

# **KBC** Gender Pay Gap Report

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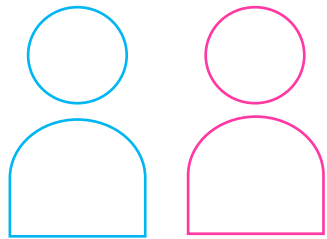
**Ireland 2022**

# Gender Pay Gap

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# Introduction to KBC

## Gender Pay Gap Reporting 2022



# Gender Pay Gap

This report looks at the gender pay gap in KBC Bank Ireland plc across a 12-month period from the snapshot date of 30 June 2022.

KBC Bank Ireland plc ('KBC') is a subsidiary of KBC Group, an integrated bank-insurance group. This report reflects our obligations as an Irish employer with over 250 employees on 30 June 2022.

The Gender Pay Gap Information Act amends the Employment Equality Acts 1998 to 2015 in the form of the Employment Equality Act 1998 (Section 20A) (Gender Pay Gap Information) Regulations 2022 (the 'Regulations').

The Regulations have placed new reporting and publication obligations on Irish employers to provide their mean (average) and median (mid-point) gender pay gap as well as a number of other statutory figures which can be found on page 5 of this report.

A gender pay gap is the difference in the pay and bonuses of male and female employees across an organisation.

The gender pay gap calculations do not account for differences in pay due to the nature of the role, grade or length of service. All of these variables impact the results. This report focuses on gender pay gap matters, as distinct from equal pay (which means paying women and men the same salary for performing the same, similar or work of equal value).

This report includes the statutory 2022 reporting figures, analysis of the reasons for the gaps and our measures to address them.

# What is gender pay gap reporting?

## Overview of the reporting obligations



In Ireland, every employer with at least 250 employees on a chosen snapshot date in June 2022 must report its gender pay gap

### Mean and Median

The gender pay gap shows the difference between the mean (average) and median (mid-point) pay of male and female employees, expressed as a percentage of male employees’ earnings

### Quartile bands

The proportion of male and female employees in four quartile hourly pay bands ranked from lowest hourly rate to highest hourly rate. It is done by dividing the workforce into four equal parts

### Benefit in Kind

The proportion of male and female employees who received benefit in kind (BIK) which includes any non-cash benefit of an estimated monetary value

### Bonus

Proportion of male and female employees who were paid an amount of bonus pay

# KBC Bank Ireland

## Gender Pay Gap Statutory Results for 2022

### Mean & Median Gender Pay Gap

The mean gender pay gap relates to the mean hourly pay of all relevant male and female employees on the chosen snapshot date of 30 June 2022



KBC has a mean hourly pay gap of **10.75%** and a median hourly gap of **5.32%**

### Part Time Employees



Part-Time employees have a mean hourly pay gap of **14.49%** and a median hourly pay gap of **5.53%**

### Temporary Employees



KBC on the snapshot date of 30 June 2022 had no temporary employees in scope for gender pay gap calculation purposes

### Bonus Gap & Employees who received a bonus

We have a mean bonus gap of **4.68%** and a median bonus gap of **2.07%**



**91.99%** of females and **87.52%** of males received bonus remuneration

### Benefit in Kind



**98.51%** of females and **98.42%** of males received benefit in kind (BIK)

These calculations are on the basis of pay over the requisite 12 month period. Gender pay gap calculations do not account for differences in pay due to the nature of the role, grade or length of service. All of these variables impact the findings.

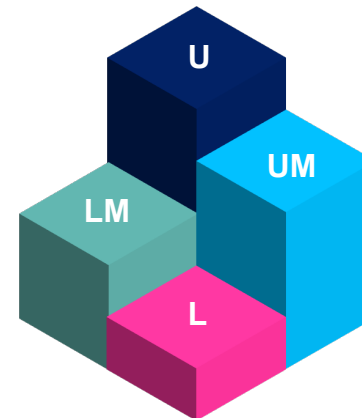
### Percentage of males and females when divided into four quartiles ordered from lowest to highest pay

#### Lower Quartile (L) ✓

This quartile represents the lowest quarter of earners. In this quartile **47.29%** were female and **52.71%** were male

#### Lower Middle Quartile (LM) ✓

This quartile represents the lower middle quarter of earners. In this quartile **53.99%** were female and **46.01%** were male



#### Upper Middle Quartile (UM) ✓

This quartile represents the upper middle quarter of earners. In this quartile **54.51%** were female and **45.49%** were male

#### Upper Quartile (U) ✓

This quartile represents the upper quarter of earners. In this quartile **38.41%** were female and **61.59%** were male

# What these results mean

## Gender Pay Gap 2022



In our first year of gender pay gap reporting in Ireland we have a **10.75% (Mean)** and **5.32% (Median)** gender pay gap. Below we outline more information regarding the gap.

The shape of our workforce has a significant impact on our gender pay gap. We have identified that there are proportionally more males in leadership roles which attract higher remuneration. The Upper quartile split in our organisation is 61.59% male and 38.41% female. We believe a more even gender balance across this quartile would improve our overall gap. The roles which are in the Upper quartile are those which attract the highest remuneration, many of these are management style roles.

The shape of our workforce and most notably, the balance of males and females in more senior roles, is something we have been tracking internally before the implementation of the Irish public reporting obligations. We see from the UK experience that the Financial Services industry and Banking sector has for many years been identified as one in which large gender pay gaps have typically been apparent.

Gender diversity is at the heart of what we do. With both the UK industry experience and our commitment to gender diversity in mind, we began monitoring gender diversity internally in 2017, specifically examining the gender breakdown in our management population.

Whilst our commitment was to maintain a **50/50 +/-5%** gender balance across leadership levels, as we prepare to exit the Irish market this is increasingly difficult to maintain but something we continue to monitor. Similarly, we were an active participant in the Women in Finance Charter working group and while we fully support this initiative our participation is naturally limited during the wind down.

A particular focus has been placed on developing female talent at mid-level management tiers. This is done by providing training on multidisciplinary skills so that females have increased opportunities to be potential successors for more senior management roles as they arise. We believe that this internal support for the progression of females in these roles will further improve our gender pay gap.

# What these results mean

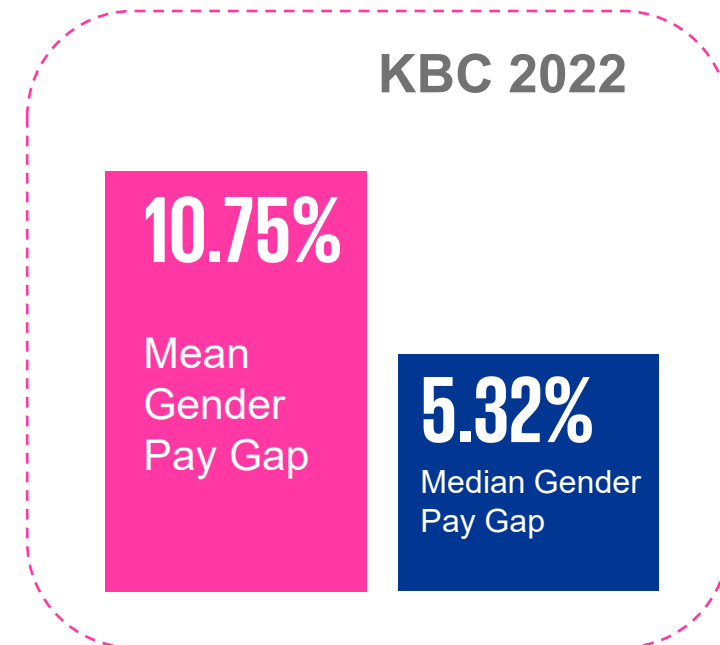
## Gender Pay Gap 2022



This report is in the context of the wind down of KBC which commenced in April 2021 whereby it was agreed that certain assets and liabilities would be transferred to Bank of Ireland. This was confirmed by agreement in October 2021 and later in May 2022 by the Irish Competition and Consumer Protection Commission.

Separately, in August 2021, KBC agreed to dispose of part of its mortgage loan portfolio. Related to these transactions, in September 2022, KBC announced that the KBC Hubs in Galway, Limerick, Lapps Quay Cork, Wilton Shopping Centre Cork, Waterford, Maynooth, Main Street Swords, Blanchardstown Shopping Centre, College Green Dublin, Baggot Street Dublin and Stillorgan will close permanently in March 2023 and that the KBC Grand Canal Dublin Hub will remain open until the end of August 2023.

Owing to the nature of this wind down, we anticipate that our pay gap may fluctuate. Our results may vary in subsequent years as a result of the necessary restructure of our employee profile in Ireland. However, we remain mindful of ensuring female talent is considered for senior management roles which arise or are retained for the wind down period, following the sale of the bank's assets and liabilities.



# Addressing the pay gap

In order to address our gender pay gap we will be focusing on a few key areas

Notwithstanding the wind down process, we will continue to be a workplace that strives to be gender diverse and representative of the markets we serve. We endeavour to cultivate and maintain a culture of equality in our organisation. We will maintain our consistent efforts to monitor and improve gender diversity in line with our hope of eventually seeing an Irish Financial Services and Banking industry with no gender pay gap. While KBC has historically been committed to all gender parity issues, our focus is now on ensuring our colleagues overall progression and wellbeing. In this regard, while KBC has been involved in many gender parity measures, we have included below certain measures that will continue momentum during the wind-down period.

## .....▶ **Equality, Diversity & Inclusion Training**

We believe that providing additional resources and training can help to address some of the limiting beliefs that may be holding back employees and provide them with the resources to help them progress their careers. To enable our employees improve any mindset that restricts them from reaching their full potential we facilitated a workshop which allows employees explore how to tackle self-limiting patterns and find strength in embracing vulnerabilities. We want all of our employees to reach their highest potential and addressing such issues as imposter syndrome amongst colleagues is central to achieving this goal.

## .....▶ **Addressing Bias**

In order to address any potential unconscious bias in the workplace we believe that building awareness amongst team members and management is crucial to identifying any underlying issues. To build awareness of these issues and overcome bias in the workplace we provide unconscious bias training to KBC employees. This type of training includes action-oriented strategies such as action planning and self-reflection.



# Addressing the pay gap

## .....> **Equality, Diversity and Inclusion Policy & Targets**

KBC continues to be committed to equality, diversity and inclusion and has a robust policy in place in this regard. Whilst our commitment was to maintain a 50/50 +/-5% gender balance across leadership levels, as we prepare to exit the Irish market this is increasingly difficult to maintain but something we continue to monitor.

We have continued our “Women in Leadership” and help prepare our female talent for careers after KBC through activities such as Management Development, Coaching, Mediation and Advancing Women in Leadership where we have had 74% female participants to date in 2022. We have also delivered a series of career transition workshops facilitated by Brand Horizons of which 65% were female participants.

Over the past number of years, we have had an extensive programme of activities during the week of International Women’s day including panel discussions, female topic based information and lifestyle sessions with circa 150 participants at each. We also sponsored and supported the joint venture between IFS Skillnet and IOB – “Skills Ignite”, which aims to prepare all employees for the future of work and careers after KBC. These programmes include a range of Skills Certificates and Career Coaching and 176 colleagues have engaged with the programme to date.