



Diversity & Inclusion Policy (Global)

Afterpay Limited

June 2020

Message from our Chair

Afterpay is a fast paced and dynamic organisation that knows diversity of thought and an inclusive culture are at the heart of innovation.

In just five years, we have grown from an Australian start-up to an ASX top 100 organisation that also operates in New Zealand, the US and the UK, with further expansion planned.

Afterpay was established to turn the financial industry on its head and champion the customer. We set out to be purposefully different to traditional forms of credit and finance and support the needs of a new generation. At the heart of our business is the commitment to do the right thing.

We are committed to building and fostering a safe and supportive culture, which includes being respectful of everyone and valuing our differences. We want everyone who works at Afterpay to feel accepted for who they are.

We want to attract, retain and develop a pipeline of talent from the widest possible pool of people, who will bring with them diverse backgrounds, experiences, skills and perspectives.

By reflecting the diversity of our customers and communities, we can better understand their needs, exceed their expectations, and make better business decisions.

We know to be a leading global retail technology company we need to embrace and celebrate diversity, so we can harness the very best thinkers and innovators out there.

At Afterpay, we refuse to accept anything less!

Elana Rubin, Director, Afterpay

Acknowledgment of Country

“Afterpay acknowledges Aboriginal and Torres Strait Islander peoples as the Traditional Owners of the lands and water of Australia; and we pay respect to the past, present and future Traditional Custodians and Elders of all the nations in which we operate.”

Contents

1.	Background	3
1.1	Purpose	3
1.2	Diversity & Inclusion Commitment	3
2.	Our Strategic Pillars	4
2.1	Aligning Diversity & Inclusion to our Strategic Pillars	4
2.2	Performance Indicators	5
2.3	Compliance Requirements Statement	6
2.4	Responsibilities	6
2.5	Definitions	7
3.	Other Matters	8
3.1	Adoption of Policy and Board review	8
3.2	Amendments to this Policy	8
3.3	Document Control	Error! Bookmark not defined.

1. Background

1.1 Purpose

This Policy provides the framework by which Afterpay fosters and encourages diversity and inclusion across the whole organisation.

This Policy establishes global principles which apply in each of our offices across Australia, New Zealand, UK and US; however we recognise that from time to time as the organisation grows into new territories, local application of this Policy will need to be considered to comply with all relevant local legislative requirements and practices.

1.2 Diversity & Inclusion Commitment

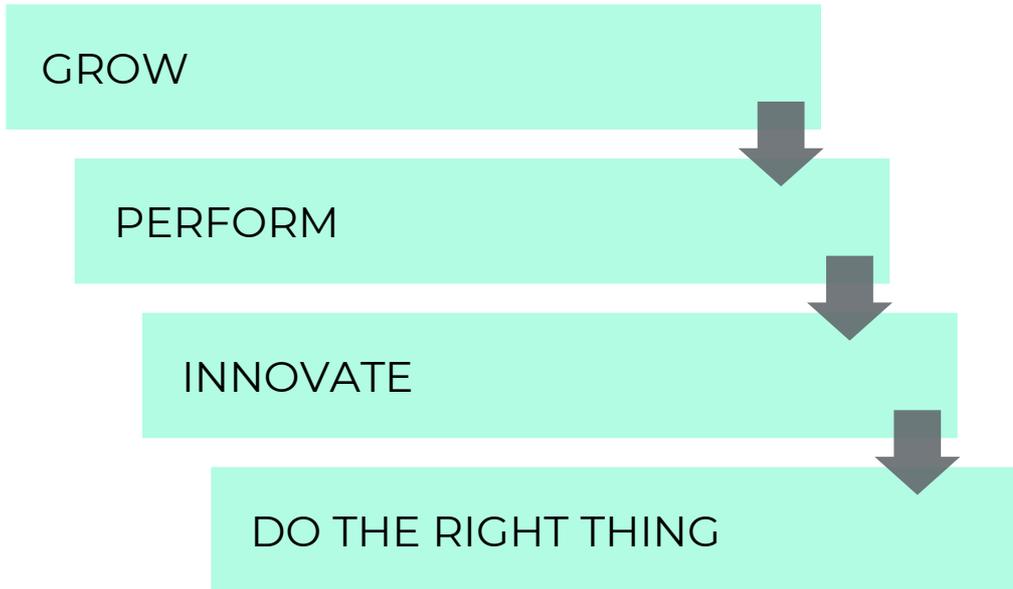
Afterpay is committed to inclusion at all levels of the organisation regardless of gender, marital or family status, sexual orientation, gender identity, age, disabilities, ethnicity, religious beliefs, cultural background, socio-economic background, perspective and experience.

In order to have an inclusive workplace where everyone feels that they are treated with respect and they belong; discrimination, harassment, vilification and victimisation cannot and will not be tolerated.

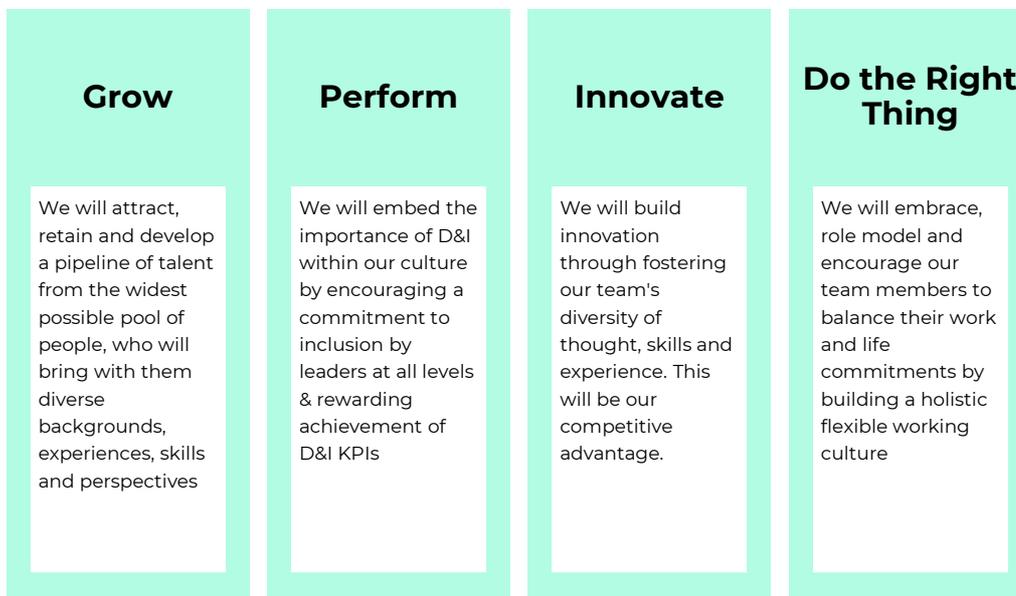
A diverse workforce and inclusive culture ensures that everyone has an opportunity to be a part of the team and bring their unique talents to the table without limitation due to their background or identity. Building a diverse and inclusive culture is not only the right thing to do but it also makes business sense. Diversity means bringing different insights and perspectives to help sustainable growth. Diversity of thought enables innovation, generates excitement and builds engagement which drives our high performance culture.

2. Our Strategic Pillars

Our approach to Diversity & Inclusion is aligned to our four strategic pillars:



2.1 Aligning Diversity & Inclusion to our Strategic Pillars



- (a) **GROW:** Afterpay will promote the principles of merit and fairness when making decisions about recruitment, development, promotion, remuneration and flexible work arrangements, guarding against any conscious or unconscious biases that might discriminate against current or potential employees. We will develop strategies to proactively attract people who are under-represented in our workforce and ensure that there are no conscious or unconscious barriers to their success.
- (b) **GROW:** Afterpay will embed recruitment policies and guides to ensure qualified candidates are from diverse backgrounds as part of the recruiting process. Afterpay will

members on the selection / interview panel when selecting and appointing new employees (including Senior Executives);

- (c) **PERFORM:** Afterpay will design and implement programs that will assist in the development of a broader and more diverse pool of skilled and experienced employees and that, over time, provides a clear career pathway into senior roles;
- (d) **PERFORM:** Afterpay will deliver training and development to leaders at all levels. Afterpay is committed to embedding the importance of diversity & inclusion within our culture – led by leaders, while recognising that inclusion is the responsibility of ALL employees;
- (e) **PERFORM:** Afterpay will continue to review and develop policies and procedures to ensure diversity & inclusion within the organisation. Afterpay will adopt key performance indicators for Senior Executives to measure the achievement of diversity objectives under Afterpay's diversity policy;
- (f) **INNOVATE:** To become a leading retail technology company we need to drive and foster diversity of thought within Afterpay. To do this, we need to grow and develop our talent, as well as build a sustainable pipeline of talent from the widest possible pool who will bring with them diverse skills and their unique perspectives which will be our competitive advantage.
- (g) **DO THE RIGHT THING:** Afterpay is committed to supporting a flexible working culture that enables all our employees to balance work and life commitments.
- (h) **DO THE RIGHT THING:** Afterpay will provide opportunities for all employees on extended parental leave to maintain their connection with Afterpay.
- (i) **DO THE RIGHT THING:** Afterpay pledges to increase the visibility and contribution of women leaders in public and professional forums.

2.2 Performance Indicators

Strategic Pillar	Outcome	Performance Metrics
Grow	Our recruitment processes and practice provide us with diverse pools of exceptional talent.	Our gender target for Directors is to be 40:40:20 by the end of FY23
		Our gender target for Senior Executives is to be 40:40:20 by the end of FY23
		Diversity will be included as a relevant consideration in annual succession planning.
		We will measure recruitment applications, offers of employment, promotion rates, and exit rates and reasons with a diversity lens
Perform	We have a clear understanding of the current state of D&I across the organisation and have an action plan in place to improve areas where we aspire to do better.	We will undertake a gender pay equity audit to gain a stronger insight into the effectiveness of our gender diversity programs and initiatives the end of FY21.
		We will benchmark our position on gender diversity (and any other diversity areas available) against our peers by the end of FY21.
		We will run a Diversity & Inclusion survey to better understand the diversity within our workforce and their lived experience of

Strategic Pillar	Outcome	Performance Metrics
		inclusion and belonging by the end of FY21. This will create our Diversity & Inclusion Baseline.
	Diversity and inclusion targets agreed in all relevant areas.	Once we understand our Diversity & Inclusion Baseline, we will introduce additional diversity and inclusion targets in all relevant areas including, but not limited to, women in STEM, gender composition across the whole workforce and Indigenous employment and participation.
Innovate	Leaders are aware of the issues, equipped to deal with them and actively role model the change needed.	We will run Conscious Inclusion training for the Global Leadership Team by Q4 2020 from which we will extract key insights that will inform our action plan for 2021 and beyond.
Do The Right Thing	Managers and Teams are open to different ways of working to attract and retain the best talent and support employees at different career stages.	We will offer people on extended parental leave the option (without any obligation) to receive all-staff communications and to attend work functions and training programs.
	We honour the Panel Pledge when asked to speak publicly, role modelling our commitment externally as well as internally.	We will do this by making our commitment known and we will honour the Panel Pledge when invited to speak.

- (a) Management will develop, for approval by the Board or its relevant sub-committee, as appropriate an action plan for achieving the performance metrics.
- (b) At least annually, management will monitor, review and report to the Board (including via the People, Remuneration & Nomination Committee) on the achievement of these matters, and Afterpay's progress in diversity & inclusion under this policy more broadly.

2.3 Compliance Requirements Statement

Afterpay reports annually to the Workplace Gender Equality Agency in compliance with the Workplace Gender Equality Act 2012 (Cth).

2.4 Responsibilities

Role	Accountabilities
Afterpay Board	Approving this Policy. Setting diversity targets consistent with ASX requirements (and broader where appropriate) and monitoring progress towards their achievement.

Role	Accountabilities
	Holding the Global Leadership Team (GLT) (or as otherwise constituted) to account for developing an action plan to achieve targets.
Afterpay Secretary	Administration of this policy (including in relation to reporting to the Board, or its relevant Board committee as appropriate)
Senior Executives	Creating and maintaining an inclusive workplace culture through role-modelling inclusive behaviours, communicating their commitment, being consistent in their approach & measuring progress.
Employees & Contractors	Contributing to and maintaining an inclusive workplace culture.

2.5 Definitions

Diversity	<p>A collection of individual attributes that includes, but is not limited to, demographic diversity, cognitive diversity, background and lived experience.</p> <p>Demographic diversity may be visible or invisible and may include (but not be limited to) gender, marital or family status, sexual orientation, gender identity, age, disability, ethnicity, caring or family responsibilities, religious beliefs, cast, cultural background, socio-economic background, perspective and experience.</p>
Inclusion	<p>The state where all employees and contractors have equal opportunity to fully contribute and participate in the workplace.</p> <p>This is achieved when individuals feel valued, respected, psychologically safe, and have a sense of belonging.</p>
Merit	<p>Merit is determined through unbiased judgement of a person's potential and performance based on their knowledge, skills, behaviours and experience as relevant to the requirements of a role.</p> <p>Factors that are not relevant to the requirements of the role are not taken into consideration.</p>
Senior Executive	Senior Executives are defined as Afterpay organisation levels Executive 1, 2 and 3

3. Other Matters

3.1 Adoption of Policy and Board review

The Board will review this Policy periodically to ensure it is operating effectively and consider whether any changes are required to the policy. Afterpay Secretary will communicate any amendments to employees as appropriate.

This Policy was adopted by the Board on 24 June 2020 and takes effect from that date and replaces any previous policy in this regard.

3.2 Amendments to this Policy

Afterpay may discontinue or amend any part or the whole of this policy from time to time at its absolute discretion. This Policy can only be amended with the approval of the Board.

3.3 Version control

Version	June 2020
Policy owner	Company Secretary
Review cycle	Periodically