



**KOSTAL Ireland GmbH**

**Gender Pay Gap Report 2022**

**20<sup>th</sup> December 2022**

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### Background

In July 2021 the Department of Children, Equality, Disability, Integration and Youth in Ireland published guidance for employers on how to calculate the various metrics required by the Gender Pay Gap Information Act 2021.

In 2022 Employers with 250+ employees were required to take a snapshot from a date between the 1<sup>st</sup>– 30<sup>th</sup> June 2022 and report on the twelve-month period preceding the chosen snapshot date and publish the findings within a six month period of the snapshot date chosen (i.e. 20<sup>th</sup> December 2022). The data in this report is valid from the 20<sup>th</sup> June 2021 to 20<sup>th</sup> June 2022. The reference date, as provided in the legislation, can be decided by the Employer – the date chosen within KOSTAL Ireland GmbH for completing our report was the 20<sup>th</sup> June 2022.

The legislation requires that the Employer publish the gender pay gap report six months after the snapshot date so, for this first report that date is by the 20<sup>th</sup> December 2022 and will continue annually thereafter. The report requires the inclusion of mean and median gender pay gap analysis for all Employees whether part-time, fixed-term or full-time, mean and median bonus gap, percentage of male/female Employees who received bonuses and benefits in kind and the proportion of male/female Employees in each of the four equally sized quartiles.

The gender pay gap shows the difference in the average pay between all males/females in the workforce. The average pay is taken as gross pay for a particular year. If the workforce has a particularly high gender pay gap, this can indicate there may be a number of concerns needing to be addressed.

The gender pay gap is different to equal pay. Equal pay deals with the pay differences between males/females who carry out the same jobs or similar jobs of equal value.

KOSTAL Ireland is committed and supportive of the fair treatment and reward of all employees irrespective of gender.

This is KOSTAL Ireland’s first report, based on a snapshot reference date on the 20<sup>th</sup> June 2022.

## Company Profile

KOSTAL Ireland GmbH is part of a global manufacturing business, which manufactures electronic devices for the automotive industry. KOSTAL's first site opened in Ireland in 1981 in Abbeyfeale, County Limerick with a second site opening in 2001 in Mallow, County Cork.

KOSTAL Ireland employees are paid either on a weekly or monthly basis, with employees performing production operation roles paid weekly and employees performing support roles in engineering, supervisory, management and administration groups paid monthly.

The gender pay gap figures include employees on both of the above payrolls employed in KOSTAL Ireland, with 887 employees on the Company's payroll on the 20<sup>th</sup> June 2022, comprising 666 weekly and 221 monthly paid employees respectively across both business locations.

## Analysis

On the 20<sup>th</sup> June 2022, the ratio of female to male employees was 35% female and 65% male.

## Base Pay

The "mean" gender pay gap (the difference between male and female's average hourly pay) is 20.9% and the "median" gender pay is 26.31%.

All Employees	Mean 2022	Median 2022
Gender Pay Gap (including overtime and shift premia)	29.8%	26.3%

The Mean gender pay gap is lower than the Median gender pay gap reflecting the structure of the workforce. The mean is less than the median as the distribution of gender balance is not symmetrical with more of one gender - in this case male employees - in particular groups in the top half compared with the bottom half, given the following:

- The Senior Leadership Team is 100% male.
- The Department Manager/Supervisory Group Team is 27% female and 73% male.
- The Engineering Group Team is 7% female and 93% male.
- The Technical Group Team is 1% female and 99% male.
- The Administration Group Team is 35% female and 65% male.
- The Quality and Logistics Group Team is 25% female and 75% male.
- The Operator Group is 50.3% female and 49.7% male.

## Bonus Pay

KOSTAL Ireland has an annual Christmas bonus scheme in place for all employees with the same value for everyone, which is calculated on a pro-rata basis for employment service completed during the year in which it is awarded. Accordingly 100% of employees, both male and female employed at the date of issuing the bonus received a Christmas bonus in December 2021.

There is also a performance bonus where all employees (except Lead/Production Operators) are evaluated on performance and key metrics/achievements which is percentage based, ranging from 1%, 2% or 3% and depending on an employee's performance.

Under the performance bonus 424 people, comprising both female and male employees were eligible to receive the bonus payment in 2021-2022. 416 employees received a bonus payment with 8 employees not receiving a payment having resigning from the Company prior to the actual payment date.

Gender	Total	Received bonus	Percentage
Male Employees	352	346	98.3%
Female Employees	72	70	97.2%
Total	424	416	

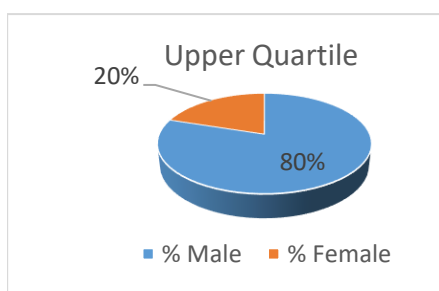
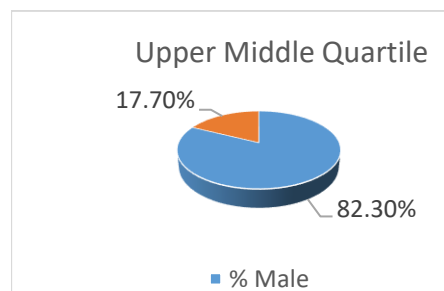
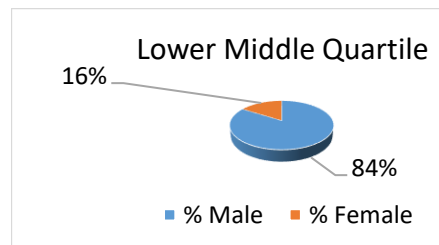
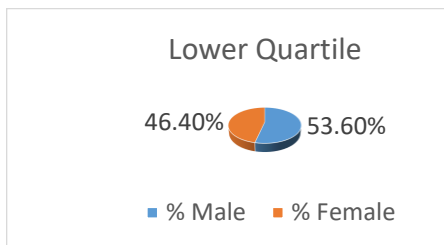
### Benefit in Kind (BIK)

A “benefit in kind” is defined as income from an employment relationship that is not provided in the form of money. These pecuniary advantages can take the form of benefits in kind, non-cash benefits or additional benefits. In KOSTAL Ireland these are defined as sponsored health insurance, payment of fees for membership to societies related to job category and these are only paid for certain employee roles.

Gender	Total	Percentage, benefit in kind received
Male Employees	192	85%
Female Employees	34	15%
Total	226	100%

### Hourly Pay Quartiles

The hourly pay quartiles set out below show the proportion of female and male employees that are in each pay quartile, when arranging employees in the order of hourly rates and pay categories.



## Summary Statement

- A mean gender pay gap of 29.8% illustrates that fewer female employees participate in Senior Leadership, Engineering and Technical roles in the workforce.
- To reduce and ultimately eliminate the gender pay gap an increased focus on developing female employees is required, especially in the afore-mentioned roles – Senior Leadership, Engineering and Technical roles among existing employees. Also, when recruiting new employees externally greater numbers of female candidates will be sought.
- As a Company historically, we have been and continue to be involved in and supportive of a range of initiatives to encourage greater female participation across all roles. We have been and continue to be involved in initiatives such as “Explore Engineering” and “Women in Engineering” to demonstrate the attractiveness of all employee roles in our business for female as well as male candidates. We recognise that attracting more female candidates will be challenging noting that the number of females studying Engineering/Technical qualifications in third level education institutions at this time is low.
- We are currently involved in STEM (Science, Technology, Engineering and Maths) initiatives with primary schools to enhance the profile and attractiveness of these subjects for all students as career options.
- We participate in and contribute to initiatives in secondary schools with talks about Engineering to promote career options available within our industry sector for both males and females.
- We continue to recruit people for Apprenticeships, Internships and Graduate Programmes, observing that female applicants are in a minority when recruiting for these employment opportunities. However we will broaden our recruitment search further to identify and attract more female candidates for these and all roles within the Company.
- The Company is currently reviewing part time working arrangements with a view to such arrangements being available for all employees, which may help achieve greater female participation across all roles.
- When completing our analysis for this report one pay anomaly was identified and steps are now being completed to remedy this matter.
- When advertising and recruiting people for all roles in our Company the availability of equal opportunities has been a given, as well as equal pay for both male and females being recruited or promoted. In addition, we will conduct in person workshop type talks internally so that all employees understand all the roles available to them.
- The Company is committed to reducing the gender pay gap by achieving a broader gender balance across the workforce, including;
  - Identifying and developing female employees internally.
  - Actively seeking to recruit female engineers, including apprentice roles.
  - Increasing our involvement in and promotion of initiatives that increase the participation of females in engineering/technical roles.
  - Ensuring that all opportunities are advertised internally and demonstrating that female employees experience a recruitment and selection process that is equitable and fair.
  - Ensuring equal opportunities are available to all employees, including training and development opportunities.
  - Ensuring Rewards and Benefits are available on an equal basis to all employees.
- In compiling this report, the analysis was helpful, highlighting the importance of closing any gender pay gap that exists and the value of expediting the reduction or complete elimination of any gender pay gap in every way possible.

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