

ASX Code: FXL

**5 October 2012**

Mr Andy Weaver  
ASX, Listings (Sydney)  
Australian Securities Exchange  
20 Bridge St  
Sydney NSW 2000

Dear Andy,

In response to your letter dated 3 October 2012, please find a copy of the disclosures required of FlexiGroup's Diversity Policy, in compliance with listing rule 4.10.3.

## **Flexigroup Diversity Policy**

FlexiGroup has a strong commitment to equal opportunity and diversity and recognizes the value of developing, recruiting and retaining employees from a diverse range of backgrounds, genders, knowledge, experience and abilities.

Our policies and practices are in line with our Best Employer strategy and aim to exceed the minimum requirements set out in relevant State and Federal workplace and employment legislation. One of our key goals is to make Flexigroup the best place our people have ever worked.

## **Principles**

Diversity is about recognising and valuing the contribution of people from different backgrounds, with different perspectives and experiences. Diversity includes but is not limited to gender, age, sexual orientation, disability, ethnicity, religion and cultural background.

At FlexiGroup diversity is

- Supported by an environment that allows you to "bring yourself to work" and allows each person to reach their full potential
  - Is inclusive and recognises the different needs of our people and respects individuality.
  - Commitment to the principles of Equal Employment and is free from unlawful discrimination, harassment, victimisation and bullying.
  - Attracts and retains a broad range of talented people
  - To provide learning and development opportunities to develop the knowledge and skills of our people appropriate for their roles and enable their career progression;
- To enable equal employment opportunities based on skills, knowledge, experience, performance and attract, retain and reward a diverse range of talented people.

Flexigroup is proud to be a Best Employer and has created a workforce where 40% of our workforce are women. 20% sit on our Board Of Directors (Chairman) and 29% of our senior executives are female.

To date, FlexiGroup have adopted a number of initiatives to promote diversity and these include

- Targeted career and development plans
- Flexible workplace practices including the 'Flexi at Home" program
- Executive coaching for all women in senior leadership roles
- Targeting high potential women for leadership roles through our succession planning process
- Broadening our career experiences through participation in community partnerships
- Targeting increase in female representation across the business by partnering with a Group Training Organisation
- Paid maternity and paternity leave in addition to the government payments

Key actions for diversity and Equal Employment Opportunity ("EEO") for 2012 as reported to the Department of Equal Opportunity and to the Board include

- Remuneration review and salary benchmarking exercise to ensure we remain fair, equitable and competitive
- Revise the benefits offered to our people to ensure competitive in the market
- Better reporting on promotions, transfers, secondments and career experiences to enable better understanding of crucial drivers of promotions, secondments, transfers etc
- Targeted strategies to actively increase the female representation within our leadership ranks, particularly at a middle management level, further development of our existing female talent we hope will help to increase this number.
- We are planning focus groups for women across the organisation. We are going to utilise these groups to help us better understand the core issues relevant to women at work.
- Our EEO training for people and leaders is currently being refreshed (to include a more significant focus on case studies) and sessions will be scheduled in upcoming months.

The Company has set a target of 45% of our workforce to be female with 35% of our senior executives represented by females.

Yours sincerely



David Stevens  
Head of Finance & Company Secretary



ASX Compliance Pty Limited  
ABN 26 087 780 489  
Exchange Centre  
20 Bridge Street  
SYDNEY NSW 2000

Telephone 61 2 9227 0214  
Facsimile 61 2 9241 7620  
www.asx.com.au

3 October 2012

David Stevens  
Company Secretary  
Level 8, The Forum  
201 Pacific Highway  
St Leonards, NSW 2000

By Email: [david.stevens@flexirent.com](mailto:david.stevens@flexirent.com)

Dear David,

### **FlexiGroup Limited (the “Company”)**

We refer to the Company’s annual report for the year ended 30 June 2012 (“Annual Report”) released to the market on 9 August 2012 and in particular to the Company’s disclosures about its corporate governance practices and in particular its diversity policy.

Listing rule 4.10.3 requires that an entity include in its annual report:

*“A statement disclosing the extent to which the entity has followed the recommendations set by the ASX Corporate Governance Council during the reporting period. If the entity has not followed all of the recommendations the entity must identify those recommendations that have not been followed and give reasons for not following them. If a recommendation had been followed for only part of the period, the entity must state the period during which it had been followed.”*

Principle 3 of the 2010 amendments to the 2<sup>nd</sup> edition of the ASX Corporate Governance Principles and Recommendations states that Companies should actively promote ethical and responsible decision-making and that:

*“Companies should publish their policy concerning diversity, or a summary of that policy, and disclose annually their measurable objectives for achieving gender diversity, their progress toward achieving those objectives and the proportion of women in the whole organisation, in senior management postings and on the board.”*

More specifically the following recommendations set out in more detail the requirements:-

#### **Recommendation 3.2**

*“Companies should establish a policy concerning diversity and disclose the policy or a summary of that policy. The policy should include requirements for the board to establish measurable objectives for achieving gender diversity and for the board to assess annually both the objectives and progress in achieving them.”*

#### **Recommendation 3.3**

*“Companies should disclose in each annual report the measurable objectives for achieving gender diversity set by the board in accordance with the diversity policy and progress towards achieving them.”*

#### **Recommendation 3.4**



ASX Compliance Pty Limited  
ABN 26 087 780 489  
Exchange Centre  
20 Bridge Street  
SYDNEY NSW 2000

Telephone 61 2 9227 0214  
Facsimile 61 2 9241 7620  
www.asx.com.au

*“Companies should disclose in each annual report the proportion of women employees in the whole organisation, women in senior executive positions and women on the board.”*

### Recommendation 3.5

*“Companies should provide the information indicated in the Guide to reporting on Principle 3.”*

The Listed Entities Updates dated 1 October 2010 and 7 February 2012, reminded listed entities of their obligation to report under the 2010 amendments to the 2<sup>nd</sup> edition of the ASX Corporate Governance Principles and Recommendations as set out above in their annual report for their first financial year commencing on or after 1 January 2011.

ASX Listings (ASXL) has reviewed the diversity policy disclosures in the annual reports of all entities. Upon our review of the Company's Annual Report, ASXL could not identify a statement in the annual report confirming whether the Company had followed or not followed the diversity recommendations of the Council.

ASXL attaches particular importance to encouraging a consistently high standard of listed entities' disclosures about the Council's corporate governance recommendations.

**In light of the Company's non-disclosure in respect of the diversity recommendations in its Annual Report, ASXL requires that the Company make additional disclosure to the market in compliance with listing rule 4.10.3 about the extent to which the Company has followed or not followed each of the diversity recommendations of the Council.**

The additional disclosure should be sent to me by e-mail at [andrew.weaver@asx.com.au](mailto:andrew.weaver@asx.com.au) or by facsimile on facsimile number **(02) 9241 7620**. It should not be sent to ASX Market Announcements. This is requested as soon as possible and, in any event, not later than **9.30am A.E.S.T. on Monday, 8 October 2012**.

Under listing rule 18.7A, a copy of this letter and the additional disclosure will be released to the market, so your response should be presented in a suitable form.

Should the Company fail to do so, ASXL may consider suspending the Company's securities from quotation until the Company releases to the market a diversity policy that discloses the required information.

If you have any queries about this letter, or about the Council's recommendations and the Company's reporting obligations in relation to those recommendations, please contact me immediately.

Yours sincerely,

*[sent electronically without signature]*

Andy Weaver  
**Adviser, Listings (Sydney)**