objectives for achieving gender diversity and the progress in achieving them; and
- (b) disclose the policy or a summary of that policy.⁶

What does “diversity” mean?

“Diversity” is broadly defined in the commentary accompanying Recommendation 3.2 as including, but not limited to, “gender, age, ethnicity and cultural background”. This allows companies to define “diversity” according to their particular circumstances.⁷ Accordingly, when drafting a diversity policy companies may (if they consider appropriate) wish to cover other forms of diversity in addition to gender.

Tips for preparing a diversity policy

To comply with Recommendation 3.2, as a minimum, the diversity policy must include:

- a requirement that the board establish measureable objectives for achieving gender diversity; and
- a requirement for the board to assess annually both the gender objectives and the progress in achieving them.

These are the only requirements of Recommendation 3.2. The measureable objectives do not themselves need to be set out in the diversity policy, simply a statement that the board establish them (although the objectives do need to be disclosed in a company’s annual report, as discussed on page 5).⁸

The commentary to Recommendation 3.2 includes a ‘suggestion box’ containing a list of matters which companies may wish to consider when formulating a diversity policy. Rather than reproduce that suggestion box here, we have summarised some of those matters below together with some of our own suggestions of factors which companies may like to cover in their diversity policy:

Company’s commitment

- outline the company’s and the board’s commitment to diversity to maximise the achievement of corporate goals;
- summarise the company’s key areas of focus in the context of diversity (eg. women in leadership, age diversity, cultural diversity);

Benefits of diversity

- highlight some of the benefits of diversity on boards, in senior management and within the organisation generally (eg. the importance of benefiting from all available talent; to better represent the organisation’s diverse customer base). See also some of the benefits highlighted on page 6 of this document in relation to ‘the importance of women in business’;

Selection and appointment of directors and employees

- outline the company’s commitment to promoting a corporate culture which embraces diversity when determining the composition of the board, senior management and employees (including with its recruitment and selection practices);
- summarise the board’s processes for selection and appointment of new directors and explain how the board seeks to achieve greater diversity (eg. by selecting candidates from a diverse pool of qualified candidates, engaging a professional search firm and advertising board vacancies). We discuss board selection in more detail on page 8;

⁶ An explanation of any departure from Recommendation 3.2 should be included in a company’s corporate governance statement in its annual report: see “Guide to reporting on Principle 3” and Recommendation 3.5.

⁷ See the Council’s “Response Paper to Submissions” dated 30 June 2010, at [3.2].

⁸ This was intentional on the part of the Council. Following the release of an exposure draft of the new Recommendation 3.2, the Council received a number of submissions commenting that it would be unusual for details such as measureable objectives to be included in the diversity policy itself, which is less flexible and capable of amendment, whereas measureable objectives are updated with regard to changing circumstances: see the Council’s “Response Paper to Submissions” dated 30 June 2010, at [3.2].

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- summarise the company's processes for selection and appointment of employees (including senior management) and explain how the company seeks to achieve greater diversity (eg. by selecting candidates from a diverse pool of qualified candidates, engaging professional search/recruitment firm(s) and ensuring diversity of selection/interview panel members by, for instance, having an equal number of men and women on such panels);
- identify the factors that should be taken into account in the selection of new directors and employees;

Programs and initiatives introduced to increase diversity

- summarise any programs or initiatives introduced by the company to assist with improving diversity within the organisation. For example, in the case of gender diversity, such initiatives may include:
 - mentoring programs;
 - targeted professional development programs aimed at helping women to develop skills and experience that prepare them for senior management and board positions;
 - supporting the promotion of talented women into management positions;
 - providing a suite of policies to help women and men balance their work, life and family responsibilities (including flexible work options, in-house childcare facilities and return to work programs);
 - networking opportunities;

Measureable objectives

- note the board's obligation to establish measureable objectives for achieving gender diversity and to assess those objectives annually and the progress in achieving them; and
- consider linking the achievement of measureable objectives to key performance indicators (and bonus remuneration) for the board, the CEO and senior executives.

A number of specialist consulting firms are able to provide advice to assist companies with the development of diversity programs and initiatives.

All non-government and not-for-profit organisations that employ 100 or more employees are required under the Equal Opportunity for Women in the Workplace Act 1999 (Cth) to develop a workplace program aimed at eliminating discrimination and contributing to equal opportunity for women in the workplace, and to report annually to the Equal Opportunity for Women in the Workplace Agency (EOWA) on the progress of that program.⁹ The EOWA website contains resources and educational tools designed to help organisations to develop their workplace programs which may also be of assistance to companies in establishing diversity programs and initiatives.¹⁰

Tips for setting measureable objectives

The board is required to establish measureable objectives for achieving gender diversity.

In order to set meaningful objectives, each entity will need to assess its current diversity levels and identify where gaps exist. Measurable objectives can then be developed which are tailored towards improving diversity in areas where most work is needed. There is no 'one-size-fits-all' approach. Each company will be unique in its diversity make up.

There are a number of different types of measureable objectives which a company may wish to set for itself including:

- procedural/structural objectives – for example, establishing a diversity committee or appointing a diversity manager; setting up internal review and reporting procedures; ensuring directors and employees are selected from diverse candidate pools and are interviewed by a diverse selection/interview panel;
- targets – for example, setting targets to improve the number of women in particular areas of the business where women are not well represented; setting targets to increase the proportion of women within executive management levels and within particular salary bands, and linking targets to the key performance indicators (and bonus remuneration) of the board, the CEO and senior executives;
- initiatives and programs – for example, introducing mentoring and coaching programs, and undertaking employee surveys on diversity.

9 http://www.eowa.gov.au/Reporting_And_Compliance/The_Quick_Guide.asp#04

10 http://www.eowa.gov.au/Developing_A_Workplace_Program.asp

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Where a company is considering widespread changes in order to follow the new recommendations, the company should prioritise its needs and set practical goals against an indicative timeframe for meeting them.¹¹

In setting measurable objectives, boards need to decide the manner in which the achievement of gender diversity should be measured, for example:

- in the case of targets – the proportion of women employed by (or consultants to) the company, in senior executive positions and on the board and the timeframe for this to occur by;
- in the case of initiatives and programs – the type of program, how it will operate, when it will be established by, who it will be available to, how it will be monitored and reviewed.

While it is not strictly required under the ASX Principles, companies may wish to set measurable objectives in relation to other forms of diversity identified in their diversity policy (for example, relating to achieving greater diversity of age, ethnicity and/or cultural background). Some companies may wish, for example, to set targets for increasing the number of people with disabilities who are employed across the organisation or introduce programs or initiatives aimed at increasing the representation of indigenous Australians employed in the organisation.

Examples of diversity policies

A number of ASX-listed entities already have diversity policies. According to a recent review undertaken by the ASX, a total of 118 entities stated in their 2009 annual report that they had established a diversity policy and 38 of those entities disclosed a copy of the policy or a summary of it.¹²

Tips for introducing a diversity policy

In introducing a diversity policy, companies should:

- consider establishing a diversity committee or appointing a diversity manager charged with responsibility for:
 - assisting the board with developing, overseeing the implementation of, and ongoing monitoring of the company's diversity strategy as well as progress against measurable objectives set by the board;
 - reporting back to the board on such matters;
 - overseeing the introduction of programs aimed at developing a pipeline of female talent, including mentoring and coaching programs;
 - reviewing the composition of selection panels;
- put in place appropriate procedures to ensure that the policy is implemented properly;
- establish an internal review mechanism to assess the effectiveness of the policy (for example, an appropriate committee or manager could be charged with responsibility for reviewing the implementation and effectiveness of the policy on a quarterly basis);
- ensure that the policy includes reporting mechanisms that provide for regular monitoring and adjustment as required.

Disclosing the diversity policy

As noted above, Recommendation 3.2 requires companies to publicly disclose their diversity policy or a summary of it. The ASX Principles suggest that companies do so ideally by posting it on the company's website in a clearly marked corporate governance section.¹³

¹¹ See ASX Principles (2nd edition), page 5.

¹² See report entitled 'Analysis of Corporate Governance Disclosures in Annual Reports for year ended 30 June 2009' released by ASX on 8 July 2010, at paragraph 47. The report reviewed annual reports released by 1,648 ASX-listed entities in 2009.

¹³ See 'Guide to reporting on Principle 3' and Recommendation 3.5.

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3. Disclosure of gender diversity objectives and progress

Requirement

Recommendation 3.3 requires ASX-listed entities to disclose in each annual report:

- (a) the measureable objectives for achieving gender diversity set by the board in accordance with the diversity policy; and
- (b) the progress towards achieving them.¹⁴

Disclosing measurable objectives for achieving gender diversity

As noted above, the measureable objectives do not need to be contained within the diversity policy itself. However, companies are required under Recommendation 3.3 to disclose in each annual report the measureable objectives for achieving gender diversity set by the board in accordance with the diversity policy.

Shareholders should be fully informed of a company's diversity policy and the measureable objectives which facilitate tracking and monitoring of the company's performance against those objectives.¹⁵

Some companies may also wish to disclose their measurable objectives in a document accompanying their diversity policy (which can be easily updated as circumstances change) or on the company's website.

See page 3 for tips on setting measurable objectives.

Reporting on the progress towards achieving measurable objectives relating to gender diversity

Recommendation 3.3 also requires ASX-listed entities to disclose in each annual report their progress towards achieving their measurable objectives for achieving gender diversity.

The aim of Recommendation 3.3 is "to facilitate greater transparency and communication of whether tangible progress is being made".¹⁶ This is one area where companies can seek to distinguish themselves by providing quality and open disclosure to stakeholders as to where the key diversity issues exist and how the company is tracking in addressing those issues.

¹⁴ An explanation of any departure from Recommendation 3.3 should be included in a company's corporate governance statement in its annual report: see 'Guide to reporting on Principle 3' and Recommendation 3.5.

¹⁵ Commentary to Recommendation 3.3.

¹⁶ See the Council's 'Response Paper to Submissions' dated 30 June 2010, at [3.2].

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4. Disclosure of the proportion of women

Requirement

Recommendation 3.4 requires ASX-listed entities to disclose in each annual report the proportion of:

- (a) women employees in the whole organisation;
- (b) women in senior executive positions; and
- (c) women on the board.¹⁷

The importance of women in business

The Australian Institute of Company Directors agrees with the Council that the promotion of greater gender diversity:

- broadens the pool for recruitment of high-quality directors and employees;
- is likely to support employee retention;
- is likely to encourage greater innovation (drawing on different perspectives);
- is a socially and economically responsible governance practice; and
- will improve a company's corporate reputation.¹⁸

Research shows that increased gender diversity on boards is associated with better financial performance,¹⁹ and that improved female workforce participation at all levels positively impacts the economy.²⁰

Monitoring the proportion of women

Either the board or an appropriate board committee (for example, the nomination or remuneration committee) or an appropriate company officer should be charged with the responsibility, at least annually, of reviewing the relative proportion of women and men at all levels in the organisation (the board, senior management and employees).²¹ This obligation should be included (where appropriate) in the charter of the board or the relevant board committee. Companies may wish to also measure the proportion of female and male consultants/contractors and to separately measure full-time, part-time and casual employees.

¹⁷ An explanation of any departure from Recommendation 3.4 should be included in a company's corporate governance statement in its annual report: see 'Guide to reporting on Principle 3' and Recommendation 3.5.

¹⁸ Commentary to Recommendation 3.4.

¹⁹ Catalyst, "The Bottom Line: Corporate performance and women's representation on boards", October 2007.

²⁰ Goldman Sachs JBWere, "Australia's Hidden Resource: The economic case for increasing female participation", November 2009.

²¹ Commentary to Recommendation 3.4.

²² Commentary to Recommendation 3.4.

²³ Commentary to Recommendation 3.4.

²⁴ Commentary to Recommendation 3.4.

²⁵ Commentary to Recommendation 3.4.

²⁶ See report entitled 'Analysis of Corporate Governance Disclosures in Annual Reports for year ended 30 June 2009' released by ASX on 8 July 2010, at paragraph 47. The report reviewed 1,648 ASX-listed entities.

Tips for disclosure of the proportion of women

The Australian Institute of Company Directors agrees that requiring a company to report on its diversity profile facilitates greater transparency and accountability in relation to its diversity policy and measureable objectives.²²

Companies should consider how best to present information in their annual reports to ensure an accurate and not misleading impression of the relative participation of women and men in the organisation and the roles in which they are employed.²³ Factors to be considered include:

- whether a full-time equivalent measure is appropriate in all or some circumstances (as opposed to clear categorisation of full-time, part-time and contracted services);²⁴
- whether the participation is in a leadership, management, professional speciality or supporting role, or by relative participation of men and women at different remuneration levels;²⁵
- whether it is appropriate to disclose the proportion of men and women within each salary band.

Many companies already collect this information (including as part of their reporting to EOWA) and some ASX-listed entities already publicly disclose the proportion of women in senior management and in the whole organisation. According to a recent review undertaken by the ASX, a total of 9 ASX-listed entities disclosed these details in their 2009 annual report.²⁶

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5. Disclosure of board selection processes

Requirement

Recommendation 2.6 now requires ASX-listed entities to include in the corporate governance statement in their annual report, a statement as to the mix of skills and diversity which the board of directors is looking to achieve in membership of the board.²⁷

In addition, following a submission made by the Australian Institute of Company Directors to the Council,²⁸ the commentary to Recommendation 2.4 has been amended to encourage companies to:

- provide greater transparency of the processes which the board adopts in searching for and selecting new directors to the board; and
- report to shareholders on the process.

While it is not compulsory for companies to comply with the above two bullet points, we strongly encourage companies to do so as it is good governance practice.

Details regarding such processes can be provided on a company's website as well as in its annual report and include the following:

- reference to the board's formal evaluation / performance review processes;
- details as to whether the company develops a board skills matrix (e.g. as an outcome of its evaluation process) and uses this matrix to identify any 'gaps' in the skills and experience of the directors on the board (e.g. with regard to current and expected company circumstances for the next three years);
- the process by which candidates are identified and selected including whether professional intermediaries are used to identify and/or assess candidates;
- the steps taken to ensure that a diverse range of candidates are considered; and
- the factors taken into account in the selection process.

²⁷ An explanation of any departure from Recommendation 2.6 should be included in a company's corporate governance statement in its annual report: see 'Guide to reporting on Principle 2'.

²⁸— See submissions made by the Australian Institute of Company Directors to the Council dated 27 May 2010.

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Appendix - Diversity checklist

The impact of the recent changes to the ASX Principles should not be underestimated. The changes elevate the issue of gender diversity to a board level and the “imposition” of reporting requirements will ensure greater transparency and accountability of the issue among listed companies.

Even for listed entities which are not proposing to adopt the recommendations early, the Australian Institute of Company Directors encourages companies to start getting ready now. Below is a summary checklist which companies may wish to use to assist them with their preparations. The list is by no means exhaustive. It is not possible to provide a ‘one-size-fits-all’ checklist of factors to consider, however, the following table will serve as a useful starting point for entities which have not yet considered these issues. Further detail on each of the items in the table below is contained in this booklet.

It is important to note that not all of the suggestions set out in the following checklist are strictly required under the new changes to the ASX Principles, although many of them are logical steps which companies may wish to take to assist with ensuring genuine compliance. Items flagged with an asterisk (*) indicate that the step is a requirement under the ASX Principles and therefore companies must comply (on an ‘if not, why not’ basis).

At the end of the day technical compliance with the new recommendations and a formulaic application of the steps outlined below will not achieve genuine diversity within an organisation. What is required is real cultural change. The importance and value of diversity must be fully integrated and embedded into the culture of the organisation and it must be endorsed and followed by all levels of the business including the board and senior management.

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No.	Key step	Matters to consider
1.	Determine who will be responsible for assisting the board with diversity issues	<p>Consider who will be responsible for assisting the board with each of the following:</p> <ul style="list-style-type: none"> • collecting current data on the diversity of the organisation and identifying where diversity is lacking (eg. within certain areas/divisions, at certain levels or within particular salary bands in the organisation) • developing a diversity strategy (including deciding how the company will seek to achieve greater diversity and in which areas) • establishing a diversity policy • setting measureable objectives for achieving gender diversity (and other forms of diversity if the company desires) • implementing the diversity strategy and, importantly, embedding that strategy into the business and culture of the organisation • overseeing the implementation of the diversity strategy in the business and ensuring compliance with the diversity policy • ongoing monitoring of the company’s diversity strategy as well as progress against achieving the measureable objectives set by the board • reporting to the board on each of the above • reviewing the progress against the company’s diversity strategy and making recommendations to the board about any changes or new initiatives required to improve diversity • assessing (at least annually) the measureable objectives for achieving gender diversity and the progress in achieving them • developing and overseeing the introduction of programs and initiatives aimed at developing a pipeline of female talent, including mentoring and coaching programs • reviewing and amending existing company policies and introducing new policies in accordance with the diversity strategy • linking the achievement of measureable objectives to key performance indicators (and bonus remuneration) for the board, the CEO and senior executives • collecting information on diversity for inclusion in the annual report (including the proportion of women, progress against measureable objectives, desired mix of skills and diversity on the board) • preparing disclosures for inclusion in the annual report • placing relevant information on the company’s website (including, as a minimum, a copy of the diversity policy or a summary of it) • reviewing the composition of selection panels <p>Will the board as a whole or one of the board committees (eg. the remuneration or nomination committee) be responsible for some or all of the above?</p> <p>Consider whether to establish a special ‘diversity’ committee comprising members of the board and/or senior management to assist with some or all of the above.</p> <p>Consider whether to appoint a diversity manager with ultimate responsibility for liaising between the board or diversity committee and management on diversity matters.</p>

No.	Key step	Matters to consider
2.	Analyse the current status of diversity within the organisation and identify key gaps	<ul style="list-style-type: none"> • Conduct a review of diversity in the organisation so you have a benchmark or starting point to properly consider the issue. In doing so, consider looking at multiple forms of diversity (including gender, age, cultural, disability). • With respect to each form of diversity - where is diversity currently lacking in the organisation (eg. is it lacking within particular areas/divisions or at certain levels of the organisation or within certain salary bands)? • There are tool kits available to assist companies with collecting this type of data and with identifying gaps in the organisation where diversity is lacking.
3	Develop a diversity strategy	<ul style="list-style-type: none"> • What is genuinely needed to achieve measureable improvement in the diversity of the organisation? • What forms of diversity does the company wish to tackle first (eg. gender, age, cultural, disability)? • What changes does the company hope to achieve with respect to diversity and over what timeframes? • How will the company ensure a steady pipeline of female talent for senior roles within the organisation? • Who is responsible for implementing, monitoring, measuring, reviewing, reporting on and adjusting the diversity strategy?
4.	Establish a diversity policy*	<ul style="list-style-type: none"> • Does it include requirements for the board to establish measureable objectives for achieving gender diversity?* • Does it include requirements for the board to assess annually both the gender objectives and progress in achieving them?* • Does it comply with relevant discrimination laws? • Does it include an internal review mechanism to assess the effectiveness of the policy? • See 'Tips for preparing a diversity policy' on pages 2 and 3 of this booklet – have you considered each of these tips? • Have you considered each of the factors listed in the 'Suggestion box' in the commentary to Recommendation 3.2 in the ASX Principles?
5.	Disclose the diversity policy or a summary of it*	<ul style="list-style-type: none"> • Ideally, the policy or a summary of it should be posted in the corporate governance section of the company's website* (see page 4 of this booklet)

* This indicates that it is required under the ASX Principles.

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No.	Key step	Matters to consider
6.	Develop a strategy for implementing the diversity policy	<ul style="list-style-type: none"> • Consider amending the board and/or committee charters to include a requirement to establish measureable objectives for achieving gender diversity and assessing annually the objectives and progress in achieving them • What additional programs or initiatives should be introduced? • Do any existing company policies need to be amended or new policies introduced to assist with the diversity strategy? • Establish a procedure for reviewing the effectiveness of the policy (for example, on a quarterly basis) • Consider possible ways to embed the importance and value of diversity within the culture of the organisation. • How can you ensure the diversity strategy is implemented at all levels of the business? • What education programs and communications are needed within the organisation to highlight the value and importance of diversity to the business and to communicate the company's strategy and objectives for achieving greater diversity? • See 'Tips for introducing a diversity policy' on page 4 of this booklet – have you considered each of these tips?
7.	Set measureable objectives for achieving gender diversity*	<ul style="list-style-type: none"> • Consider a variety of different types of measureable objectives for achieving gender diversity (eg. structural changes, new programs/initiatives, and setting of targets) • Consider how the achievement of gender diversity should be measured (eg. the percentage of women on the board, in senior management and in the organisation) • Consider linking the achievement of measureable objectives to KPIs for the board, the CEO and senior executives • See 'Tips for setting measureable objectives' on page 3 of this booklet – have you considered each of these tips?
8.	Develop a system for measuring and reporting on the progress towards achieving the measurable objectives*	<ul style="list-style-type: none"> • How regularly should progress be measured? • How will outcomes be communicated within the organisation and externally?
9.	Disclose measureable objectives for achieving gender diversity in the annual report and the progress towards achieving them*	<ul style="list-style-type: none"> • Stakeholders will be looking to see whether companies are making a genuine commitment to improve diversity within their organisation • Consider how the objectives will be measured and presented in the annual report so as to ensure accurate and not misleading information • See the section titled 'Disclosure of gender objectives and progress' on page 5 of this booklet – have you considered each of the factors listed in this section?

* This indicates that it is required under the ASX Principles.

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No.	Key step	Matters to consider
10.	Consider setting measureable objectives for achieving other forms of diversity (eg. age, cultural, disability)	<ul style="list-style-type: none"> • What other forms of diversity are lacking within the organisation (eg. age, cultural, disability)? • What changes can be introduced to assist with improving these other types of diversity (including structural changes, new programs/initiatives, and setting of targets)? • Consider disclosing measureable objectives for achieving other forms of diversity (and progress towards achieving them) in the annual report • See 'Tips for setting measureable objectives' on page 3 of this booklet – have you considered each of these tips?
11.	Develop a system for measuring the proportion of women employees in the whole organisation, in senior management and on the board*	<ul style="list-style-type: none"> • Who is responsible for reviewing the relative proportion of women and men at all levels in the organisation (the board, senior management and employees)? • If appropriate, consider including this obligation in the charter of the board or the relevant board committee* • Consider how this information should be measured so as to ensure accurate and not misleading information (eg. should full-time, part-time and casual employees be measured separately, should consultants/contractors be measured separately)? • See the section titled 'Disclosure of the proportion of women' on page 6 of this booklet – have you considered each of the factors listed in this section?
12.	Disclose in each annual report the proportion of women employees in the whole organisation, in senior management and on the board*	<ul style="list-style-type: none"> • Consider how best to present the information in the annual report to ensure an accurate and not misleading impression of the relative participation of men and women in the organisation and the roles in which they are employed • See 'Tips for disclosure of the proportion of women' on page 6 of this booklet – have you considered each of these tips? • Open and genuine disclosure is important
13.	Disclose in each annual report the mix of skills and diversity which the board is looking to achieve in membership of the board*	<ul style="list-style-type: none"> • Consider providing greater transparency around the processes which the board adopts in searching for and selecting new directors • Consider disclosing those processes to shareholders • See the section titled 'Disclosure of board diversity' on page 7 of this booklet – have you considered each of the factors listed in this section?

* This indicates that it is required under the ASX Principles.

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