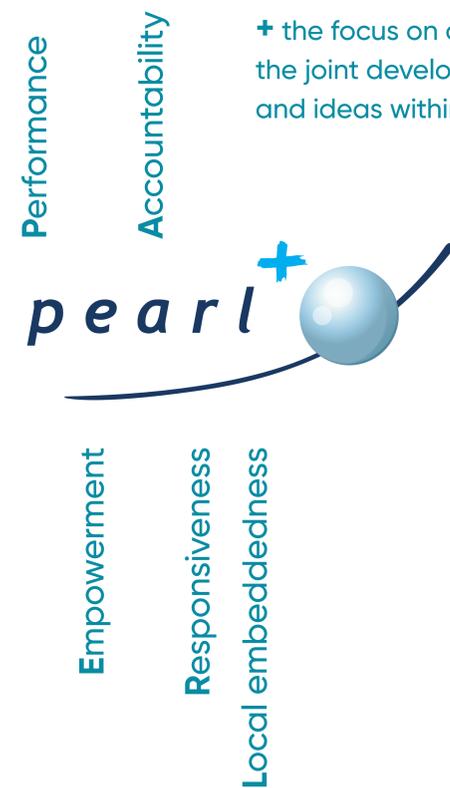


# Gender Diversity at KBC Group 2022



At KBC corporate culture is at the heart of everything we do. Our corporate culture is named PEARL+ and every letter has a particular meaning:



the focus on cooperation and the joint development of solutions and ideas within the group.



# OUR STARTING POINT IS OUR CORPORATE CULTURE PEARL+

Connected to Pearl+ is also the value Respect. Treating each other in a respectful and responsible manner is a key value we apply towards our customers. We expect the same to be applied amongst colleagues. From the perspective of Inclusion, we stimulate and create a corporate culture where:

- everyone is treated in a respectful manner
- everyone dares to be him- or herself and share his/her opinion
- an open mindset prevails

In this way Inclusion leads to active involvement of every colleague, increasing the level of collaboration in line with the "+" of Pearl+, but also the "P" of Performance.

This connection to corporate culture is also shown by the fact that at group level the Diversity & Inclusion agenda is part of the Corporate Culture unit at Corporate HR. Developing and maintaining the D&I strategy is one of the primary business functions of the Head of Corporate Culture. This function

supports the Group Executive Committee on policy matters related to Diversity & Inclusion, consolidates the reporting, follows up on representation with regard to gender and triggers awareness throughout the organization. Every core country has a similar local function, embedded in the local HR department.

## Equal treatment

We do not make any distinction on the grounds of race, sex, marital status, sexual orientation, age, family status and religion related to insurance, access to employment, terms of employment, salary, training, promotion or grading of roles.

Equal treatment of employees is also enshrined in the KBC Code of Conduct and, in the policy Diversity & Inclusion. As an employer, we want to give a clear signal to society: we treat our employees in a socially responsible manner and that relationship is grounded in mutual trust and respect.

More information regarding our concrete actions and commitments Diversity & Inclusion can be found in our Sustainability Report 2022



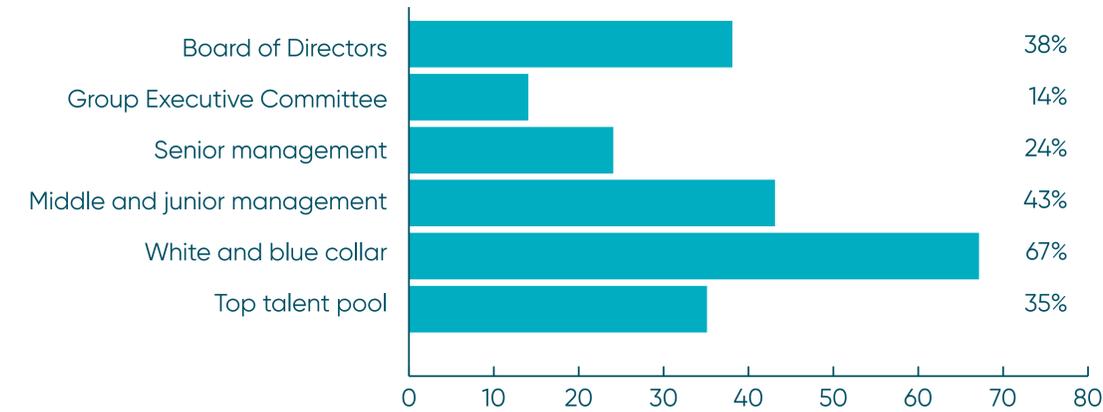
While our [policy Diversity & Inclusion](#) encompasses all types of diversity and inclusion, we have a particular focus on achieving gender equality.

Our long-term ambition is to achieve a distribution of leadership at all levels that reflects the diversity of our general workforce. To attain this goal, we employ three interconnected levers:

- **Attracting and developing female colleagues** with the right skills and ambition.
- **Fostering Management Commitment** to diversity and inclusion.
- **Supporting HR processes and practices** that promote gender equality. Global gender representation



## Women at KBC



Currently our groupwide workforce is well-balanced, comprising 57% women and 43% men. However, when assessing our senior management levels, further progress is clearly still possible. We are committed to fostering progress in these areas to ensure equal opportunities and representation for all.

Therefore, we also closely monitor our gender balance in the following areas:

<b>Women in non-managerial positions</b> Percentage of women who work directly in a team as an individual contributor and have no responsibility as a manager to others, out of total non-managerial positions	60%
<b>Women in IT &amp; Engineering</b> Percentage of women working in functional roles in the Information Technology, Transformation and Data departments, of the total of employees working in these roles	28%
<b>Women in total promotions (2022)</b> Percentage of women that were promoted or underwent career advancement, out of total employees promoted	59%
<b>Women in new hires (2022)</b> Percentage of women new hires, of the total new hires	60%

Figures as per 30/9/2022

# STRIVING FOR GENDER EQUALITY

More information regarding our concrete actions and commitments Diversity & Inclusion can be found in our Sustainability Report 2022



At KBC, we prioritize equal pay for equal work, ensuring fairness in compensation across roles and career levels. We actively measure gender pay which helps us identify and address any structural barriers that hinder gender equity.

The unadjusted gender pay gap represents the raw difference in average pay between male and female employees. It's typically calculated by dividing the average earnings of all men by the average earning of all women in the company. This basic calculation highlights to some extent the gender pay gap but doesn't account for factors like local economic context, job roles, or experience.

To provide a more insightful view, the adjusted gender pay gap takes into consideration these various factors that influence earnings. This measurement method aims to account for variables that could explain pay disparities other than gender. By statistically adjusting these factors, we can investigate the true extent of gender inequality that exists when such variables are equalised.

Therefore, presenting both the unadjusted and adjusted gender pay gap is essential in understanding the underlying factors contributing to these disparities.

At this moment there are validated methodologies for calculation of adjusted pay gap in our 2 main core countries Belgium and Czech Republic. The ambition is to move towards a common methodology for the other countries as well, which will also be part of the implementation project for the Corporate Sustainability Directive (CSRD) and the Pay Transparency Directive.

## Uncovering the underlying factors

### Belgium

The unadjusted pay gap for Belgium is 14,76%.

The primary drivers of this gap can be largely attributed to underlying factors:

- 10,55% can be attributed to the current majority of men in roles linked to higher compensation, 3,14% can be explained by longer job tenure.
- The remaining 1,11% is the adjusted gender pay gap.

### Czech Republic

The unadjusted pay gap for Czech Republic is 30,80%.

Recently the Czech Banking Association has unified the methodology for calculation of the adjusted pay gap, generating comparable numbers across the Czech banking industry. This methodology encompasses a new categorization based on Korn Ferry subgroups, grouping together positions with comparable job descriptions within the banking industry.

When applying this calculation method, the adjusted pay gap is 2,92%



Research and empirical evidence have confirmed that the underrepresentation of women in senior leadership roles stands as the primary driver of (unadjusted) gender pay gaps. Therefore, our ambition to achieve a well-balanced distribution of leadership at all levels will also be beneficial to addressing the gap.

Calculation as per 31/12/2022

# EQUAL PAY FOR EQUAL WORK

More information regarding our concrete actions and commitments Diversity & Inclusion can be found in our Sustainability Report 2022



## We support our employees with parental leave and family care

Inclusion is a wide-ranging theme that also involves supporting employees returning from maternity or paternity leave and long absences. Our local parental leave and family care policies meet the legal standards in all our core countries and even go beyond what is required by law in some of these countries.

### Number of weeks of fully paid maternity leave for employees in the core countries across the Group

Belgium	15 weeks
Czech Republic	28 weeks
Hungary	24 weeks
Slovakia	34 weeks
Bulgaria	19 weeks

### Number of weeks of fully paid paternity leave for employees in the core countries across the Group

Belgium	3 weeks
Czech Republic	2 weeks
Hungary	1 week
Slovakia	28 weeks
Bulgaria	2 weeks

We offer our employees additional services on top of state facilities for childcare:

- In the Czech Republic formal childcare provision is rather limited, and the level of maternal employment is low. As such, we have committed to running our own day-care facilities. Since 2019, ČSOB also pays a childcare allowance to cover childcare fees for children up to 4 years of age. This service is gradually being expanded to ČSOB's subsidiaries too.
- ČSOB Lease in Slovakia provides a special place for mothers, fathers, and children on each floor of its main office building.
- K&H Insurance offers a kindergarten and creche reimbursement service.
- In Hungary, the parental leave policy goes beyond legal requirements and paid leave is topped up by an extra 3 days.
- In cooperation with Ferm Kinderopvang vzw, KBC Belgium organises childcare during the summer months.

We strongly support the concept of flexibility at work and have specific programmes for colleagues returning from parental leave.

Employees entitled to workplace flexibility options	99%
Employees able to control and/or vary the start or end times o the working day or working week	99%
Employees able to control and vary the location where thy work	99%

## We recognize the impact of unconscious bias

We recognize the negative impact of unconscious bias on collaboration and innovation. To address this, we offer unconscious bias training to all our employees groupwide through e-learnings and workshops. This empowers our workforce to recognize and challenge biases, fostering a shift from unconscious bias towards conscious inclusion.

## Our leaders play an important role

We firmly believe that building an inclusive culture starts with leadership. To this end, all managers are required to demonstrate a commitment to Diversity & Inclusion. Research shows that leaders' actions and words contribute to more than 70% of an employee's sense of inclusion. Promoting respect as the foundation, ensuring equal opportunities at all levels and stages of careers and eliminating conscious and unconscious biases, are the basic principles on which we focus to promote inclusive leadership. Therefore topics of inclusive leadership are embedded in different leadership programs at different levels (e.g. top300 leadership program KBC University, new leaders challenge, ...)

## We believe in the power of network organizations

We understand the power of bottom-up initiatives by providing employees with a platform to connect, share experiences, and promote diversity and inclusion within the organization. We actively support our employees engaged in network organizations focused on various diversity topics, including gender, disabilities, age diversity, cultural background, LGBTIQ+, parents, and inclusive leadership. These networks play a vital role in fostering a sense of belonging and empowering employees to drive positive change.

Our groupwide Employee Resource Groups (ERG) 'DIVERSITY ROCKS' are under the sponsorship of a local Board Member. Conversations with these networks inform our actions as an organization and contribute to creating a culture where everyone feels valued and included. 2 Group Exco members are also member of the International Steerco for Diversity Rocks, sharing ideas and best practices of all those local initiatives.



# INCLUSIVE CULTURE

More information regarding our concrete actions and commitments Diversity & Inclusion can be found in our Sustainability Report 2022

