



# National Australia Bank Limited

## GROUP DIVERSITY AND INCLUSION POLICY

### Administration Information Schedule

Last review date	August 2018
Next review date	August 2019
Document Owner	General Manager, Talent & Leadership
Issuing Division	People Team – Talent & Leadership
Highest approval authority	Board

## 1. Purpose and Scope

- 1.1 The Group Diversity & Inclusion Policy aligns to the ASX Corporate Governance Council 'Corporate Governance Principles and Recommendations'<sup>1</sup>. This policy endorses these recommendations, and uses them as the minimum expectations for National Australia Bank and its controlled entities (Group).
- 1.2 Through this Policy, NAB aims to continue its objective to be a leader in and advocate for diversity and inclusion. We seek to integrate inclusion into the way we work and how we do business to ensure that it is a core part of NAB's culture.
- 1.3 Diversity and inclusion is about our individual differences and valuing the knowledge, skills and perspectives people bring to the workplace. NAB considers diversity to broadly cover characteristics such as age, gender, physical abilities, disability, cultural background and ethnicity, marital, family or relationship status, religious beliefs, sexual orientation and gender identity. An inclusive culture is one where everyone feels respected and valued and is able to fully contribute. It is about encouraging everyone to fully participate in the workplace and to provide equal access to opportunities. Inclusion is about empowering people to contribute their unique abilities, qualities, skills and perspectives. It is inclusion that promotes diversity of thought and allows us to drive innovation, engage our people and build productivity for the benefit of organisational performance and business outcomes.
- 1.4 This Policy outlines high-level requirements for diversity and inclusion. These requirements are also implemented through other relevant Codes, policies and procedures outlined in Section 7 below.
- 1.5 This Policy applies to all employees across the Group.

## 2. Policy Principles

- 2.1 NAB's purpose is to back the bold who move Australia forward. Our purpose is underpinned by our values of respect for people, do the right thing, be bold, passion for customers and win together. These values guide our approach to diversity and inclusion and achieve our aim to be a leader in, and advocate for, diversity and inclusion.
- 2.2 We will continue to integrate diversity and inclusion best practice into the way we work and how we do business.
- 2.3 We believe a diverse and inclusive workforce is a key means to achieve innovation. For NAB, diversity and inclusion means having an employee base which matches the geographies, customers and communities within which we serve. This simply makes commercial sense.
- 2.4 To continue to be a relevant, adaptive and innovative organisation, we must leverage the full potential of all our people. A culture that embraces individual differences in all forms will enable us to do this through diversity of thought.
- 2.5 We will invest in building capability and driving a culture across the organisation to support and foster diversity, inclusion and flexibility into the way we work and how we do business. This includes fostering a working environment free from discrimination, harassment (including sexual harassment), vilification or victimisation.
- 2.6 We will continue to comply with and aim to exceed our legal and regulatory obligations in relation to equal opportunity, diversity and inclusion, wherever we operate.
- 2.7 We want to be recognised externally as an organisation that role models diversity in action.
- 2.8 Inclusion must be a core part of who we are. There is no end to this pursuit.

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<sup>1</sup> Third edition, release March 2014

### 3. Roles and Responsibilities

- 3.1 The Board is responsible for setting measurable objectives for achieving gender diversity, and assessing these objectives as well as the relevant policy, at a minimum annually and progress to achieving them.
- 3.2 The Executive Leadership Team has direct accountability for execution of the Diversity & Inclusion Strategy, and continues to focus on promoting the right values and behaviours to support a workforce in which employees feel empowered and encouraged to perform at their very best.
- 3.3 The Diversity & Inclusion Steering Committee is responsible for providing a voice for inclusion at NAB, progressing equality and ensuring Diversity & Inclusion activity is aligned to strategy.
- 3.4 The Diversity & Inclusion team is responsible for the governance of diversity and inclusion at NAB.
- 3.5 All NAB leaders are responsible for fostering an inclusive culture where individual differences are understood, respected, valued and promoted.
- 3.6 All employees are responsible for understanding, respecting, valuing and promoting individual differences.

### 4. Policy Requirements

- 4.1 Measureable objectives for achieving gender diversity in representation at all levels of the organisation, with particular emphasis on senior levels of the organisation, must be established. These objectives must be appropriate and meaningful.
- 4.2 NAB's diversity and inclusion position must be evaluated against internal targets and appropriate external benchmarks at a minimum annually, and reported to the Board.
- 4.3 Disclosure must be made of progress against gender diversity objectives at financial year end via NAB's annual reporting suite and communicated to employees internally.
- 4.4 Recruitment and selection practices at all levels of the organisation (including promotion) should eliminate bias (real or perceived) and be designed to consider a diverse range of candidates.
- 4.5 We must continuously work on building, accelerating and supporting a sustainable pipeline of talented people with diversity being core to our Talent Management strategy.
- 4.6 Training and development programs must be implemented to assist in the development of a broader, more diverse pool of skilled and capable employees that, over time, will prepare them for more senior roles.
- 4.7 NAB Leaders must promote flexible work practices for all employees across the Group regardless of gender that support the needs of our customers, an employee's individual circumstances, and the needs of the business.
- 4.8 NAB Leaders must ensure a robust performance management framework and process is in place.
- 4.9 NAB Leaders must determine the remuneration for women and men undertaking work of equal value considering length of service since last increase, previous increases, position in range, internal relativities, performance, employment status, qualifications, experience, relevant market considerations and pay equity as outlined in our Enterprise Agreement.
- 4.10 NAB Leaders must understand the reasons for resignations that may impact our progress to achieving gender diversity.

## 5. Policy Exemptions

- 5.1 An exemption is required in limited instances where a business is unable to comply with the mandatory requirements of this Policy and immediate action cannot be taken to achieve compliance.
- 5.2 Exemption requests must be submitted to the Policy Owner and will be granted at their discretion.
- 5.3 If there is a conflict or inconsistency between this Policy and the laws and regulations of a particular region/country, those laws and regulations take precedence to the extent of the conflict or inconsistency, unless this Policy places a higher requirement and compliance with this Policy would not result in a breach of the local legislation or regulation.
- 5.4 In the event of a conflict or inconsistency as defined in 5.3, the Policy Owner must be informed.

## 6. Policy Breaches

- 6.1 In order to have a properly functioning diverse workplace, discrimination, harassment, vilification and victimisation cannot and will not be tolerated.
- 6.2 Breaches of this Policy (i.e. non-compliance that is not managed via the formal exemption process) must be managed in accordance with Employee Conduct Management Policy and recorded per the Events Management Policy. Failure to comply with this Policy may result in appropriate disciplinary and remedial actions which could include; counselling, formal warning or termination of employment. There may also be consequences for individuals as a result of external legal or regulatory action.
- 6.3 All instances of breaches of this Policy must be communicated to the Policy Owner.

## 7. Related Documents

- NAB Code of Conduct
- Employee Conduct Management Policy
- Health, Safety and Wellbeing Policy
- Discrimination & Harassment Policy
- Workplace Bullying Policy
- Domestic Violence Support Policy
- Employee Assistance Program
- Leave policies (various – country specific)
- NAB Enterprise Agreement 2016
- Human Rights Policy