

Netwealth Group Limited – WGEA Employer Statement

Reporting period: 1 April 2022 – 31 March 2023

Our diversity commitment

Netwealth Group Limited recognises that an inclusive and diverse workforce improves financial performance by creating workplaces that encourage innovative decision making by drawing on the wide range of ideas, experiences, approaches, and perspectives that employees from diverse backgrounds and differing skills sets bring. This in turn creates a working environment where people feel like they belong and enjoy coming to work.

Underpinning our approach to inclusion and diversity are our values of being Agile, Collaborative, Courageous, Genuine, Optimistic and Curious, which guide our behaviours and decision making.

Our diversity objectives

Our five diversity objectives focus us on our continued progression towards achieving our diversity commitment:

- Maintaining and building on our inclusive culture, where our people feel like they belong, are accepted, connected and are comfortable to share their ideas, opinions and challenge each other;
- Building diverse teams that are representative of our clients and community, which enables us to tap into a wider range of thoughts and ideas by drawing on different experiences, approaches and perspectives;
- Continuing to build inclusive systems and processes by taking conscious steps to remove bias so that we can better support employees and prospective employees to be successful;
- Having a zero tolerance for discrimination, harassment, vilification and victimisation so as to promote an inclusive workplace; and
- Regularly monitoring and measuring the achievement of these diversity objectives.

Our progression

Over the past year we have made substantial progress towards our diversity objectives and have proudly been recognised as an inclusive employer by Work180 since 2022, with further recognition in 2023 being named as a Top 10 workplace for women.

Our partnership with Work180 focuses on enhancing workplace standards for all employees to thrive, particularly women.

A crucial part of this collaboration is the Diversity, Equity and Inclusion Assessment which annually reviews our initiatives, policies, and metrics. This assessment helps us to identify strengths and areas for improvement, benchmarks us against other employers, and enables us to continue to drive positive change, which over the past year has included;

- Enhancements to our parental leave policy, including 12 weeks' paid leave for both primary and secondary caregivers and paying superannuation on any unpaid portion of parental leave;
- Including gender as a key lens when conducting talent assessments and remuneration reviews;
- Reviewing our recruitment practices to reduce bias;

- Launching our company wide Women @ Netwealth Employee Resource Group
- Certification as a Family Friendly Workplace.

Understanding the gender pay gap

The gender pay gap is the difference in average earnings between women and men.

The gap is usually shown as a percentage, comparing what men and women earn on average. If it is a positive percentage, it means men are earning more across Netwealth. If it is negative, it means women are earning more across Netwealth. The gender pay gap is not to be confused with women and men being paid the same for like roles, or comparable, jobs. This is referred to as **pay equity**.

Table 1 below shows the median gender pay gaps for total remuneration and base salary against other financial and insurance service companies of our size.

	Netwealth 2022-23	Financial and insurance services
Median total remuneration	7.7%	27.3%
Median base salary	9.3%	24.4%

Table 1 - Netwealth's median gender pay gaps

At Netwealth, both our median total remuneration and base salary pay gaps are substantially below that of other financial and insurance services industry companies of our size.

Our pay gaps are being primarily driven by our higher paying roles (in our executive team and technology teams) being skewed towards being filled by males (75% and 69% respectively).

This data shows that our efforts towards closing the gap are having a positive effect, as we have a significantly smaller gender pay gap in comparison to companies of our size in our industry.

Whilst this shows we are making progress in the right direction, we are still working towards making a complete closure of the gender pay gap.

How we are continuing to close the gap

Measurable targets

As part of our Inclusion and Diversity strategic roadmap, we have set measurable targets for gender diversity for our board and executive team by the end of FY26, which are:

- 40% women
- 40% men; and
- 20% open¹

We are working towards these targets, as achieving a more balanced gender composition, particularly at senior levels, is a key factor in addressing and reducing the gender pay gap.

¹ We note that WGEA currently reports on data where individuals identify as either male or female. Open is defined as non-gender specific, and could include women, men, non-binary, intersex or gender-diverse identities

A robust remuneration framework and conduct annual gender pay audits

We have a robust remuneration framework that uses industry data to job match and benchmark every role within the organisation. Having this framework in place helps us to remove the bias and subjectivity that can sometimes influence pay.

On an annual basis we conduct a thorough gender pay equity and pay gap analysis. We use this data to calculate our gender pay gap across all of our departments and cohorts, so that we can analyse and understand the main drivers of the pay gap and put in place plans to address them.

In this reporting period no unexplained pay equity gaps were identified.

Flexible and family friendly policies to encourage equal participation

Equal participation of both men and women in the workplace when it comes to caregiving responsibilities is an important initiative to address the gender pay gap.

We have introduced policies to encourage and support all of our employees to be able participate in their caregiving responsibilities such as our work from home and flexible working policies, our kids holiday program through KidsCo, and by offering 12 weeks paid parental leave for both primary and secondary caregivers (and continuing to pay superannuation on any unpaid parental leave taken).

These initiatives have been recognised formally through our Family Friendly Workplace and Work 180 accreditations.

Employee resource groups (ERGs)

To progress our focus on inclusion and women's participation and progression at Netwealth, we have launched our employee led and executive sponsored ERGs. These groups are places where our people and their allies can come together to talk and consult about issues that are facing them, educate the business on these issues and further inform our inclusion and diversity strategic roadmap.

Nurture female talent

As part of our talent management and succession planning, we review the gender diversity of our talent and succession pipelines, identifying opportunities to increase female representation at all levels of the business through attraction, development and retention initiatives.