

# **Regional Australia Bank**

## **Gender Pay Gap Employer Statement 2024-2025**

### **Statement of commitment**

Regional Australia Bank (RAB) is committed to providing a safe, respectful and inclusive environment for all staff and members. RAB is a proud regionally based employer where we believe that having employment options for people within our regional Australian footprint is a commitment to our communities not just for banking services, but also socially in our partnership with communities. RAB's gender representation by remuneration quartiles indicates that there are proportionally more women than men in the bottom three quartiles, which is a key driver of our gender pay gap. A key factor of our staffing make up is having positions that are available during school hours to attract regionally based staff to our organisation. While it is acknowledged that the data usually represents part-time and casual engagements as a negative factor, for many of our people, having employment in the small towns in which they live is hugely beneficial. Gender equality remains a focus for our organisation, and our commitments to address and lead change is being undertaken across the various gender equality indicators.

### **Understanding the Gender Pay Gap (GPG)**

Overall, RAB's GPG improved marginally against 2023 (33.4% to 32.7%), noting that our comparison group for the same period improved more significantly. RAB's workforce composition broadly reflects our industry comparison group, although our non-managers are less balanced when compared to our comparison group. This is also the case for full-time and part-time non-managers.

In undertaking an analysis of our internal remuneration framework, Grade 1 and 2 show a disproportionate number of women to men however the average salary is even. Having employment options that are attractive to women in regional Australia is something RAB is proud of and not wanting to change. A perverse outcome of trying to reduce our GPG would be to ensure we have the equal numbers of men and women in frontline roles. While we welcome males into these roles, having this as a focus would be counterproductive to our regional purpose. Similarly Grades 5 and 6 show a disproportionate number of men to women in senior roles, albeit that the numbers overall in these grades are small. Where we have mostly even numbers of men and women in Grades 3 and 4, there is a GPG in favour of men. Positions that are within these grades are home lenders, technical specialists, commercial lenders, and professional specialists. On analysis the results show that while there is variation within the grade, specific to a position we are not disproportionately favouring one gender or another but more could be done to better articulate the experience level people are one within the banding and make this more transparent. We are proposing that our focus should be on increasing women in higher levels of the organisation that promote influence and voice to the strategic agenda. Similarly, RAB should seek to encourage diversity outside of gender alone into the higher grades whereby the benefits of diverse perspectives, diverse discussion and thought can provide meaningful contributions to our future agenda.

In our analysis we also ran an exercise to understand the impact of not changing the composition of our frontline positions but seeking equal numbers of men and women across all other grades. We assumed equal numbers of men and women in grades 3-7 and equal pay for both genders

with a male CEO. The results were somewhat surprising showing that in this scenario RAB could only achieve a GPG of 24.28% in favour of men. Even when we changed the assumption to have a female CEO, at best, RAB could achieve approximately 19.56% showing the impact of having such a large concentration of women in frontline roles. That said, we believe that it is important to our purpose and our mission that we continue to have attractive employment opportunities for women within our regional Australian footprint, continue to have flexible options for family and caring responsibilities, and help promote vital regional communities through work at RAB.

### **Actions and strategies**

Our Diversity, Equity and Inclusion Strategy articulates our commitment to providing a safe respectful and inclusive environment. Since our 2024 Report, RAB delivered a number of initiatives aligned with our commitment to gender pay equality, including:

- the uplift of paid parental leave (PPL), with superannuation paid on PPL to both parents offering 14 weeks..
- increased focus on inclusive recruitment practices.
- the design and delivery of our Respect@RAB Program; delivering a range of initiatives aligned with the Respect@Work Good Practice Indicators.
- the provision of greater flexible working arrangements supporting staff with family or caring responsibilities.

While we acknowledge that we have more work to do, we are continuing to review our gender pay gap and deliver a suite of initiatives, particularly in consideration of our merger with another like-minded mutual bank.

- Embedding our Respect and Inclusion programs.
- Continuing to build a culture of care, respect and belonging for all (prevention and response to sexual harassment, promoting respect in the workplace, and further enhancement of our flexible workplace practices, including reasonable workplace adjustments.
- Strengthening governance and reporting, providing updates on progress and reviewing activities and practices to ensure they are delivering on our expectations to achieve gender parity.
- Forward planning post our merger when we become a Designated Relevant Employer around our action and numeric targets where stronger focus on women in senior manager positions and providing greater supports for employees experiencing family and domestic violence are areas we are exploring in more depth.

Recognising the persistent challenges associated with gender pay disparities, we are dedicated to taking proactive and systemic actions that will enable us to deliver measurable progress to improve our Gender Pay Gap (GPG).