

## European Banking Authority (EBA)—EU Gender Pay Gap Reporting

### Overview

#### Background

On 30 June 2022 the EBA published its final guidelines on gender pay gap reporting under both the Investment Firms Directive (IFD) and the Capital Requirements Directive. Aimed at financial sector businesses across the EU, the guidelines aim to harmonise the approaches taken to calculating gender pay gap metrics and apply cross-border.

#### Reporting basis

FS businesses will be required to calculate their gender pay gap metrics on a tri-annual basis, with the first reporting due by 15 June 2024 in respect to the remuneration data for the financial year ended in 2023. Whilst the guidelines require tri-annual reporting, it is expected that larger FS businesses will adopt reporting on an annual basis.

#### What do FS businesses need to report?

Requirements for FS businesses vary depending on the number of employees and Material Risk Takers (MRT) the business has, with reporting thresholds at 50 and 250 employees and MRTs respectively.

All pay gap metrics are calculated using employees total remuneration (including non-cash benefits and variable remuneration) and are calculated as the difference between male and female pay over the total male pay.

#### 250 or more employees

- Mean gender pay Gap
- Median gender pay gap
- Representation of male and female employees for all employees
- Mean gender pay gap within each quartile
- Median gender pay gap within each quartile

#### 50 or more employees

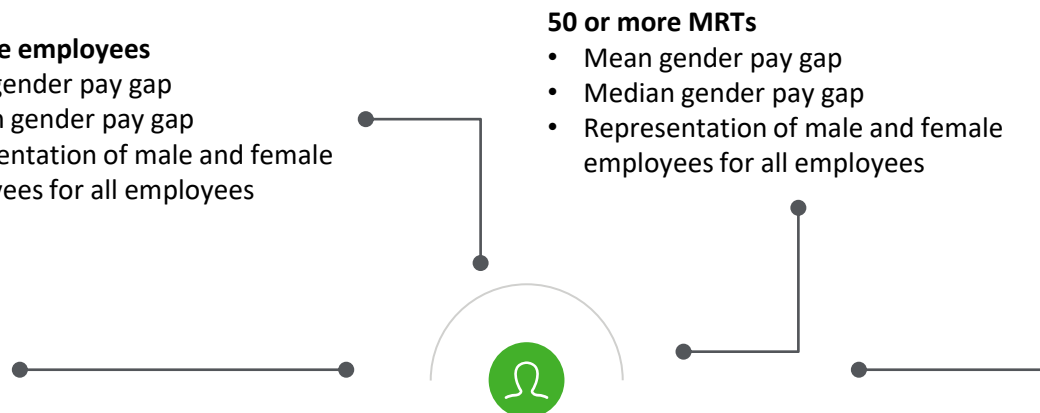
- Mean gender pay gap
- Median gender pay gap
- Representation of male and female employees for all employees

#### 50 or more MRTs

- Mean gender pay gap
- Median gender pay gap
- Representation of male and female employees for all employees

#### 250 or more MRTs

- Mean gender pay Gap
- Median gender pay gap
- Representation of male and female employees for all employees
- Mean gender pay gap within each quartile
- Median gender pay gap within each quartile



# European Banking Authority (EBA)—EU Gender Pay Gap Reporting

## How Deloitte can support you

### Gender pay gap metrics

- We can support you with developing your approach and processes for calculating your gender pay gap metrics under the EBA guidelines. As part of this, we can support in the following ways:
  - Working with your payroll and HR teams to gather the data and calculating the gender pay gap metrics in line with the EBA requirements; and
  - Reviewing the gender pay gap metrics that you have prepared in-house to review the methodology applied and verify that the EBA requirements have been correctly applied.
- As the guidelines are intended to harmonise the approach to GPG reporting, we can collect data for multiple jurisdictions and calculate the GPG metrics for each of the relevant jurisdictions and on a consolidated Group basis (where applicable).

### Additional pay gap calculations

- An increasing number of employers are beginning to prepare their Ethnicity Pay Gap (EPG) metrics on a voluntary basis. In addition, a smaller number are looking at D&I areas such as disability and sexuality.
- The EBA guidelines do not require FS businesses to report EPG metrics or wider D&I metrics, however, there is an increasing precedent of businesses reporting (particularly in the FS sector).
- We can support you with developing your approach to D&I pay gap metrics, understanding the data you have and supporting you with how to encourage employee disclosure of these characteristics.

### Additional analysis

- In addition to supporting with compliance around your gender pay gap metrics, we can support you in performing detailed analysis of the data to identify trends within the data and possible explanations for pay gaps. Using this data, we can then support you with forming an action plan to start addressing gender pay gaps across your business.
- To support you with completing the analysis, we can upload your data to a user-friendly interactive dashboard, which enables you to perform deep-dive analysis on pre-determined characteristics (for example, location, grade, department, tenure or age).
- Using the dashboard, we can support you with understanding trends within particular data sets and identifying populations of employees where pay gaps are higher.
- We can also support you to shift the focus to a 'pay equity' review, helping your business identify employees in receipt of pay that could be considered an outlier to other employees performing like work.

### Other considerations

- The requirements under the EBA do not replace existing local requirements. FS businesses should therefore consider whether there are any pay transparency, gender pay gap reporting, equal pay or other reporting requirements (i.e. CEO pay ratio) in the different jurisdiction that they operate in. Please contact your local Deloitte contact for further details.
- This flier does not cover the other requirements outlined under IFD, CRD or MIFID. Deloitte can provide support with compliance with these directives. Please contact your Deloitte contact if you would like to discuss this further.

This document is confidential and it is not to be copied or made available to any other party. Deloitte LLP does not accept any liability for use of or reliance on the contents of this document by any person save by the intended recipient(s) to the extent agreed in a Deloitte LLP engagement contract.

If this document contains details of an arrangement that could result in a tax or National Insurance saving, no such conditions of confidentiality apply to the details of that arrangement (for example, for the purpose of discussion with tax authorities).

Deloitte LLP is a limited liability partnership registered in England and Wales with registered number OC303675 and its registered office at 1 New Street Square, London EC4A 3HQ, United Kingdom.

Deloitte LLP is the United Kingdom affiliate of Deloitte NSE LLP, a member firm of Deloitte Touche Tohmatsu Limited, a UK private company limited by guarantee ("DTTL"). DTTL and each of its member firms are legally separate and independent entities. DTTL and Deloitte NSE LLP do not provide services to clients. [Please click here to learn more about our global network of member firms.](#)

© 2023 Deloitte LLP. All rights reserved.