



SVC Group Limited

ACN 009 161 522

Level 8, 55 Hunter Street
Sydney, NSW 2000

Charlotte Hope
Senior Adviser, Listings (Sydney)
ASX Compliance Pty Limited
Exchange Centre
20 Bridge Street
SYDNEY
NSW 2000

30th August 2012

By Email: charlotte.hope@asx.com.au

Regarding: Letter to SVC Group Limited of 24th August 2012

Dear Ms Hope

In reference to your letter of 24 August 2012, please find below SVC Group's corporate governance practices in relation to Principle 3 – Promote ethical and responsible decision making. Please note that we have included disclosure in relation to SVC Group's diversity policy.

Principle 3: Promote ethical and responsible decision-making

- 3.1 Companies should establish a code of conduct and disclose the code, or a summary as to:
 - 3.1.1 the practices necessary to maintain confidence in the company's integrity;
 - 3.1.2 the practices necessary to take into account legal obligations and reasonable expectations of stakeholders;
 - 3.1.3 the responsibility and accountability of individuals for reporting and investigating reports of unethical practices

A formal code of conduct has yet to be established as the Directors do not consider this a significant priority due to size and stage of development of the company. The Board's policy is for all Directors and management to conduct themselves with the highest ethical standards. All directors and employees will be expected to act with integrity and objectivity, striving at all times to enhance the reputation and performance of the consolidated entity.

- 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 diversity for the board to assess annually both the objectives and progress in achieving them.

The company does not have a diversity policy; the Board believes the company will not be able to successfully meet any objectives in a policy given the size and stage of development of the Company



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.

Given the size and stage of development of the Company the Directors do not consider it appropriate to set measurable objectives in relation to diversity.

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

For the 2012 financial year, the Company had no employees. At 30 June 2012 the company has 3 directors and there are no women on the Board of Directors.

3.5 Companies should provide the information indicated in the Guide to reporting on principal 3.

The company does not have a diversity policy; the Board believes the company will not be able to successfully meet any objectives in a policy given the size and stage of development of the Company. The Board is focused on the growth and expansion of the business of the Company, in doing so the imperative for such a policy will become apparent and the Board will introduce such a policy as soon as it considers such a policy to be practicable.

Should there be any questions regarding the above corporate governance practices please contact me.

Yours faithfully,

Richard Pritchard
Chairman and joint Company Secretary
SVC Group Limited



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24 August 2012

Richard Pritchard
Chairman and joint Company Secretary
SVC Group Limited
Level 8
55 Hunter St
SYDNEY NSW 2000

By Email: richard.pritchard@svgroup.com.au

Dear Richard,

SVC Group 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 20 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 2nd 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



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"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

"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, 7 February and 5 July 2012, reminded listed entities of their obligation to report under the 2010 amendments to the 2nd 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 charlotte.hope@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 Friday, 31 August 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.



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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}

Charlotte Hope
Senior Adviser, Listings (Sydney)