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Media Release | Diversity Progress on Australian Boards: New Report Reveals Gains and Gaps

Watermark Search International, in partnership with Deloitte and the Australian Institute of Company Directors (AICD), today released the 2025 Board Diversity Index, the most comprehensive analysis of diversity and inclusion across ASX300 boards. Now in its eleventh year, the Index tracks not only gender but also cultural background, First Nations representation, disability, LGBTQ+, skills & experience, tenure, independence and age.

The 2025 report highlights steady progress in gender diversity, with nearly three-quarters (73%) of ASX300 boards now having more than 30% women — a 4% increase from 2024. However, broader measures of diversity show more limited gains:

- Cultural diversity has declined, with Anglo-Celtic directors now making up 91.9% of boards, compared to 91.2% last year.
- First Nations representation remains low, with only five directors holding seven board seats across the ASX300.
- LGBTQ+ representation remains at four openly identified directors, with researchers suggesting actual numbers may be higher due to privacy concerns.
- Disability representation remains absent, with no board members openly identifying as living with disability.

David Evans, Managing Partner at Watermark Search International, said, "While gender representation has improved, real inclusion across other dimensions remains limited. The opportunity is clear—by embracing diversity, Australian businesses can build stronger, more resilient, and globally competitive organisations. Diversity is about ensuring access to the widest pool of talent, expertise, and perspectives to drive business value."

Encouragingly, despite global political shifts, directors have reaffirmed their commitment to diversity. According to the Australian Institute of Company Directors' Director Sentiment Index, 84% of directors (across listed, private and NFPs) indicated their board's commitment to diversity and inclusion would remain the same or be stronger following changes to DEI sentiment under the Trump US presidency. Only 14% expected a decline in their board's focus on diversity.

Key findings from the 2025 Index include:

- The number of women on boards has nearly doubled over the past decade — from 399 seats in 2016 to 781 in 2025.
- The average age of directors remains stable at 61, with women directors averaging three years younger than their male counterparts.
- Most directors (84.5%) have served less than 10 years on boards, showing healthy board renewal.
- Despite the progress in gender, other forms of diversity have stagnated or declined, notably cultural and ethnic diversity.

Tharani Jegatheeswaran, Partner, National Client Relationships Leader at Deloitte Australia said, “The data tells a clear story - while gender representation is progressing, broader diversity gaps remain. This isn’t about ticking boxes; it’s about unlocking the value of different perspectives. Diverse lived experiences enable boards to challenge assumptions, anticipate change, and lead with agility. In today’s environment, that’s not just beneficial—it’s vital. The boards that embrace this will be better positioned to drive growth and deliver stronger outcomes for the organisations and stakeholders that they serve.”

Mark Rigotti, Managing Director and CEO at the Australian Institute of Company Directors, said, “Diversity is fundamental to effective governance. When directors bring different life experiences, professional backgrounds, and ways of thinking to the table, organisations are far better positioned to respond to risks, seize opportunities and deliver long-term value. It’s important to create a culture around the board table where every voice is heard, respected and considered. That’s where the real value lies - not in meeting targets, but in fostering richer discussion, and better decision-making.”

The report urges Australian organisations to broaden their definitions of board-ready talent, implement structured sponsorship programs, and intentionally embrace diverse perspectives to ensure boards are truly future-fit.

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