

TRANSPARENCY TODAY. TRANSFORMING TOMORROW.

Gender Pay Gap report 2018

SG Kleinwort Hambros Bank Limited



SOCIETE GENERALE GROUP



TO BE A SUSTAINABLE AND SUCCESSFUL BUSINESS, WE NEED A DIVERSE AND INCLUSIVE WORKFORCE THAT REFLECTS THE WORLD AROUND US AND HARNESSSES THE TALENT WITHIN US.

This fundamental belief is codified in our core values as a Group – Team Spirit, Responsibility, Commitment, Innovation – which together promote a culture of inclusivity that's open to challenge and change.

So, we welcome transparency around our Gender Pay Gap. It acknowledges the ongoing challenge in the financial services sector to attract and retain female talent, particularly at senior levels.

The core question is this: what does this imbalance look like today?

The bigger question is this: what are we doing to resolve it in the future?

Our legal entities

The statistics shown here cover SG Kleinwort Hambros Bank Limited (Kleinwort Hambros). For statistics relating to our other UK legal entities, Societe Generale London Branch (SGLB), Societe Generale International Limited (SGIL) and ALD Automotive Limited (ALD), please refer to their respective websites.

EQUAL PAY VS GENDER PAY GAP

Equal Pay is the legal right for women and men doing the same or similar roles to be paid equally. The Gender Pay Gap is the difference between the average pay of women and men across all roles.

Typically, this is created by the general predominance of more men in senior roles and, for bonus statistics, also having more women in part-time roles.

As part of our compensation strategy, we have robust processes in place to monitor and review pay across the UK platform, including structured analytical exercises conducted by HR and shared with senior management.

OUR 2018 GENDER PAY GAP

Kleinwort Hambros

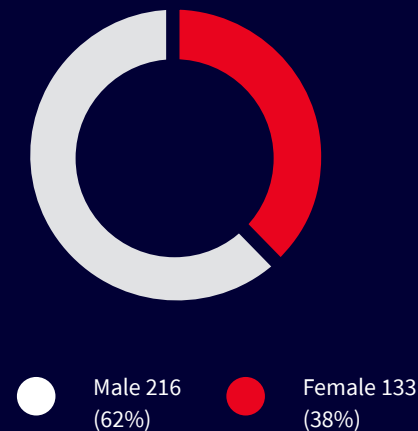
Gender Pay Gap

	Mean	Median
Hourly pay	24.8%	38.8%
Bonus	48.1%	60.0%

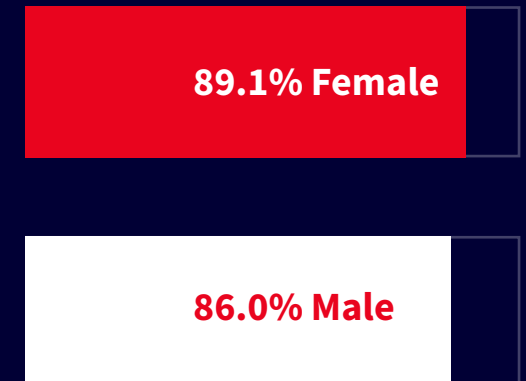
Pay quartiles

	Female	Male
Top quartile	23%	77%
Upper-middle quartile	30%	70%
Lower-middle quartile	41%	59%
Lower quartile	58%	42%

Employee population



Proportion receiving bonus



The hourly pay gap figures are correct as of 5 April 2018. The bonus gap figures relate to the 12 months leading up to this date.

Since producing last year's report, our hourly pay and bonus statistics have remained at a similar level, with a slight improvement on the mean hourly pay statistic and the bonus statistics.

SIGNING UP FOR CHANGE: WOMEN IN FINANCE CHARTER

When we reported our Gender Pay Gap last March, we promised to sign the UK Government's Women in Finance Charter. We're proud to have done just that in October 2018; a natural step towards achieving our goal of a more gender-balanced workforce that demonstrates a clear management commitment to reducing our Gender Pay Gap over time.

This is just the start of our investment in the Charter. It will continue to develop and grow to ensure we provide both the opportunities and support for women to realise their full potential for the benefit of all. In fact, we're already doing it through a range of initiatives designed to address the gender imbalance.

Four pledges for a fairer industry

We're committed to meeting the Charter's four pledges; key milestones on our journey into a fairer future. These pledges have been made across the Societe Generale UK platform, incorporating Kleinwort Hambros as well as SG London Branch and SG International.

01

To have a senior executive take responsibility and accountability for gender diversity and inclusion.



COMPLETE

Our main sponsors are Sadia Ricke, UK Chief Country Officer, and Christophe Lattuada, Global Head of Prime Services and CEO of SGIL.

02

To set internal targets for gender diversity across senior management.



COMPLETE

Our target is to increase the number of women in senior roles to a minimum of 25% by 2022.

03

To publish our progress annually against these targets in reports on our website which will directly link to the HM Treasury website.



ON TRACK

Having signed in October 2018, we will publish our targets by September 2019.

04

To link the senior executive team's reward with delivery against our gender diversity targets.



COMPLETE

Our UK Executive Committee members have a diversity and inclusion objective linked to how their area of responsibility contributes to the overall UK result.

STEPPING UP FOR CHANGE: OPPORTUNITIES, FLEXIBILITY, SUPPORT

We're actively working to be a true employer of choice for women – wherever they are in their career – by providing comprehensive opportunities, flexibility and support.

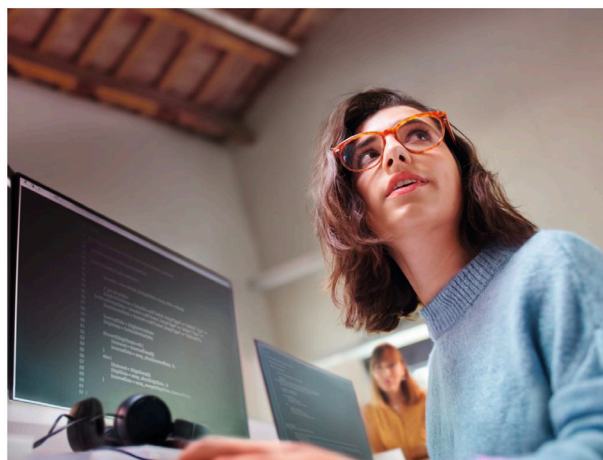
We're actively working to both support our existing female talent and ensure we become an **employer of choice for women** – whether at the start of their career or seeking more experienced roles.

We've enhanced our existing **maternity and adoption leave pay** in 2018 and now also offer a **maternity coaching programme** to support women pre, during and post their leave. We have similarly enhanced our **shared parental leave** policy to allow working partners to take more leave at full pay. Our **free emergency childcare benefit**, which is available to all permanent employees, provides that extra support in those moments when it is really needed.

Going forward, we will continue to ensure a **balanced diverse talent pipeline** remains a priority. In fact, we've established a **diverse recruitment panel** to formalise this focus. Our aim is to ensure we have **at least one female candidate shortlisted for all roles**, including our internal succession plans.

Our **advanced talent pool is 55% female** and we are pleased to have been able to promote several female managers to senior roles already, with many more being involved in our interview process.

We also continue to run our **quarterly Living Our Values awards**, which recognise those who have gone above and beyond their day-to-day role to help create an inclusive, diverse and respectful organisational culture.



Reducing our Gender Pay Gap will be achieved through a wide range of initiatives (see page 5). Here we focus on one element: family leave and flexible working.

REAL PEOPLE, REAL CHANGE: FLEXIBLE WORKING



Jordana Malinowska
Private Banker

“I was fortunate to have the opportunity to join a new team and continue to excel in my career at Kleinwort Hambros when I was already pregnant.

“My line manager made me feel both welcome and comfortable, and was hugely supportive throughout my pregnancy. As a working mother herself, she helped me advance in my new role while encouraging a healthy work-life balance.

“This support extended to providing a phased return to work following a year on maternity leave. That kind of flexibility is invaluable and made it easier to get back on track.”

“I was fortunate to have the opportunity to join a new team and excel in my career when I was already pregnant.”

REAL PEOPLE, REAL CHANGE: SHARED PARENTAL LEAVE



“Shared Parental Leave allowed us to take time out to bond as a family in the first few months of my daughter’s life.”

Andrew Dixon

Senior Wealth Planner

“I’d heard about the idea of Shared Parental Leave, but I wasn’t sure if it was for me. In fact, I wasn’t sure I actually believed in the concept. However, I saw a trend developing amongst my colleagues that stimulated my curiosity.

“After looking into it further and discussing it with my peers, I realised that Shared Parental Leave allowed me to take time out – at the same time as my wife – to bond as a family in the first few months of my daughter’s life.

“My line manager was very supportive and reiterated that family comes first. This has been echoed by senior management across the bank. My experiences of Shared Parental Leave has also led me to examine my own, perhaps outdated, views.

“Employees are not always aware of the opportunities available to them to address their work-life balance. I take comfort knowing my employer is a forward-thinking organisation that shares my values and leads with progressive policies.”

GOING FURTHER. DOING MORE. BEING BETTER.

The Gender Pay Gap statistics are clear: the financial services industry needs to do more, go further and be better. And it's the responsibility of every business within it to make change happen.

We are determined to create a fairer gender balance and a fully inclusive, diverse organisation that people want to be part of regardless of background. Reinforcing our reputation as a good UK corporate citizen through the actions we take on this critical issue.

It's a journey we've already started across our business – and that we're committed to finishing together.

We confirm that the data reported above is accurate.

Sadia Ricke,
UK Chief Country Officer,
Societe Generale

John Maitland,
Group Chief Executive Officer,
Kleinwort Hambros
March 2019

