

Frequently Asked Questions (FAQs)

What is the 2030 target?

The target for 40:40 Vision is to achieve gender balance of 40% women, 40% men and 20% any gender in executive leadership of ASX300 companies by 2030.

How is 40:40 Vision defining executive leadership?

Targets are set for executive leadership teams. The Executive Leadership Team (ELT) is taken to be the CEO and their direct reports and is consistent with CEW Census reporting methodology.

What are the benefits of becoming a signatory?

Extensive research demonstrates that companies with stronger gender diversity in leadership positions make better decisions and are better at creating long-term value and performance for shareholders.

ASX listed companies signing up to 40:40 Vision can showcase their commitment in supporting greater gender diversity in Australian workplaces. Signatories can publicly display their support of the initiative, and signal to their shareholders, stakeholders and the broader community their commitment to improving gender equality. 40:40 Vision will celebrate leadership and foster innovation by sharing case studies.

What type of targets do companies have to set?

Signatories need to set publicly available composition targets. Composition targets are outcomes-oriented targets reflecting the number or percentage of women that companies expect to have in executive leadership roles by a specific date.

As part of committing to 40:40 Vision, companies are also asked to establish interim targets and report progress against those targets at regular intervals.

Do we have to set interim composition targets?

Companies are required to set interim composition targets to drive progress and accountability. Interim targets may be gender composition targets for a company's ELT, or they may focus on an enabling lever such as developing the talent pipeline or completing succession planning for key ELT roles.

All interim composition targets must aim to achieve the long-term objective of 40:40:20 in ASX300 ELT by 2030.

What if companies already have targets?

Companies with targets that are equal or have more ambitious targets than what 40:40 Vision requires will be recognised. If a company has a target that is below 40%, we request this be increased to align with the ambition of achieving 40:40 by 2030.

Can we provide supporting information for our targets?

Yes, upon signing up there will be a place to provide explanation and support for your targets. In particular, companies with a low interim target due to their specific gender strategy may want to provide insight into their reasoning.

There will also be an opportunity to provide an update on your targets and rationale via the biennial progress reporting.

Do companies have to set targets before joining 40:40 Vision?

No, companies can join 40:40 Vision and will have a grace period of 12 months to set appropriate targets that meet their individual situation.

What happens if my company has a small leadership team?

In small executive leadership teams, the departure of one woman can change the ratio from meeting the 40:40:20 target to no longer meeting it. We understand those companies may not want to be limited to hiring a candidate of a particular gender.

In that instance, companies are invited to provide an explanation for their decision, how they remain focused on the spirit of the initiative, and demonstrate their ongoing commitment by sharing their plan to progress the executive leadership team back to 40:40 as soon as practicable.

What is the difference between quotas and targets?

Gender diversity targets and quotas both aim to improve gender balance in leadership, but there are differences between the two strategies.

Targets are specific, measurable objectives with discrete timeframes, set voluntarily by an organisation. Consequences for not meeting a target may be set and enforced as the organisation sees fit.

Quotas are also specific, time-bound, measurable objectives, but they are mandatory and set by an external body with authority to impose them (for example, government). Quotas usually have non-negotiable penalties for failing to meet them, enforced by an external body.

40:40 Vision is seeking companies to set voluntary targets.

What information will be publicly available on the 40:40 Vision website?

The website will outline companies that have committed to 40:40 Vision and report:

- Current gender composition in executive leadership
- Target status
- 40:40 Vision signatory status

The website will also share the biennial 40:40 Vision Progress Reports.

Does this require separate reporting?

No, we do not require separate reporting. Signatory companies are requested to publicly disclose their team composition data, gender diversity targets and plans to achieve them as part of committing to 40:40 Vision.

We suggest companies report through existing disclosure requirements- such as an annual report or sustainability report- with the requirement that this is done publicly.

What are the annual requirements?

We require information about who the relevant contact person is, and the link to your publicly available team composition data and targets (e.g. sustainability reports). We also invite signatory companies to participate in a biennial survey to gather further information to inform the 40:40 Vision Progress Reports.