

# UK GENDER PAY GAP REPORTING 2017

*We focus on fairness*



We are committed to providing access to the same opportunities for all, including fair and equitable remuneration for all employees, consistent with our market and performance framework.

In 2017, the UK Government introduced mandatory gender pay equity reporting for all UK-based organisations with more than 250 employees. The new government reporting rules require our London Branch to identify differences in pay between male and female colleagues across their entire workforce regardless of job role, with women's earnings expressed as a percentage of men's pay at April 6 2017, as follows:

- mean gender pay gap
- median gender pay gap
- mean gender bonus pay gap
- median gender bonus pay gap
- proportion of males and females receiving a bonus
- proportion of males and females in each quartile band.

NAB has completed an analysis of its pay arrangements by gender for employees in London Branch and, in line with the regulatory requirements, is now publishing the results on the NAB website and the UK Government website.

NAB is confident that our employees are paid comparably for equivalent jobs, consistent with our existing performance management framework.

The causes of a gender pay gap can be a complex and shifting mix of factors including work, market factors and broader societal impacts but by monitoring the pay gap

between men and women we can better understand the gap and so target action to reduce it.

**Lynda Dean**  
**EGM Performance and Reward**  
**28 February 2018**

## OUR RESULTS

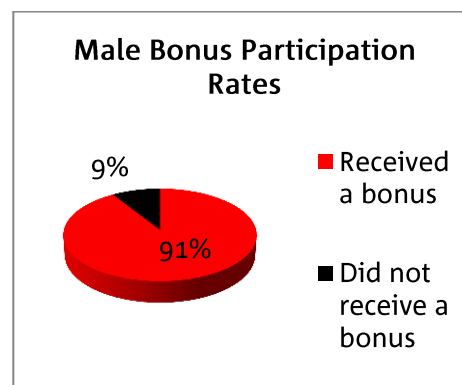
### Mean and Median Pay Gap

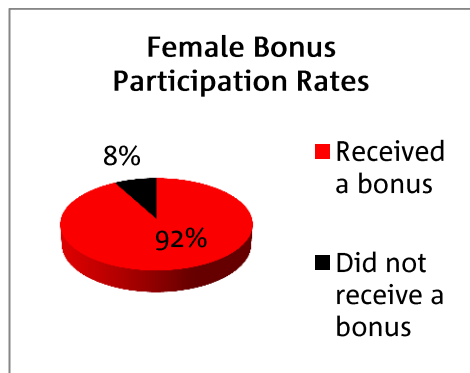
	Mean Pay Gap	Median Pay Gap
Fixed Pay *	32%	29%
Bonus Paid #	56%	46%

\* The difference in mean and median pay, based on an hourly rate, between male and female employees in London Branch during the pay period including 5 April 2017.

# The difference in mean and median bonus pay between male and female relevant employees in London Branch, paid during the 12 months preceding January 2017.

### Bonus Participation



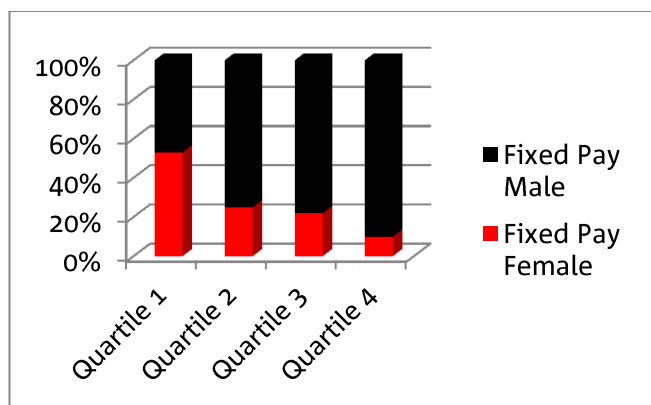


The proportion of male and female employees in London Branch who received bonus pay during the period 12 months preceding 5 April 2017.

Bonus payments are based on the performance of all plan participants. This shows fractionally more women received a bonus than men in 2016 (92% versus 91%).

### Pay Quartiles

#### Fixed Pay

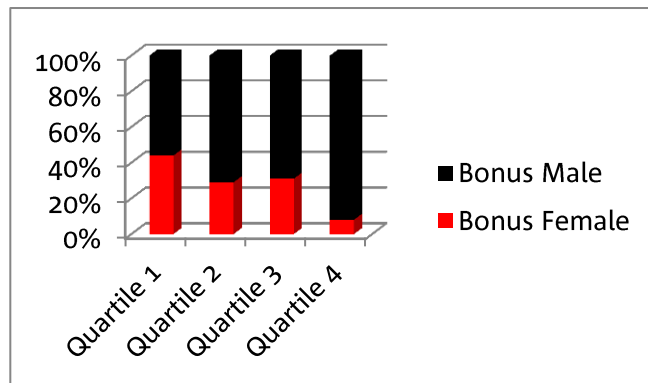


### Actions

The spirit of diversity and inclusion is more than an idea, or a goal. It's a huge part of who we are at NAB. Some of the actions we are targeting in London Branch are:

- Improved gender representation at all levels – target 35% by end December 2018 and 43% by end December 2019.
- More balanced candidate lists for recruitment
- Greater female representation on interview panels
- A diversity and inclusion dashboard which tracks our progress against key metrics and targets for the Branch and raises awareness across the Branch
- Requirement for all recruiting people leaders to have completed D&I training, including understanding the benefits of a diverse workforce and legal obligations

### Bonus



The above charts illustrate the gender distribution at NAB London Branch across four equally-sized quartiles.

### Why we have a gender pay gap

The results can be explained by the much larger representation of male employees in senior roles across the London Branch, which are generally higher paid roles. When we consider the bonus participation, we are comfortable that our female employees in London Branch have the same access to reward through our performance management framework. We have identified a number of initiatives as part of our broader Diversity and Inclusion agenda, which we are confident will address our pay gap in the future.

## Gender Pay Gap Report UK

- Support for women returning to work a variety of policies including shared parental leave, flexible working and transition to work arrangements
- Providing support and direction to the Diversity and Inclusion employee resource group in promoting the diversity agenda.

*N.B. According to the Workplace Gender Equality Agency's most recent data (2016 – 17), NAB's gender pay gap for base salary in Australia is 22.7% (for all employees), compared to an average gap of 27.1% for the financial and insurance services industry in Australia. It should be noted that base salaries are annualised and issues such as hours worked are not included in the analysis.*

We are working on progressing these initiatives in order to deliver a more gender balanced workforce which should, in time, reduce the gender pay gap in the Branch.