



ASX Diversity Guidelines Briefing

"This initiative ... will allow us to celebrate those organisations that lead the change and draw attention to those who continue to make no progress."

– Elizabeth Broderick, Australian Sex Discrimination Commissioner

Background Information:

On 22 April 2010 the ASX Corporate Governance Council published an exposure draft on the proposed amendments to the Corporate Governance Principles and Recommendations to improve board diversity. This is because of the poor representation of women at the board level in Australian companies with only 8.3% of ASX 200 board members being female at the time and 50% of the top 200 companies having no women on their boards at all.

On 30 June 2010, the amendments to the 2nd edition of the Corporate Governance Principles and Recommendations were released by the ASX Corporate Governance Council including changes in relation to diversity reporting.

These guidelines are for any ASX listed company with 100 or more employees, even if they drop to 80 employees in the year being reported.

The “if not, why not” basis requires companies to disclose gender policies and figures, or otherwise explain to the ASX committee why reporting has not been adopted.

Key Requirements:

ASX listed companies must:

- Establish and disclose a diversity policy and establish and report on measurable gender diversity objectives (Recommendation 3.2)
- Report annually on diversity policy including measurable diversity objectives set by the board and the progress made towards achieving the objectives (Recommendation 3.3)
- Report annually on the proportion of women employees in the whole organisation; women in senior executive positions; and women on the board (Recommendation 3.4)

Timeframe:

The reporting requirements for an ASX listed company will apply to the first full financial year commencing on or after 1st January 2011, however early transition from 1st July 2010 is encouraged.



Prepare your company by:

- Developing, reviewing and evaluating your existing gender diversity/equal opportunity initiatives and programs, especially in regards to their effectiveness.
- Developing a gender diversity policy so it includes measurable objectives for advancing women, both at a board level and throughout the whole organisation.
- In the interest of productivity and results, implement programs to ensure women are progressing steadily throughout the organization to ensure talented, experienced women are in line to take up executive/board roles in the future.
- Review the nomination committee's charter and amend to include the role of advising on strategies to address board diversity and to provide for regular review of the proportion of women employed at all levels of the company.
- Invest in your gender diversity initiatives, by obtaining professional consulting to ensure your female employees are supported, advancing and working to their full ability.

"This transparent reporting will allow the Australian public to see, for the first time, what companies are really doing to progress gender diversity."

– Elizabeth Broderick, Australian Sex Discrimination Commissioner

Other resources:

The ASX communiqué in relation to the new guidelines can be found [here](http://sphinxx.com.au/_literature_72548/ASX_gender_reporting_communique) at http://sphinxx.com.au/_literature_72548/ASX_gender_reporting_communique

Tips from the Australian Institute of Company Directors for getting started in implementing the New Corporate Governance Recommendations on Diversity can be found [here](http://sphinxx.com.au/_literature_72555/AICD__Corporate_Governance_Diversity_tips) at http://sphinxx.com.au/_literature_72555/AICD__Corporate_Governance_Diversity_tips