

Supporting Change at FBD

The Gender Pay Gap





FOREWORD

At FBD, we believe an inclusive, diverse, and equitable workforce is critical for the success of our company. As of the 15th of June 2022, women represent 60% of FBDs total workforce.

Like many peers within the insurance sector, our results show a gender pay gap which is present within our organisational hierarchy. A key reason for this imbalance is that we have an under-representation of female employees at the more senior management levels within FBD. These roles attract a higher remuneration and is the key driver of imbalance for our gender pay gap.

We have taken and continue to take a holistic approach to tackling the gender pay gap. We have set sustainable and measurable goals around gender representation at senior levels. We continue to review our internal structures, policies and processes that bolster the ability of women to participate in the workforce. We also contribute to female empowerment in wider society.

Inclusion and Diversity is a strategic business priority for us at FBD. We know there is still work to do. We are determined to lead programmes and initiatives to increase female representation across all areas and levels of FBD. The FBD leadership team is committed to further harnessing and developing the talent and experience of women in financial services. This will be to the benefit of FBD, the sector and the community as it will lead to greater diversity of thought, experience, and leadership styles in decision-making processes. In this report we share our ambition and strategy on how we will achieve a better gender balance in our business.

With Best Regards



Tomás Ó Midheach

Tomás Ó Midheach
Group Chief Executive



Carolyn O'Hara

Carolyn O'Hara
Chief Human Resources Officer

UNDERSTANDING THE NUMBERS

Pay Gap vs Equal Pay

There is often confusion about the difference between the gender pay gap and equal pay, but they are not the same thing: The gender pay gap looks at the difference between the average pay of all men and all women across the whole business, regardless of job type or how senior they might be. Equal pay looks at the pay difference between a man and women doing the same role with similar experience, skills and performance.

The Calculations

When calculating our gender pay gap, we are legally required to do more than just add up the basic salaries and provide two different measures. The calculations include basic pay, allowances and overtime pay where applicable. We also provide the median and mean measures for the bonus gap, as well as showing the percentage of men and women who received a bonus and benefits in kind.

OUR GENDER PAY GAP

The Numbers

Our gender pay gap statistics provided below are based on every employee working for FBD on the 15th of June 2022. The snapshot period used is the 12 months preceding the 15th of June 2022.

		Overall Gender Pay Gap	Full Time Employees
Overall Gender Pay Gap	Mean Pay Gap	29%	30%
	Median Pay Gap	26%	31%
	Mean Bonus Gap	48%	46%
	Median Bonus Gap	23%	21%

As our bonus is calculated as a percentage of basic salary, we know that it is the gender imbalance at senior levels within FBD that is driving not just pay gap but also our bonus gap.

Gender Pay Gap for Part Time Employees Only	Mean Pay Gap	31%
	Median Pay Gap	29%
Gender Pay Gap for Fixed Term Employees Only	Mean Pay Gap	-2%
	Median Pay Gap	-5%

Employees who received a bonus payment during the snapshot period	Male	87%
	Female	92%

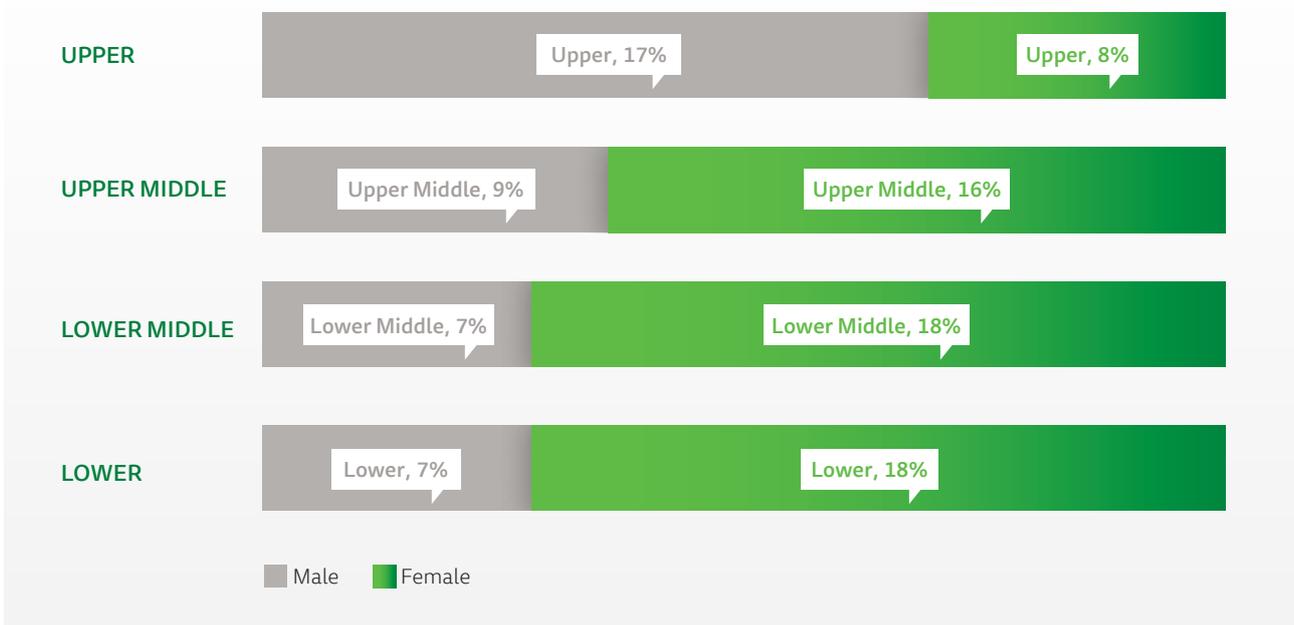
All FBD employees are eligible to earn a bonus. The above figures are calculated by dividing the number of male and female employees who received a bonus during the snapshot period by the number of employees working for FBD on the snapshot end date. This resulted in a portion of new employees who had not yet received a bonus payment driving down the percentage showing here.

Note: Elements of this section of this report were amended in 2023 as a result of FBD engaging a specialist external partner to conduct the annual analysis and report creation. These changes were made to align our reporting methodology across 2022 and 2023.

Benefits in Kind	Male	32%
	Female	32%

Benefits in Kind available to FBD employees include home and car loans, gifts for long service in FBD, financial support with professional dues and relevant training and education courses. All employees are eligible to apply for home and car loans once they have the required duration of service with the company. Employees receive a gift for long service once they achieve recognised service milestones. The above calculation reflects how many employees received these benefits during the snapshot period as a percentage of the total number of employees in employment with FBD at the end of the snapshot period.

Quartile Analysis



The graphic above demonstrates that we have a disproportionate percentage of male employees in more senior roles which typically attract higher rates of pay, and we are taking proactive steps to address this imbalance and shrink our gender pay gap.

Understanding our Results

At FBD, as in most organisations, our gender pay gap has one main cause. This is that our lower-level roles are female dominated and our more senior roles are male dominated. It is this under-representation of females at the more senior levels in FBD that creates a pay gap. We employ more men than women in some of our higher paying job types, such as those in our revenue generating roles. This is consistent with what we see across the industry as it is true for the wider financial services industry that men still outnumber women, particularly in executive

and revenue generating positions. FBD's roots are closely intertwined with the farming industry in Ireland having been established by Farmers. This sets important context for our gender balance given the traditionally, significant gender imbalance within the farming industry.

It is this gender imbalance across the organisation that is the key driver of our gender pay gap. Our analysis shows that if we had an equal number of men and women in our most senior roles, we would not have a gender pay gap at all, so pay equality is not the issue, female under-representation is.

How we are closing the gap

Our four principles for holistically tackling our gender imbalance are:



Increasing female representation at senior levels within FBD



Embedding an inclusive culture and providing equal opportunities



Continuously analysing and improving our internal processes and procedures



Supporting the wider finance and agricultural community on this agenda

We have set realistic but ambitious targets to bring better gender balance to our workforce and we have progressive initiatives in place to help us achieve them. Not all the initiatives will have an immediate impact on our gender pay gap, but they will help us achieve better gender balance across all levels of our organisation.

Increasing Female Representation at Senior Levels within FBD



FBD have signed Ireland's first Women in Finance Charter launched in 2022. FBD have the following targets:

- Headline target of 40% female representation on the Board and on the Executive team by 31/12/2025 and 31/12/2026 respectively. Interim targets of 30% for both are set.
- Headline target of 40% representation at Senior Management level by 31/12/2026 with an interim target of 35%.

- Headline target of 35% representation at Middle Management level by 31/12/2026 with an interim target of 30%.
- Headline target of 55% representation at Junior Management level by 31/12/2026 with an interim target of 50%.

Target of 40% female representation on our Executive Leadership Team by 2026

Embedding an Inclusive Culture and Providing Equal Opportunities



We believe strong foundations in equality are critical in providing a workplace where women and men alike can thrive in their career. We have been recognised outside of FBD for our efforts in promoting diversity and inclusion, receiving the bronze award for Investors in Diversity from the Irish Centre for Diversity in 2021 and we have received the silver accreditation in 2022. These foundations at FBD are supported by the following initiatives:

- Diversity and Inclusion Strategy and a Diversity and Inclusion Committee representing the diverse needs of our workforce.
- External partnerships with The Irish Centre for Diversity and VOiCE, a global culture, diversity, and inclusion benchmarking initiative. FBD are a founding partner of VOiCE.



Carolyn O'Hara, Chief Human Resources Officer at the Launch of VOiCE

- FBD values and behaviours program of work: Behaviour Competency Framework which clearly defines behaviours aligned to FBD values that support our strategy. All employees have a behavioural objective as part of their annual objectives and this has an impact on their end of year performance rating. It is this performance rating that drives employee reward.
- High-Performance Mindful Leadership programme for People Leaders. This focuses on enabling quality one to one conversations and psychological safety among teams. Over seventy female participants having gone through this programme.
- People Leaders Accountability Programme supporting leaders in developing trust among their teams.
- People Leaders and our Board have all been given the opportunity to complete training on inclusive leadership delivered by the Irish Centre for Diversity.
- Board Diversity Policy in place, the objective of which is to ensure the appropriate balance is achieved in the composition of the Board.
- We celebrate International Women's Day in March each year. To celebrate International Women's Day in March 2021, Sylvia Cronin, Director of Engagement, and a member of our board, took part in an interview outlining her background and career to date. In 2022, we conducted an insightful panel interview with three senior FBD leaders who shared openly about their experiences of bias and the reluctance to express vulnerability in the workplace.

70 female leaders completed our High Performance Mindful Leadership programme to date

Continuously Analysing and Improving our Internal Processes and Procedures



We have policies and processes in place which support female participation in the workforce including the following:

- Commencing in 2023, we will be paying bonus whilst an employee is on paid maternity leave.
- We support equal parenting, providing paid maternity leave to all employees regardless of their level and all employees with one year's service with FBD are entitled to avail of parental leave regardless of their gender. The equal application of such is supported through our Parental Leave Policy.
- Set pay ranges available to employees for all roles supporting pay transparency.
- People leader coaching on conducting effective pay and performance conversations.
- In 2019, we commenced internal reporting of our gender pay gap and high-level trends were identified.
- In 2019, we implemented a new pay model using the global grading methodology of Willis Towers Watson which supports equal pay, career conversations and identifying development opportunities for our employees.
- Dignity at Work Policy and an Equal Opportunities, Diversity & Inclusion Policy.
- Speak Up Policy with mandatory annual training for all employees to promote awareness of inclusive behaviours and channels available for reporting concerns.

Supporting the Wider Finance and Agricultural Community on this Agenda



We know that gender representation in the workplace is also a wider societal issue and continue to partner externally and consider how we can support change right across our society. We support a community that is tied to the very foundations of FBD. We continually support the annual Women and Agriculture Conference, a key date in the diary for women who are involved in the agricultural sector. FBD also sponsors the Women and Agriculture Awards. These awards, provide welcome recognition for the important contribution of women to Ireland's agricultural sector.

Paid bonus for all employees on statutory maternity leave commencing on 1st of January 2023

We know closing our gender pay gap is a long-term project and we will continue to carefully monitor our progress to make sure our initiatives continue to make change and that this change is sustained for the future. We continue to explore ways in which we can increase female representation at both leadership levels and in revenue generating roles.

I confirm that the results contained in this report have been generated in accordance with the Gender Pay Gap Act, 2021.

Carolyn O'Hara
Chief Human Resources Officer