
ABN AMRO
UK

**GENDER PAY
GAP REPORTING**

2022/2023

BANKING FOR BETTER, FOR GENERATIONS TO COME



As the UK Country Executive at ABN AMRO, I am committed to fostering a culture of diversity, equality and inclusion within our organisation. In line with our dedication to transparency and fairness, we recognise the significance of addressing the gender pay gap. This annual report serves as a reflection of our steadfast commitment to narrowing the gap, providing insight into our efforts, progress made, and the strategies employed to promote gender equality in our workplace. We remain resolute in our pursuit of creating an environment where every individual has equal opportunities for growth and success, irrespective of gender.



Since 2019, we've reduced both our mean hourly rates gap by 6.9% and our median hourly rates gap by 11%. In our hourly rate quartile picture, since 2019 we have seen an 8.33% increase in female representation in Q4. It's also the first year where we've seen a positive change in female representation across all quartiles, amounting to 12.5%. I am really pleased with the progress we have made to date, and endeavour to keep this positive change going. Whilst our progress has slowed in the last year, we remain committed to improving our gender pay gap. Though the focus of this report is on gender disparity, I fully acknowledge there are further facets of diversity that are hugely important for us, as a Bank, to address. Only when all areas of diversity are on equal footing can we truly live our purpose of 'banking for better for generations to come'.

Until then, I am fully committed to this cause and encourage all of you to take strides at each opportunity to turn this vision into reality.



Gerben Dragt

UK COUNTRY EXECUTIVE, ABN AMRO

THE GENDER PAY GAP: EXPLAINED

What is the gender pay gap?

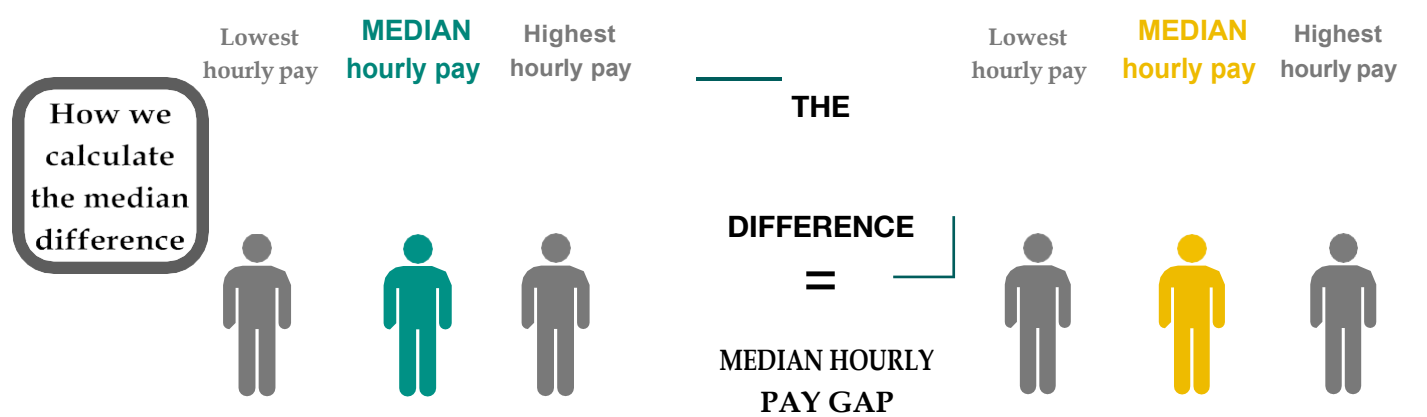
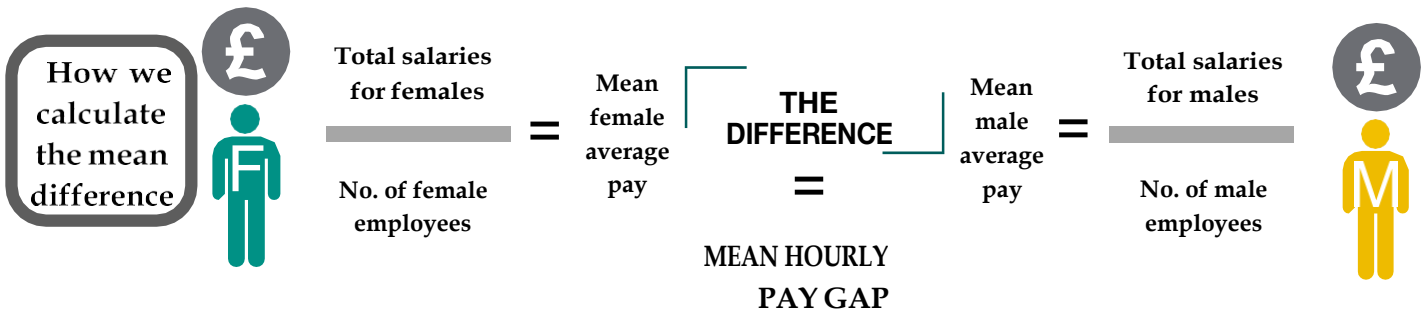
Hourly gender pay gaps (males vs females). The gender pay gap is the difference (mean and median) between the hourly rate of pay of male employees and that of female employees. This is expressed as a percentage of the hourly rate of pay paid to male relevant employees. The Gender Pay Gap in ABN AMRO is mainly caused by having more males than females in senior roles.

Is the Gender pay gap the same as equal pay?

No. They are two separate matters.

What is the difference between the gender pay gap and equal pay?

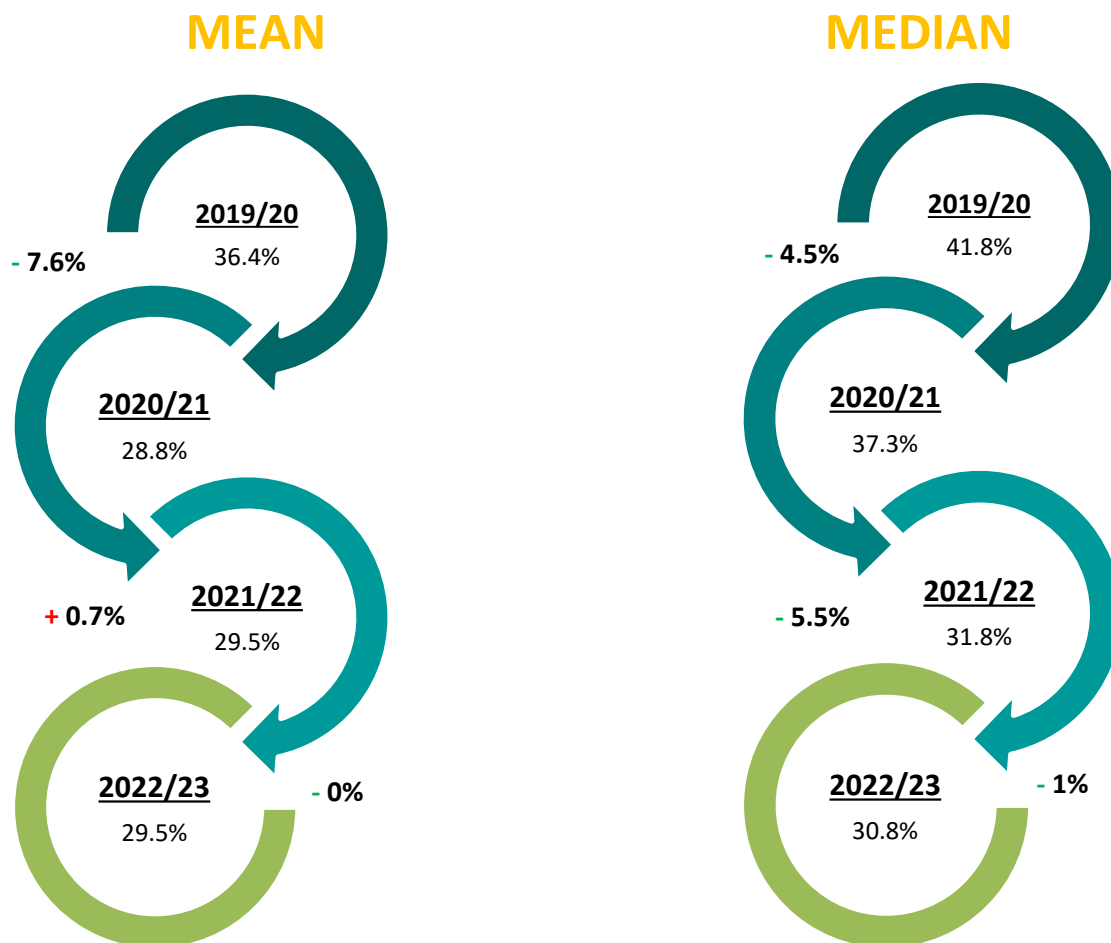
Equal pay - that men and women doing the same job should be paid the same -has been a legal requirement for well over 40 years. Our indicative data suggests that we do not have an equal pay issue at ABN AMRO UK.



We then turn the pay gap into a percentage of the male mean + median pay →

THE GENDER PAY GAP: RESULTS

HOURLY RATES GAP 2022 - 2023 (ALL ENTITIES)

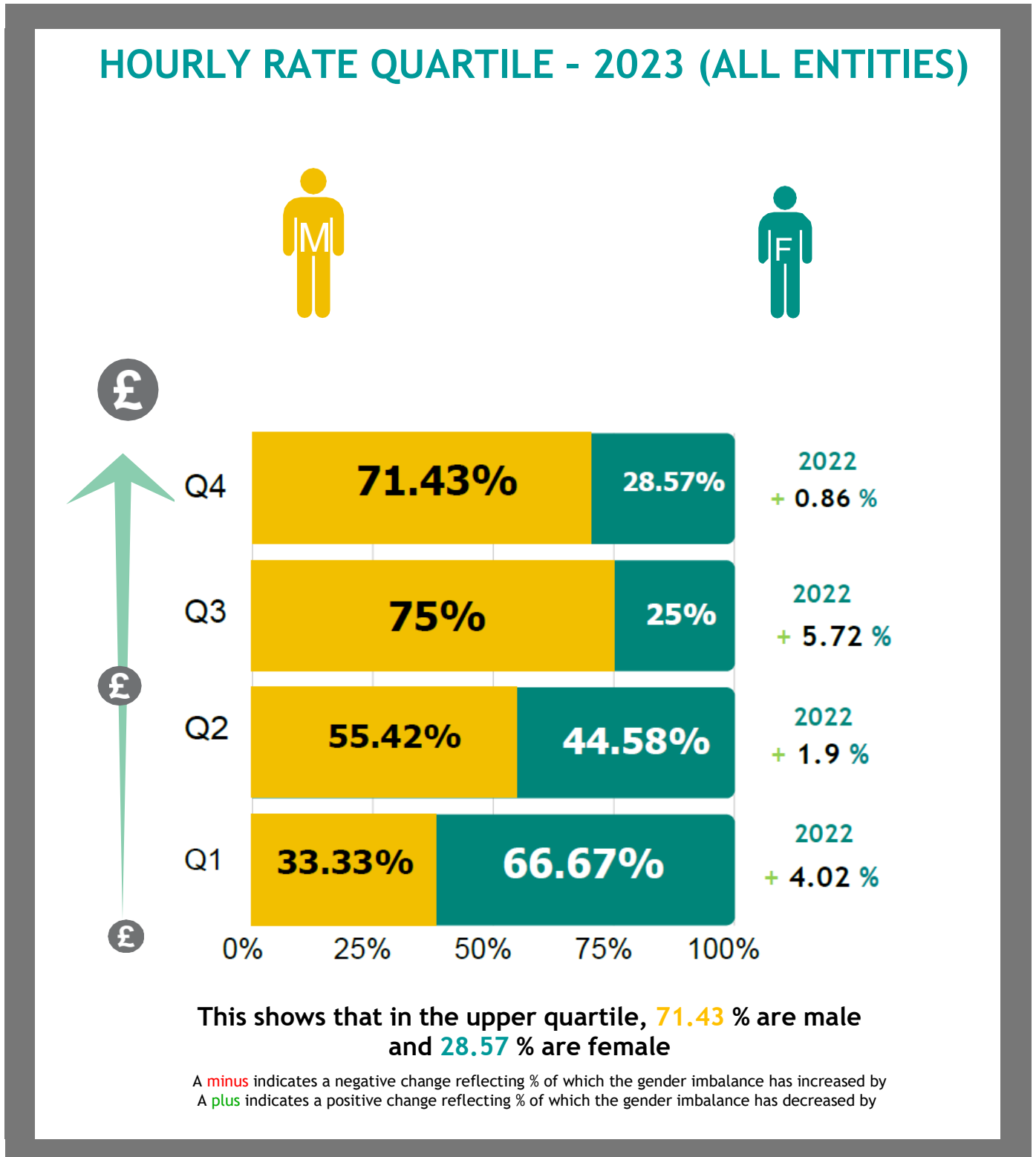


We have remained static in our average gender pay gap since 2022 if we look at the mean average. Albeit we have not seen a positive increase, we are pleased there has not been a negative trend. There is an improvement in the average gender pay gap of -1.8% if we look at the median average compared to 2022.

Mean Average is achieved by adding all the numbers in the data set and then dividing the number of values in the set. Median Average is the middle value when a data set is ordered from least to greatest. This year we included employees that had been on family friendly leave, instead of removing them in line with government recommendations. Due to the size of our organisation if we remove these employees, mainly women, our results are heavily skewed suggesting the gender pay gap is bigger than it actually is.

Gender split by salary quartile

Pay quartiles are calculated by ranking the hourly pay of all employees then splitting the range into four equal quartiles and calculating the proportion of men and women in each quartile.



2022/2023 HIGHLIGHTS

UK Job levelling

Since November 2022 we have been working alongside UK managers to assign a job level and match to each role across all three entities in line with an external job levelling matrix. By assigning these levels we are able to use external benchmarking data to determine the salary of both new starters and existing employees as part of the annual review. It also provides us with a consistent framework to be able to analyse data from an equal pay perspective.

Family Friendly leave and pay

In January 2023 ABN AMRO UK further enhanced family friendly leave increasing our entitlement of maternity pay and shared parental leave pay from 18 to 26 weeks. We hope that our enhanced pay will continue to encourage parents to take leave without needing to consider whether they are financially able to do so.

Engagement with Diverse Candidate Pools and Interview Panels

It is an established practice to work with our hiring managers and recruitment team to source and shortlist diverse candidate pools. ABF, Bank and Clearing have shortlisting targets to meet for 1st stage interviews to positively support any underrepresented diversity areas within their department. We have also delineated further consideration to interview panels, ensuring these too are diverse in representation. By having colleagues of different seniorities, knowledge and background involved, we can create a more thoughtful assessment on candidate criteria and abilities.

Diversity Targets

In January 2023 each UK entity was set overall and senior management diversity targets. Progress against these targets has been monitored on a quarterly basis and we have seen a gradual increase in female representation in two of the three entities. We aim to continue monitoring targets while also introducing new female friendly initiatives to attract and retain staff.

Women in Finance Charter

Our 2022 annual target with the Women in Finance Charter was 30% female representation at Senior Management level and we achieved 29% as at 31 December 2022. This measure at the time only considered the UK ExCo which consists of 14 people (4% of our total UK population) and is therefore not wholly representative of our senior management.

To better reflect our commitment to increase female representation within Senior Management our Women in Finance target and definition will change effective 1 September 2023 to cover a more representative pool of colleagues amounting to 23% of our population.

The target in the Netherlands for female Senior Management is 35% by 2025 and we too will adopt this target in the UK in 2024.

Formal UK Promotion Process

To date our promotion process has been fairly unstructured. This means that we have missed opportunities to apply a D&I focus on this process. However, we are looking to review this process in October 2023 and going forward will implement two formal promotion windows in April and October of each year. Having a formal process that dovetails with existing business line processes will allow us to ensure that promotions are awarded fairly across the UK.

Diversity & Inclusion Committee

At the start of 2023, our Diversity & Inclusion Committee appointed a new chair and vice-chair. The renewed committee aims to foster allies and celebrate all staff with a commitment to proposing initiatives and propagating a calendar of educational, social and inclusive events which engage and empower colleagues. In 2023 we have run events specifically aimed to support our female colleagues, for example an educational menopause workshop to assist female colleagues and increase broader understanding so that we are better able to support our colleagues and loved ones.

THE GENDER PAY GAP: OUR MISSION AND REFLECTION

In accordance with the legislation passed in April 2017, UK companies with more than 250 employees are required to calculate and publish their gender pay gap (GPG). Although our three branches in the UK each employ under 250 UK employees, we strongly believe it is the right thing to publish this data and highlight some of the areas we are focusing on to close our gender pay gap and promote a diverse workforce across our teams.

The key to our success is our people. Creating a diverse team in an inclusive environment is fundamental to ABN AMRO's continued success and ability to build a future proof bank.

Gender-diverse companies are 15% more likely to earn above-average revenues. As a Bank with a focus on sustainability, we recognise that diversity will help us to:

- Continue to grow and innovate as an organisation
- Retain employees with varied skills
- Manage risks more effectively
- Make better decisions

Our purpose is not to hire or promote women for the sake of having a woman in the role but to change the historical perception, enable equal opportunities and ultimately break any pre-conceived barriers to reap the benefits of having diverse talent.

Voluntary Publication of the Gender Pay Gap Report

For the 2022/2023 year ABN AMRO UK still does not meet the thresholds that would require us to publish our Gender Pay Gap. The Government's required five year review of the Gender Pay Gap regulations has not yet been published but we are continuing to publish ours regardless. We have done this because it is important to acknowledge our current Gender Pay Gap and to reinforce our commitment to closing it and, more generally, to promote a more diverse workforce across our teams. We also want to continue in our transparency with our employees.

It is our goal to continue to be conscientious in our D&I strategy, and hold ourselves accountable in devising actions that lead to positive change.

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