



**Gender Pay Gap Report**  
**Snapshot Date (18<sup>th</sup> June 2023)**

**KOSTAL Ireland GmbH**  
**21<sup>st</sup> December 2023**

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### Background

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

Since 2022, Employers with relevant Employees of 250+ had to take a reference date and report on the 12 month period preceding and including the chosen reference date as well as publishing the findings within a six month period of the snapshot date chosen. This was completed and published by KOSTAL Ireland GmbH on the 20<sup>th</sup> December 2022.

As a follow on to the above for 2023, this is our 2023 report using dates between the 20<sup>th</sup> June 2022 and the 18<sup>th</sup> June 2023 when compiling this report.

The report must include mean and median gender pay gap for all Employees whether part time, fixed term or fulltime, 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 which need 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 to and supports the fair treatment and reward of all staff irrespective of gender.

## Company Profile

KOSTAL Ireland GmbH is a global manufacturing business which manufactures electronic devices for the automotive industry. The first site opened in Ireland in 1981 in Abbeyfeale, County Limerick with a second site opening in 2001 in Mallow, County Cork. KOSTAL Ireland has been operating within Ireland for 42 years.

KOSTAL Ireland supports two payroll types, weekly which mainly comprises employees involved in production operations and support staff directly related to the production area and a monthly payroll which consists of engineering, supervisory, management and support administration employees.

The gender pay gap figures include all employees and management on both of the above payrolls employed in KOSTAL Ireland. There were 647 weekly paid staff and 219 monthly paid staff as of the 18<sup>th</sup> June 2023, giving a combined total of 866 staff across both sites.

## Analysis

As at the 18<sup>th</sup> June 2023 the ratio of male and female workers was 65% male and 35% female.

## Base Pay

The “mean” gender pay gap (the difference between male and female’s average hourly pay) is 26.27% and the “median” gender pay is 29.4%.

All Employees	Mean 2023	Median 2023
Gender Pay Gap (including overtime and shift premia)	26.27%	29.4%

The Mean gender pay gap/ is lower than the Median gender pay gap because it reflects 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 70% male and 30% female
- The Engineering Group Team is 92% male and 8% female
- The Technical Group Team is 99% male and 1% female
- The Administration Group Team is 37% male and 63% female
- The Quality and Logistics Group Team is 75% male and 25% female
- The Operator Group is 49% male and 51% female

## Bonus Pay

KOSTAL Ireland has a Christmas bonus scheme in place for all Employees which is the same value for all and is calculated on a pro-rata basis for the months of service for the year in which it is being

awarded. 100% of Employees both Male and Female employed at the date of issuing the bonus received the Christmas Bonus for December 2022.

There is also a Performance bonus where all Employees (except Lead/Production Operators) are evaluated on performance and key metrics/achievements, which is percentage related and dependent on MBO (Management By Objectives) performance rating(s) received.

Under the Performance Bonus we had 402 Employees both Male and Female who were eligible to receive the bonus payment in 2022-2023, 400 Employees received the bonus payment and 2 did not receive the payment as one employee retired and one employee resigned from the Company prior to payment issue date.

Gender	Total	Received bonus	Percentage
Male Employees	334	332	99%
Female Employees	68	68	100%
Total	402	400	

### **Benefit in Kind (BIK)**

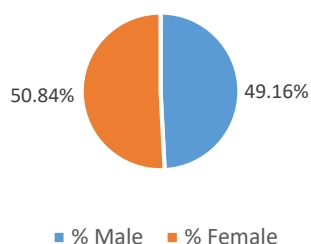
A “benefit in kind” is defined as income from an employment relationship that is not provided in the form of money. These pecuniary advantages can take the form of benefits-in-kind, non-cash benefits or additional benefits. In KOSTAL Ireland these are defined as sponsored health insurance, payment of 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	151	84%
Female Employees	28	16%
Total	179	100%

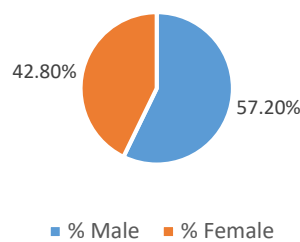
### **Hourly Pay Quartiles**

The hourly pay quartiles show the proportion of male and female that are in each pay quartile, when we arrange Employees in the order of hourly rates and pay categories.

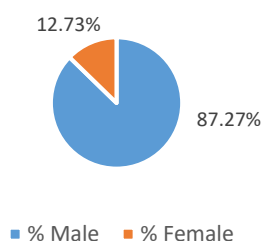
### Lower Quartile



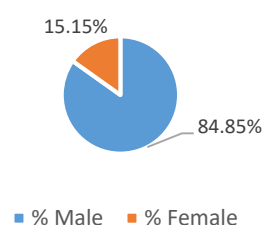
### Lower Middle Quartile



### Upper Middle Quatrile



### Upper Quartile



## Summary Statement

- A mean gender pay gap of 19.08% 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 continuing, 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 continually be sought.
- We endeavoured to achieve a reduction in gender pay gap by recruiting female employees where possible. During the time covered by this report one female graduate was recruited and one female Department Supervisor – an existing employee - was appointed. While more female candidates are welcome, noting the current number of female students completing Technical and/or Engineering disciplines, the availability of increasing numbers of females is not anticipated until 2025 at the earliest, from our engagement with third level educational institutions. During 2023, we invited Universities the opportunity to have Engineering students to visit both our sites. Among the visiting student groups we hosted, we observed a male/female ratio of 99:1 among the groups.
- 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 continually be challenging noting that the number of females studying Engineering/Technical

qualifications in third level education institutions at this time is low and any change to that ratio trend will be incremental in to the future.

- Historically and currently, we support of 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. This year we again choose one mixed (boys/girls school) and one all-girls school to sponsor them with their STEM initiatives. The interest from the females was great to see at such a young age and we will continue this programme into 2024.
- We also continue to 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. This year for the first time, we saw a marked interest from female students applying for our “Work Experience Programme” in the Technical / Engineering sectors. Our cohort of students availing of a work experience opportunity was 63% male and 37% female and feedback from colleagues mentoring during the placements was the interest shown by all genders in what we manufacture and their interest and capability in Engineering related tasks.
- We continue to recruit people for Apprenticeships, Internships and Graduate Programmes, observing that female applicants are in a minority among candidates applying when recruiting for these employment opportunities. We have broadened our recruitment searches to identify and attract more female candidates for these and all roles within the Company. During 2023, when recruiting for Apprenticeship opportunities there was a marked increase in the number of female applicants, from among KOSTAL’S employees, compared with previous recruitment campaigns.
- In June 2023, we had two Apprentice opportunities to be filled internally and initiated a concerted campaign to promote the Manufacturing Engineering Apprenticeship (NFQ Level 6) opportunities over a number of weeks, including information days, with just over 14% of applicants being female.
- 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 conducted in person workshop type talks internally so that all employees understand all the roles available to them. We did this with our recent Apprenticeship Programme and also our ACE (Adult and Continuing Education) programme with UCC.
- This year a new, bespoke, NFQ Level 7 certified course has been introduced on a pilot basis, based on a partnership between KOSTAL Ireland GmbH and ACE (Adult and Continuing Education) in UCC (University College Cork). This *Certificate in Work and Organisational Behaviour*, is designed for Operators, Lead Operators and Production Supervisors. The targeted number of course participants was exceeded with 19 course participants starting; 53% female and 47% male. This pilot initiative reflects KOSTAL’S commitment to developing employees and also encouraging career progression among all employees.
- As part of our Performance Management system, we have the option of creating *Individual Development Plans* (IDPs), an elective option, to further build a talent base for our future.
- During 2023 a skills gap analysis was completed, across all teams/functions to identify talent enhancement opportunities and increase agility and ultimately the competitiveness of KOSTAL’S business in Ireland. An outcome from this analysis is a three year talent development plan.
- To encourage and progress continuous professional development supports are available to employees who want to complete training and development opportunities. Looking back over the last twelve months we note that the female/male ratio among employees who avail of such supports is as follows; 23:77%.

- As part of RACE (Responsibility, Achievements, Customers, Excellence) KOSTAL's global Lean Production System, internal OPX Facilitators are appointed each year to participate in a one year Global OPX Facilitation Programme. For 2023, with two people appointed, there was a gender balance, with a male/female ratio of 1:1.
- To increase knowledge and awareness among employees in KOSTAL an innovative initiative has been developed to enable people to visit and meet with colleagues in other teams/departments to understand their work/roles and consider future opportunities that may be of interest to them. It will be an Open Day, starting in Abbeyfeale on 19<sup>th</sup> December 2023 and plans for a similar experience in Q1, 2024 in Mallow. A possible benefit from this may include career progression and promotional opportunities into roles where female participation has, to date, been low.
- A further innovation introduced during 2023, was to redesign our in-company newsletter; *IMPULSE*, with the inclusion of an "In Conversation With" section. Essentially a short interview with a colleague about their career progression in KOSTAL. Two of the three interviews included in *IMPULSE* during 2023 were with female colleagues.

The Company continues with its commitment to reducing the gender pay gap by achieving a broader gender balance across the workforce, including;

1. Identifying and developing female employees for progression, internally, within KOSTAL.
2. Actively seeking to recruit female engineers, including apprentice roles.
3. Increasing our involvement in and promotion of initiatives that will increase and enable greater participation of females in engineering/technical roles.
4. Ensuring that all opportunities are advertised internally and demonstrating that female employees experience a recruitment and selection process that is equitable and fair.
5. Ensuring equal opportunities are available to all employees, including training and development opportunities.
6. 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 addressing 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. KOSTAL's commitment continues.

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