



UK Gender Pay Gap Report 2022

April 2023

Who we are

CIBC is a leading and well-diversified North American financial institution committed to creating enduring value for all our stakeholders – our clients, team, communities and shareholders. We are guided by our purpose – to help make your ambition a reality, and we are activating our resources to create positive change and contribute to a more secure, equitable and sustainable future.

Across our bank and our businesses – Personal and Business Banking, Commercial Banking and Wealth Management, and Capital Markets – our 50,000 employees bring our purpose to life every day for our 13 million personal banking, business, public sector and institutional clients in Canada, the U.S. and around the world¹.

CIBC provides services in Europe through Canadian Imperial Bank of Commerce (CIBC), including through CIBC's Registered UK Branch, and through CIBC Capital Markets (Europe) S.A. in Luxembourg.

CIBC employed 260 employees in the UK in 2022², with women accounting for 30% of our workforce and 18% of Senior Management.

Our Journey

While 2022 is the first year CIBC is required to publish a UK Gender Pay Gap Report, increasing representation of women and other under-represented groups in senior and highly paid roles is a pre-existing priority for CIBC as outlined in the [CIBC Sustainability Report](#). Over the past two fiscal years the number of women hired has increased from 35% in fiscal 2021 to 43% of total hires in the UK in fiscal 2022. Women also represented 32% of promotions during fiscal 2022. We are committed to maintaining our focus on these areas to close gaps and result in more gender balanced representation in leadership roles.

In 2022, we expanded our performance and target incentive program - Goal Performance Success (GPS) program - to UK, US and Asia employees. This aligns individual and team goals with our business strategy and priorities. It also improves transparency between performance and incentive awards.

We also have a very active Women's Network that partners with leaders to help raise awareness of issues facing women in our workplace and make recommendations to achieve success for women. Examples of initiatives that have been implemented through this partnership include external coaching for parents, targeted training for women to increase readiness for leadership roles and the introduction of support groups that focus on women's health issues. We have also established external partnerships with The Inclusion Initiative of the London School of Economics to create more inclusive workplaces around the world and 100 Women in Finance to host their program on Investing in the Next Generation. The latter provided an opportunity for female students to visit our trading floor in 2022. We will continue to seek out opportunities to partner on similar initiatives in the years ahead to encourage under-represented groups to consider a career in financial services.

UK Gender Pay Gap Report

Beginning in 2017, any UK employer with 250 or more employees must comply with gender pay reporting legislation. CIBC met this threshold on April 5, 2022 and this is our first disclosure of UK Gender Pay Gap information.

¹ Source: [Investor Fact Sheet – Q1 2023 \(cibc.com\)](#)

² Data as at April 5, 2022.

The gender pay gap is defined as "the difference between the average (mean and median) earnings of men and women across a workforce. This is expressed as a percentage of men's earnings"¹. A gender pay gap is different from equal pay as it does not compare the pay of men and women performing equal work, or work of equal value. Instead, it is a "measure of the difference between men and women's average earnings across an organization or the labour market as a whole over a period of time, regardless of role or seniority. Even if an employer has an effective equal pay policy, it could still have a gender pay gap if, for example, the majority of women are employed in lower-paid jobs."³

2022 results

In accordance with the legislation, a snapshot of the employee population was taken as at April 5, 2022 and used for the gender pay gap calculations set out below.

1. Percentage of men and women in each hourly pay quarter

Hourly pay quarter	Overall UK		Revenue generating functions		Operational & support functions	
	Women	Men	Women	Men	Women	Men
Upper	13%	87%	10%	90%	22%	78%
Upper Middle	28%	72%	13%	87%	30%	70%
Lower Middle	25%	75%	32%	68%	39%	61%
Lower	46%	54%	32%	68%	42%	58%

2. Gender pay gap using hourly pay

Gender pay gap	Overall UK	Revenue generating functions	Operational & support functions
Mean	35.5%	31.2%	27.8%
Median	29.1%	26.0%	18.6%

3. Percentage of men and women receiving bonus pay

Overall UK		Revenue generating functions		Operational & support functions	
Women	Men	Women	Men	Women	Men
83.1%	92.3%	82.1%	92.7%	83.7%	92.0%

4. Gender pay gap using bonus pay

Gender bonus pay gap	Overall UK	Revenue generating functions	Operational & support functions
Mean	58.0%	48.0%	44.8%
Median	52.4%	53.5%	48.7%

³ Source: [Who needs to report their gender pay gap - GOV.UK \(www.gov.uk\)](https://www.gov.uk)

Understanding the gender pay gap

The gender pay gaps described in this report are generally attributed to there being more women in lower hourly pay quarters (i.e., lower paid roles) while there are more men in higher hourly pay quarters (i.e., higher paid roles).

In addition to the underrepresentation of women in higher-paying roles, the following factors also contribute to the gender pay gaps, particularly the bonus pay gap:

- Part-time employees and employees on leave of absence receive a proportionate bonus based on their working hours.
- Bonus pay is reported in the year it is paid, not in the year it is earned. For deferred equity payments this lag may be several years which means that any resulting pay gaps may not be related to the role or compensation grade the employee is in at the time of reporting. In addition, equity payments reflect the monetary value at vesting which is impacted by market conditions.
- CIBC's fiscal year ends on October 31 and bonus payments are made in December. Employees who joined CIBC after October 1 are not eligible for bonus compensation in the same fiscal year.
- Temporary employees are not eligible for bonuses.
- Our bonus incentive program is designed to recognize individual performance and allow employees to share in the success of the business. Therefore the amount of an employee's bonus is impacted by individual and business performance.

As part of our assessment, we also completed a review of compensation for men and women performing similar roles and confirmed that they are paid equitably.

Our commitments

CIBC has a long history of engagement in social impact initiatives, as we invest in strengthening and building more equitable and resilient communities. Our goal is to create more opportunities for underserved and underrepresented communities through partnerships, employee activities and our own leadership and actions. Our action plan focuses on removing barriers to access, championing change as an employer, and strengthening the communities we serve.

At CIBC, inclusion is a cornerstone of our culture. By embedding equitable talent management into our bank's approach to human capital, we help create the conditions where everyone can achieve their full potential.

Gender-balanced leadership

Our journey towards gender-balanced leadership remains a top priority and we recognize that this may take some time due to low employee turnover. Where unique targets have not been set, we aim to achieve or maintain 40-60% representation of women across all levels. To ensure women are equitably represented, we regularly track and action key components of our talent management process including gender-balanced slates, high-potential talent lists and intake into specific roles where women are underrepresented.

To further accelerate our progress, we are signatories to the UK Women in Finance Charter, the Catalyst Accord, the 30% Club Canada Investor Statement of Intent and the UN Women's Empowerment Principles. We are also supporters of The Inclusion Initiative (TII) out of the London School of Economics, the United Nations-supported Principles for Responsible Investment (PRI) and 100 Women in Finance, where our MD & Head of Europe & Asia Pacific Regions serves as a member of the Board of Directors.

Fair pay

We recognize our employees' contributions to our mutual success through a competitive Total Rewards offer that goes beyond base pay and incentive compensation to include additional rewards, such as benefits,

pensions, retirement saving plans and our Employee Share Purchase Plan. These programs support our employees' physical, mental and financial wellbeing.

We are committed to ensuring fair pay through our gender-neutral compensation structures which ensure we provide consistent compensation to employees performing the same job, regardless of gender. We also assess and refine our compensation programs – including pay structures and merit guidance – annually to ensure they remain gender neutral. These reviews help us proactively identify and address factors that could contribute to a gender wage gap.

We continue to refine our compensation programs to ensure they are competitive with market practice and appropriately recognize employees for their contributions.

Outlook

With meaningful progress achieved in 2022, there is more we can do to decrease the gender pay gap for our employees in the UK. In 2023, we will continue to:

- Learn from data to inform our journey to improve gender representation.
- Remain focused on achieving our workforce representation goals and work to address the factors that contribute to our gender pay gap.
- Focus on increasing the representation of women in higher-paid roles.
- Maintain gender-balanced leadership as a top priority and work towards hiring women executives in either the revenue generating or operational and support functions.
- Ensure that compensation design and decision making remains gender neutral, transparent, and performance based.

Declaration

We confirm that the above information is accurate and has been calculated in accordance with gender pay gap reporting requirements as outlined in the legislation and accompanying guidance.



Wayne Lee

MD & Head, Europe & Asia Pacific Regions
CIBC