

## **Perpetual Diversity Policy**

### **1. Objective**

Perpetual has a strong commitment to diversity and inclusion and recognises the value of attracting and retaining employees with different backgrounds, knowledge, experiences and abilities.

Diversity contributes to our business success and benefits individuals, clients, teams, shareholders and stakeholders.

Our business policies, practices and behaviours promote diversity and equal opportunity and create an environment where individual differences are valued and all employees have the opportunity to realise their potential and contribute to Perpetual's success.

### **2. Scope**

This policy applies to all employees of Perpetual and its associated entities, including contractors and temporary employees.

### **3. What is diversity?**

Diversity recognises and values the contribution of people with differences in background, experience and perspectives. Diversity encompasses but is not limited to gender, age, ethnicity, cultural background and sexual orientation

At Perpetual, diversity means:

- an inclusive workplace that embraces individual differences
- a workplace which is free from discriminatory behaviours and business practices
- equitable frameworks and policies, processes and practices that limit potential unconscious bias
- equal employment opportunities based on capability and performance
- awareness of the different needs of employees
- the provision of flexible work practices and policies to support employees
- attraction and retention of a diverse range of talented people.

### **4. Perpetual's Diversity Strategy**

The strategic priorities which form our Diversity Strategy align to the current and emerging needs of the Perpetual workforce and encompass flexibility, gender diversity and cultural diversity.

The Diversity Strategy includes measurable objectives for achieving gender diversity at different levels throughout Perpetual.

### **5. Diversity at Perpetual**

To achieve a diverse and inclusive environment, we support the following programs and practices:

#### *Recruitment, selection and promotion*

Equal opportunity forms an integral part of the Recruitment and Selection Policy and we recognise the value of recruiting, selecting and promoting employees with different backgrounds, knowledge and experience. Our recruitment and selection processes identify candidates with the most suitable knowledge, skills, experience and personal values and as an equal opportunity employer, the recruitment processes are designed to promote equality. Testing, independent

evaluations and behavioural interviewing are used to promote equitable and unbiased selection and promotion decisions.

To promote gender diversity, at least one woman is included for consideration for Senior Manager, General Manager, Group Executive, CEO and Board appointments and at least one woman forms part of the interview and selection panel for these appointments to promote equality and gender diversity. External talent partners must also seek to include at least one woman when recruiting for Senior Manager and above roles at Perpetual.

#### *Career development and performance*

Employees are encouraged to develop and progress their careers through opportunities that build capability and all employees are supported to participate in career development conversations. Available opportunities for promotion and transfer are advertised to all employees to enable individuals to apply for roles to develop their career path.

We encourage and reward excellence and performance is measured based on agreed goals to remove bias and promote equity. An annual review of performance outcomes is conducted to ensure no gender disparity.

#### *Talent and succession planning*

Talent and succession planning are core practices within the organisation and an annual process identifies high performing and high potential individuals across Perpetual.

Talented individuals are identified based on their performance and potential and divisional reviews ensure that talent and succession decisions are equitable, consistent and aligned to diversity and equal opportunity principles across Perpetual.

The talent and succession process is used to identify candidates for annual leadership development programs and gender diversity is a key consideration during candidate selection.

#### *Diversity and equal opportunity training*

All employees are required to attend equal employment opportunity training followed by a refresher session every two years to embed our Equal Opportunity and Anti Discrimination Policy. This training raises awareness and encourages behaviour that supports a work environment free from discrimination and harassment.

#### *Flexibility*

At Perpetual, we empower our people with a measure of control over where, when and how they work to balance individual, team and business needs. We believe all roles can be performed flexibly. We have a Flexibility Policy and support tools which empower employees and People Leaders to utilise, manage and embed flexibility.

To ensure flexibility is implemented equitably, all managers have access to coaching and tools to enable them to manage flexible work arrangements and are encouraged to support team members with flexibility.

#### *Cultural and religious diversity*

Employees from different cultures and religions are welcomed and valued. Employees who have cultural or religious commitments are supported to participate in these activities through flexible work arrangements. Questions have been included in the Employee Engagement Survey to further understand the cultural profile of Perpetual and to inform further action.

#### *Gender diversity*

Gender equality at all levels of the organisation is a key component of our Diversity Strategy. Increasing the representation of women at senior levels of management will remain one of our strategic priorities on an ongoing basis.

In addition to recruitment protocols that promote gender diversity, there are a number of other initiatives such as:

- Inspiring Women forums for women in leadership positions and emerging talent to network and discuss diversity issues
- mentoring for women by women in senior leadership positions to build capability and encourage career development
- mentoring and support groups for women who return from maternity leave
- identifying talented women through the talent and succession process
- annual remuneration analysis to address any gender pay gap
- targeting high potential women for leadership development to enable them to progress in their careers
- retaining our status as an accredited Breastfeeding Friendly Workplace to assist women to transition back from maternity leave.

#### *Employee consultation*

Employees are consulted annually through surveys, focus groups and forums to gain insight into potential barriers to diversity and issues and opportunities for further action.

All employees are also invited to participate in a Perpetual Diversity Survey, an anonymous questionnaire, which shapes priorities for the Diversity Strategy.

## **6. Reporting and measuring diversity**

Perpetual's Board has established a measurable objective related to gender diversity to achieve 38% representation of women in senior management roles by 2015. This measurable objective will be reviewed periodically to ensure it remains relevant to any future changes to the business.

In 2012, Perpetual set a measurable objective of 38% representation of women in senior leader roles by 2015. This measurable objective is reviewed periodically to ensure it remains relevant to any future changes to the business. This objective has been extended to 2018.

The Executive Committee regularly reviews diversity scorecards at the organisation and business unit level. The diversity scorecard outlines diversity related metrics, the results of which can be used to measure diversity objectives.

Some key diversity metrics include:

- representation of each role level including board and senior management by gender and age
- gender salary comparison by role level
- parental leave return rates
- representation by age, role level and gender on flexible work arrangements
- representation by age and gender in leadership programs
- gender representation in the talent and succession planning process
- voluntary turnover by age and gender
- engagement survey results by gender.

The People and Remuneration Committee regularly review the progress of the broader Diversity Strategy.

## **7. The role of the Board and the People and Remuneration Committee**

While our People and Remuneration Committee has responsibility for oversight of this Policy, the Perpetual Board has responsibility for its initial approval and any amendments made to it.

The Board will also review the Diversity Strategy at least annually including the objectives set for achieving gender diversity and progress in achieving them.

## 8. Procedures

To ensure diversity is embedded in business practices and behaviours, our day to day procedures support diversity, inclusivity and equity.

## 9. Perpetual policies

The Diversity Policy is supported by our Equal Opportunity and Anti Discrimination Policy and any employees who wish to report a breach in these policies can be referred to our Complaint and Grievance Resolution Policy.

<b>Date</b>	<b>Revision Description</b>	<b>Authorised By:</b>
January 2015	Updated Policy	Alana Newman
May 2016	Updated Policy	Rebecca Nash