



MEDIA RELEASE

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Report finds majority of Australia's listed companies adopt gender diversity policy

The majority of Australia's listed companies now have a gender diversity policy in place or plan to implement one, according to the findings of an independent report released by ASX today.

The ASX-commissioned report was conducted by KPMG and analysed compliance by 600 ASX-listed companies with the ASX Corporate Governance Council's gender diversity Principles and Recommendations (the recommendations), which were introduced in 2011.

The Council's recommendations provide listed companies with a reporting framework for gender diversity. It is not mandatory to follow the recommendations but ASX requires listed companies to disclose in their annual report the extent to which they have followed them during the reporting period. Where companies have not followed all of the recommendations, they must provide an explanation as to why ('if not, why not' reporting).

Key findings from the report:

	S&P/ASX 200 ¹ (198 companies)	ASX 201-500 (200 companies)	ASX 501+ (200 companies)
Companies that either adopted a diversity policy or explained why not	196 (99%)	194 (97%)	184 (92%)
Companies with a diversity policy	185 (93%)	169 (85%)	116 (58%)
Companies which set measurable objectives	162 (82%) (a further 14 indicated they are in the process of developing measurable objectives)	117 (59%) (a further 29 indicated they are in the process of developing measurable objectives)	56 (28%) (a further 22 indicated they are in the process of developing measurable objectives)
Companies that disclosed the proportion of women in their organisations	Whole business: 184 (93%) Senior executives: 179 (90%) Board: 167 (84%)	Whole business: 157 (79%) Senior executives: 141 (71%) Board: 146 (73%)	Whole business: 134 (67%) Senior executives: 113 (56%) Board: 118 (59%)

General findings:

- Key benefits of a diversity policy identified by companies included improved culture and corporate image, improvements to the bottom line, broadening skills and experience of workforce, access to broader talent pool and a better environment for generating ideas.
- The most common disclosed diversity initiatives included mentoring and networking programs, flexible work arrangements, diversity committees, educational programs, pay equity reviews and proactive recruitment processes.

¹ At the time of preparing this report, one entity was suspended from official quotation and one entity was "foreign exempt". Therefore, the sample size of the entire group is 198 entities.

- Larger companies are more likely to have diversity policies with measurable objectives and the data indicated there is a direct, positive correlation between the size of an entity (measured by market capitalisation) and the development of measurable objectives.

Ms Jillian Segal, non-executive director of ASX Limited said: "The findings show that there is a strong commitment to report on gender diversity among the vast majority of listed companies.

"Notably, Australia's top 200 listed companies are setting a strong example with almost all of them reporting that they have diversity policies in place. Smaller listed companies that do not have policies in place indicated that their size and stage of development was a barrier to establishing a diversity policy."

Mr Kevin Lewis, ASX Chief Compliance Officer said: "The framework provides a consistent set of criteria for listed entities to report on, while allowing those companies which do not adopt the recommendations to explain their reasons".

The report notes that the next steps would be to improve the quality of disclosure by listed companies. This issue will be examined this year as part of the ASX Corporate Governance Council's review of the Principles and Recommendations.

The report is available on ASX's website: www.asxgroup.com.au/diversity-resources.htm

The latest report follows the 2012 report on disclosures by entities with a 31 December 2011 year-end. It includes the first full reporting period (31 December 2011 to 30 December 2012) for a number of entities across the ASX since the diversity recommendations came into effect.

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ASX Corporate Governance Council

ASX has chaired the ASX Corporate Governance Council since its inception in August 2002. The Council brings together 21 business, investment and shareholder groups to oversee the principles-based and industry-wide framework it developed for corporate governance - the Corporate Governance Principles and Recommendations.

ASX requires listed companies to disclose in their annual report the extent to which they have followed the recommendations set by the Council during the relevant reporting period. Where companies have not followed all of the recommendations, they must identify the recommendations that have not been followed and provide an explanation for not following them ('if not, why not' reporting).

Importantly, the reporting requirements under the ASX Listing Rules provide for transparency of the corporate governance practices of listed companies, which better positions investors to make informed investment decisions. Ultimately, it is for the market to pass judgement on the corporate governance practices of Australian companies, not the Council or ASX. More detail about the Council and the Principles and Recommendations is available on ASX's website: www.asx.com.au/corporate_governance

ASX Education and Research Program

The ASX Education and Research Program has funded various education and research activities, including the cost of conducting training courses for participants and listed entities on ASX's rules. Further information about the ASX Education and Research Program including its mission statement and the future of the program can be found on ASX's website: www.asxgroup.com.au/education-and-research.htm.