IBM In Ireland Gender Pay Gap 2023 Results

Foreword

IBM is committed to conscious inclusion and active allyship for all employees. We are continuously striving to create a more diverse workforce, and we are relentless in our pursuit of gender pay equity for all, both inside and outside of IBM.

The Gender Pay Gap Information Act is a key piece of legislation which we fully support. IBM has had a long-standing commitment to creating an inclusive and equitable work environment in Ireland and globally.

By sharing this report, we are publishing metrics by which we can measure our current position, as well as progress in future years. IBM has a solid foundation and welcomes the discussion that these reports may generate.



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Introduction

This report reflects our obligations as an Irish employer under the Gender Pay Gap Information Act 2021, which was signed into law in July 2021. The Act places reporting and publication obligations on employers with 250 or more employees. This is IBM's second year of reporting, having published our first report in December 2022.

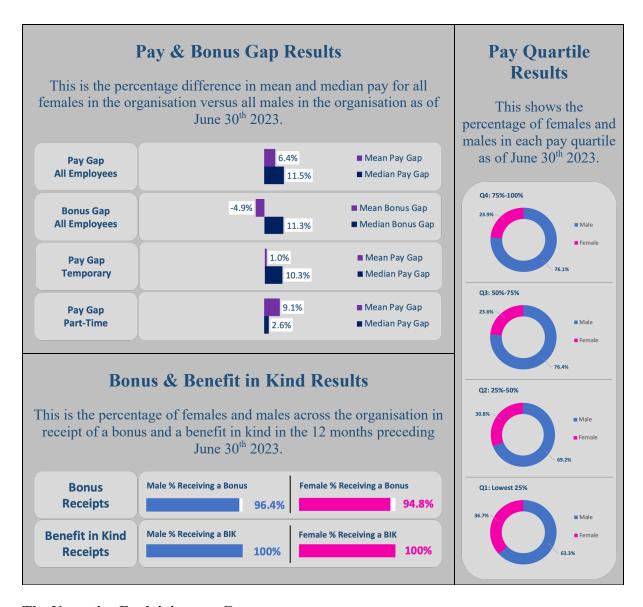
The gender pay gap is different to equal pay, which means paying women and men the same salary for performing the same or equivalent work. A gender pay gap is the difference in the average pay and bonuses of all male and female employees across an organisation. IBM has had policies in place for pay equity since 1935, when our founder Thomas J Watson Snr declared a policy of 'Equal Pay for Equal Work' and this is a policy to which we remain committed.

At IBM, women earn \$1 for every \$1 earned by men for similar work. Pay equity analysis is performed in every country where we have IBM employees. We look at how to correct any pay equity discrepancy, as well as how to prevent it. We have developed IBM Compensation Advisor with Watson – an AI-driven solution that gives managers salary increase recommendations based on skills and pay competitiveness, which data we used to support this analysis for Ireland.

IBM in Ireland Results

A gender pay gap is the difference in the average pay and bonuses of all male and female employees across an organisation. Gender pay gap calculations do not account for differences in pay due to the nature of the role, grade, or years of service or individual characteristics like qualifications and performance. All these variables can impact the results.

Like many other organisations, our gap is a result of having a lower percentage of women in senior, higher paid roles.



The Narrative Explaining our Gap.

Over the last 12 months, the mean pay gap for IBM in Ireland has increased to 6.4%. Analysis of the causes has indicated that the primary reason is change in workforce dynamics. In particular, the divestment of our Watson Health business in Q4 2022, contributing to a fall in representation of females in our higher pay quartiles, relative to 2022.

The under-representation of women at senior leadership level and in technology roles remains a significant industry-wide challenge in Ireland, as well as globally, to which IBM is not immune.

Addressing the gender pay gap remains a strategic focus for our business and has the full backing of our executive team. Priority actions are already in place, and we continue to look at initiatives to increase our female representation.

It is also important to acknowledge the positive Bonus gap, where we see a minus 4.9% gap in favour of females relative to males.

Actions and Key Focus Areas to Reduce our Gender Pay Gap

Talent Acquisition

Our Talent Acquisition teams are focused on making good faith efforts to have a diverse applicant pool for every role and connecting to the broadest possible candidate base. We ensure our job descriptions are inclusive and gender-neutral, and we provide mandatory interview training for all hiring managers including programmes on unconscious bias.

Increasing Female Representation

Our Women's Executive Council is made up of highly accomplished IBM executives from around the world who are passionate about the attraction, growth, development, engagement, and retention of women at IBM. This council drives programmes and initiatives and provides global leadership to local Business Resource Groups (BRGs). BRGs are IBM-sponsored groups made up of passionate volunteers working toward specific diversity and inclusion goals.

Allyship has been a key focus area for training and support to help IBMers be an upstander through inclusive behaviours. We have an active women's BRG in Ireland called Women in Ireland Networking (WIN), and in 2023, we appointed a senior male executive co-sponsor to chair WIN to demonstrate our commitment to allyship.

Furthermore, WIN seeks to attract, retain, and develop women leaders within IBM, and ensure women are well-positioned for future leadership positions. In 2023, WIN ran initiatives and events such as Unleashing your Leadership Potential, career roundtables, and International Women's Day events. The group also supported women with educational programming about health and wellness including reproductive health, menopause, and work-life integration. IBM and Chief recently released their Women in Leadership report which was a study of 2,500 organisations and 10 industries. We took an opportunity to discuss the report and its findings with our WIN team in Ireland and recognised the need to do more at junior levels to support the progression of women, to ensure pipeline for more senior roles.

We became more active in Connecting Women in Technology (CWIT), an organisation representing technology companies in Ireland, to attract, develop, and encourage women in Science, Technology, Engineering and Math (STEM) careers. In October 2023, we co-hosted an event called "Tearing up the Script" to encourage careers in the tech industry for students, graduates, and rehires. IBM's panel of early professionals and executives shared their career journeys and highlighted the many opportunities available.

Once again, we participated in Dublin City University's STEM Teacher Internship Programme which provides pre-service STEM teachers with the opportunity to gain skills and experiences within the STEM industry.

In Q4 2023, two Ireland IBMers were shortlisted for the inaugural Woman in Science Award, and for the overall Woman in STEM Award. We also had a finalist in the Mentorship Award in the JP Morgan Diversity in Tech Awards.

We were also actively involved with Teen-Turn & Digital Futures, organizations which provide teenage girls the opportunity to gain hands-on technology experience and visualize themselves in fulfilling careers and make informed third-level course choices.

We had several IBM speakers at the Women in Data Science Conference in Dublin, which aims to inspire and educate data scientists worldwide, regardless of gender, and to support women in the field. IBM also had a keynote speaker at the Executive Women's Gathering 2023.

We signed Elevate, which is Business in the Community Ireland's new Pledge in 2023, to support businesses to build more inclusive workplaces.

Skills and Development

We continue to invest in our employees' professional development with a range of tools and resources that empower IBMers in their careers paths and build the skills required to pursue their goals, including through our YourLearning platform. We also invest in many learning and leadership development programmes that support the progression of women such as Unleashing Your Leadership Potential, Elevate+, Building Relationships & Influence, Advanced Technical Eminence & Breakthrough Technical Eminence.

Additionally, IBM is proud of its inclusive culture and the programmes we have established globally to provide wider access to critical skills and training. IBM SkillsBuild is a free platform that helps students, job seekers, and organizations opt into the learning experience that's right for them. In June 2023, we hosted Purpl Unicorn, an organization using SkillsBuild to support migrant women who want to upskill and access the workplace, for National Refugee Week.

Creating a Culture of Inclusion

Through our diversity, equity, and inclusion work, IBM seeks to provide a culture of belonging, establish trust among IBMers, create a more dynamic workforce, cultivate a flexible work environment and advocate for equity inside and outside IBM.

We are proud of the progress that we are making. We will continue to look at programmes and initiatives to increase our female representation in senior roles, across our lines of business, including in talent acquisition, retention, inclusion, and opportunity, as well as tailored development.

I confirm IBM's gender pay calculations are accurate and meet the requirements of the Regulations. We have followed advice provided by our specialist external consultants on our methodology and data, in line with the Employment Equality Act 1998 (Section 20A) (Gender Pay Gap Information) Regulations 2023 (the 'Regulations')

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