

UK GENDER PAY GAP REPORTING 2018



WE'RE BEING BOLD FOR GENDER EQUALITY TO ENSURE THAT ALL OF OUR PEOPLE, REGARDLESS OF GENDER, ARE ABLE TO REALISE THEIR FULL POTENTIAL.

OUR REQUIREMENTS

In 2017 the UK Government introduced mandatory reporting for all UK-based organisations with more than 250 employees. In line with the annual reporting requirements we have prepared our 2018 submission.

The regulations require companies to produce 6 key items of data, to identify differences in pay between male and female colleagues across their entire workforce regardless of job role, 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.

Results are presented with women's earnings expressed as a percentage of men's pay at a specific date, 6th April 2018.

Distinct from the concept of equal pay, the required UK Gender Pay Gap reporting shows the difference between the average earnings of all the men and all the women in an organisation.

A gender pay gap does exist and it is considered the primary reason is due to lack of female representation, particularly at the more senior levels which tend to be higher paid. Our response to this is multi-faceted and we remain committed to the strategies that we have put in place and optimistic that these will bring about the change we desire over time.

Lynda Dean
EGM Performance and Reward
25th March 2019

OUR RESULTS

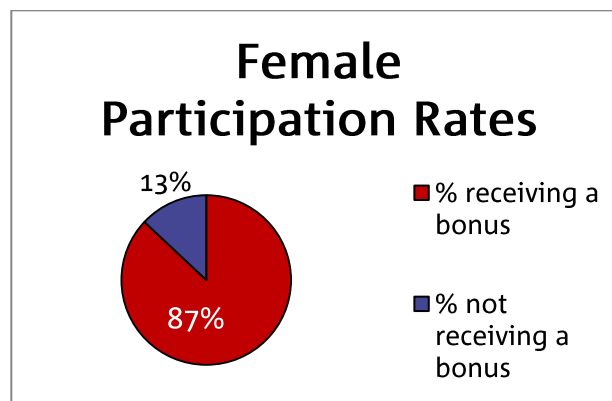
Mean and Median Pay Gap

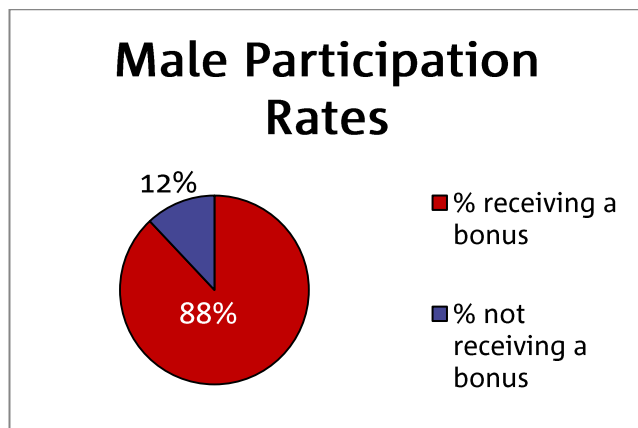
	Mean Pay Gap	Median Pay Gap
Fixed Pay *	38%	32%
Bonus Paid #	50%	57%

* 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 2018

the difference in mean and median bonus pay between male and female relevant employees in London Branch, paid during the 12 months preceding January 2018.

Bonus Participation





The proportion of male and female employees in London Branch who received bonus pay during the period 12 months preceding 5 April 2018.

Bonus payments are based on the performance of all plan participants. This shows fractionally more men than women received a bonus in 2017 (88% versus 87%).

Pay Quartiles

Fixed Pay

	Fixed Pay Male	Fixed Pay Female
Quartile 1 (lowest)	51%	49%
Quartile 2	63%	37%
Quartile 3	78%	22%
Quartile 4	88%	12%

Our progress

Whilst our fixed pay and bonus gaps have widened since we reported in 2017, we have seen positive movement in the quartile distributions, with a small but increased percentage of our female employees being paid in the top quartile. Some of this widening gap has been driven by a number of our senior women returning to roles in Australia or leaving the organisation for more senior opportunities, so we are pleased that the experience they have been able to gain with National Australia Bank in London has proven to be a springboard to their career advancement.

We have been striving over the last year to improve and enhance the opportunities for all our employees, as part of our Diversity and Inclusion

Plan. Our commitments last year focussed on a range of initiatives and actions to support our employees, irrespective of their gender or background. Of note are the following:

- More balanced representation of candidates at selection stage, aiming for 50/50 candidate lists.
- Reviewing our job adverts to ensure these embrace inclusive language and encourage female employees to seek out new opportunities in the Bank
- Increased opportunities for flexible working for all our employees to encourage better work life balance. In our 2018 Engagement Survey 91% of employees stated they work flexibly.
- Aimed for a balanced representation of employees on our Talent assessment programmes. Focus on progression and greater visibility of our talented females, through a variety of promotions, secondments, project work.
- Continued senior support of our female employee resource group, which seeks to raise awareness of the important role women play in the workplace, providing mentoring opportunities etc.
- Continued membership of the Women in Banking and Finance Group
- Enhancing retention of our female employees by introducing a maternity coaching policy, which provides support at critical stages of their maternity leave and to assist their successful transition back into the workplace
- Raising awareness amongst our people leaders on the value of creating a supportive environment e.g. flexible working workshops.

More recent initiatives include:

- Partnering with a recruitment provider with a deep pool of experienced female candidates to improve our access to female candidates for senior roles
- Regular talent day reviews of our people to identify our pipeline at all levels in the organisation, with a strong focus on our junior females
- Significant work on the culture in the Branch, with inclusiveness being at the core of the desired culture.

We recognise that the ultimate goal of closing our gender pay gap will take a sustained effort and focus. We shall continue to monitor and look to understand the reasons for our pay gaps in order to improve our position over time.