

Dalata Hotel Group

Gender Pay Gap Report 2022

INTRODUCTION FROM DERMOT CROWLEY, CEO

As part of our wider Inclusion & Diversity strategy and people agenda, Gender Equality is a key focus in Dalata Hotel Group plc and I am pleased to share our 2022 Gender Pay Gap Report. This will be our 5th consecutive year of measuring and publishing our Gender Pay Gap figure. However, this year's report will be even more comprehensive than previous years with the addition of new reporting regulations in the Republic of Ireland, which we warmly welcome.

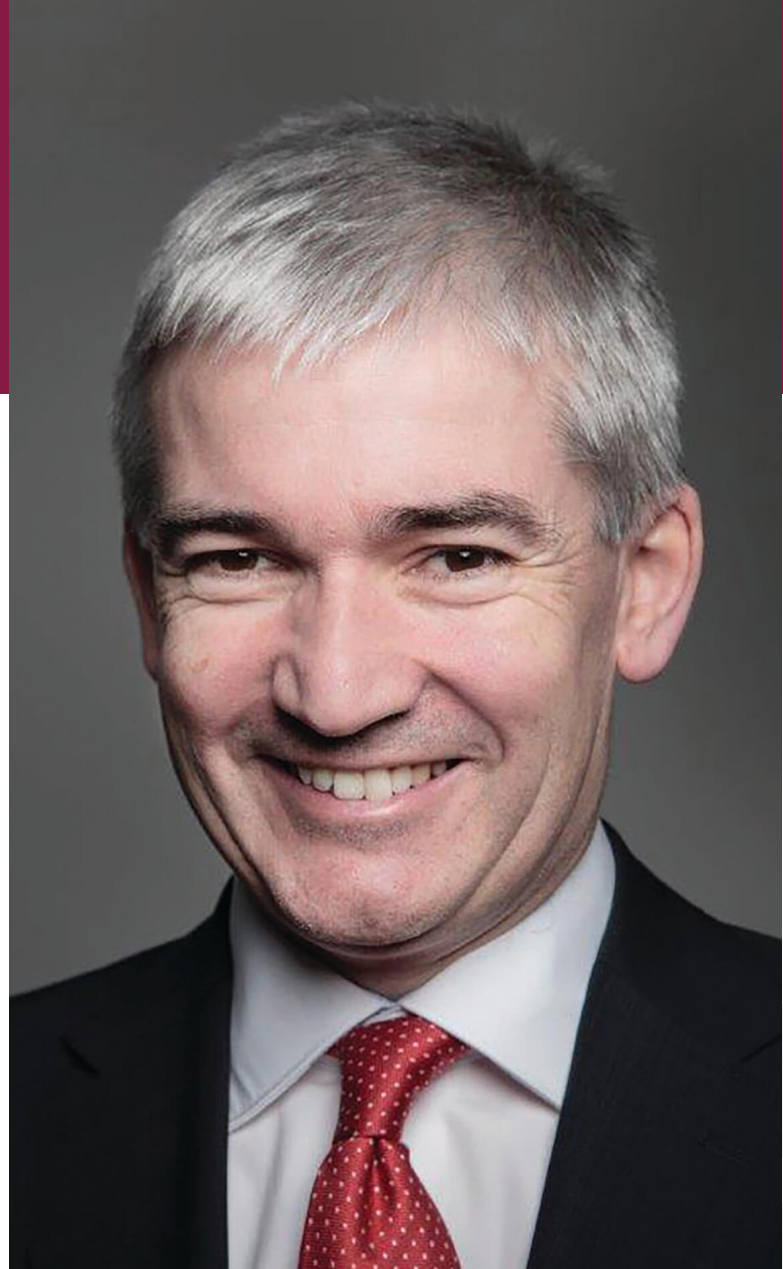
In previous years we have been reporting in line with the UK regulations and guidelines to calculate our group figure. From 2022 onwards, we will report our group figure in accordance with the criteria set out in the Irish regulations, as the majority of our business is based in Ireland.

In Dalata, we own and operate hotels, we are a people business with our people delivering our business success. Our purpose is to grow and evolve as an innovative and sustainable international hotel company, delivering excellence in customer service, driven by ambitious people flourishing in a culture of integrity, fairness and inclusion.

If we are to achieve success in this regard, it is essential that we continue to nurture an inclusive culture, that attracts and retains a diverse workforce. Teams with diversity of backgrounds and where everyone's contribution is valued; are more innovative, more effective and more reflective of the customers we serve. An inclusive environment also fosters an engaged workforce, in which all our colleagues can thrive at work and create a positive impact on their wellbeing. Gender equality in the workplace creates significant value for both the business and for society and Dalata is committed to achieving this.

Leadership should come from the top and last year we were delighted to have achieved gender balance on our Board of Directors, which now consists of a majority female membership (62%). Our Senior Leadership Team, including our Hotel General Managers and Central Office executives, was 40% female in 2021 and is now 45% female in 2022 - which compares favourably to other listed companies in Ireland - and we are continuously working on removing any barriers within the company to increase our female representation at all levels.

As part of our overall ESG strategy, we are monitoring, measuring and taking action in a number of areas which we have identified for improvement.



While we have work to do, I hope this report gives you a better understanding of our commitment to gender equality and illuminates the road we have to travel.

Dermot Crowley,
CEO

FOREWORD BY DAWN WYNNE, CHIEF PEOPLE OFFICER

In Dalata we are a people business, our people are at the centre of everything we do. We currently employ more than 5,500 people and the makeup of our teams is largely operational and customer service focused. Our colleagues are critical to our success as a hospitality business and we place a large investment in our people in terms of their development and setting them up for success. Our award winning Dalata Academy and our graduate programmes provide countless opportunities for colleagues to develop their skills further and to allow them to progress in their chosen areas of expertise, while accelerating their development into senior positions within the business. We strive for excellence in customer service and to achieve that we invest in excellence in people development and skills.

In Dalata, we place great importance on ensuring we create an inclusive environment that retains as well as attracts diverse talent. Gender equality is a high priority on this agenda and flows through all the actions and initiatives we undertake.

Equally, we also invest time and resource in creating the optimal work environment for our colleagues, bringing the Dalata culture into every property we operate. Our culture drives everything we do in Dalata. It is based on our four core values of Fairness, People, Service and Individuality and is about, essentially, "doing the right thing". It allows our people to contribute their individual talents to grow; and manage a successful, sustainable and environmentally-friendly business.

In 2022 we launched our Employee Code of Conduct which is a document that sets out the expectations and behaviour that we expect of our people and that they can expect from the company in return. This outlines the broad parameters of how we create an inclusive environment. We also invested in training this year on inclusive leadership and inclusive recruitment for all our senior management team and HR Managers. Training, awareness and education are an important part of our Inclusion and Diversity strategy and in 2023 we will continue to deliver training on relevant topics to all teams across the business. Celebrating our diversity through different cultural events such as International Women's Day and Pride affords us the opportunity to also educate our entire workforce on the barriers to equality and our commitment and strategy to achieve it.

2022 also saw us achieve the Investors in Diversity Bronze Award for all our properties across Ireland,



the UK and Germany. This followed an expert review of our policies in relation to inclusion and diversity in addition to training completed. This achievement gives us the platform to really advance our inclusion and diversity strategy. Measuring our progress on gender equality will be crucial to success and we have listed the Gender Pay Gap as one of our KPI's on the social side of our ESG strategy as well as the percentage of females in our senior leadership team, which was 40% in 2021 and has risen to 45% as of December 2022.

Behind these KPI's we are monitoring the gender mix at all levels in our business and in particular through our talent pipeline in our development programmes. In 2022 to date, 54% of participants on our development programmes are female and in the first half of the year we had 282 internal promotions, 52.5% of which were female. This will allow us to continue to identify areas for improvement and remove barriers to get even greater female representation across the business.

Dawn Wynne
Chief People Officer

WHAT IS THE GENDER PAY GAP?

The gender pay gap is the difference in the average hourly wage of men and women across a workforce, expressed as a percentage of the average male earnings. It compares the pay of all working men and all working women; not just those in same jobs, with the same working patterns or the same competencies, qualifications or experience.

*Definition accredited to **Deloitte Ireland -The Gender Pay Gap: the need-to-know**

HISTORY OF DALATA GENDER PAY GAP REPORTING

This is Dalata's 5th year of calculating and publicly reporting our Gender Pay Gap. We started in 2018, reporting our mean and median Gender Pay Gap figures for the entire Group based on the UK Government Regulations. We continued reporting our group figure annually against the UK Regulations up to and including 2021, before the introduction of the Irish Government Gender Pay Gap Information Act 2021.

2022 will be a step change in Gender Pay Gap Reporting with the introduction of the new Irish regulations and Dalata will now be reporting our overall Group Figure each year in line with the Irish regulations. We will also publish the Mean Gender Pay Gap for our employees in the Republic of Ireland based on these regulations and we will continue to publish the Gender Pay Gap for our UK based employees in line with the UK Regulations, each year.

There are differences between the Irish and UK regulations, including timeline for reporting and the required disclosures, and we summarise this in the next section which details our Gender Pay Gap for 2022.



DALATA HOTEL GROUP PLC

GENDER PAY GAP 2022

With our operations spanning across Ireland and the UK, we are required to report on three Mean Gender Pay Gap figures for 2022.

1. Mean Gender Pay Gap for the entire company **7%**

Which regulations is this calculated against?

The Irish Government Gender Pay Gap Information Act 2021

Which employee base does this include?

Every employee of Dalata Hotel Group.

How is it calculated?

- A snapshot date of June 30th 2022 was chosen
- The period of reporting is the previous 12 months 1st July 2021 – 30th June 2022
- Employees ordinary pay, plus any bonus paid in that period, is divided by the total number of hours worked to calculate the average hourly wage
- Subtract the average hourly wage of all the females from the average hourly wage of all the males
- Divide the result by the average hourly wage for men
- Multiply the result by 100

2. Mean Gender Pay Gap for Republic of Ireland employees **7.8%**

Calculated in the same way, just limited to Republic of Ireland employees only.

What else needs to be disclosed for the Irish Regulations?

Median Gender Pay Gap	4.0%
Mean Gender Pay Gap - Temporary and Part Time Employees	2.9%
Median Gender Pay Gap - Temporary and Part Time Employees	0.6%
Mean Bonus Gender Pay Gap	36.4%
Median Bonus Gender Pay Gap	27.1%
Percentage of Female Employees receiving a bonus	6.0%
Percentage of Male Employees receiving a bonus	4.8%
Percentage of Female employees receiving Benefit in Kind	1.1%
Percentage of Male employees receiving Benefit In Kind	1.1%
The percentage of male and female employees in each of four pay band quartiles	See Page 10

(Please see Statutory Reporting on Page 14 for detailed information on these requirements.)

DALATA HOTEL GROUP PLC

GENDER PAY GAP 2022 (CONT'D)

3. Mean Gender Pay Gap for UK employees **6.4%**

This is calculated for the purposes of UK legislative requirements using the UK Regulations.

Which regulations is this calculated against?

The UK Government Equality Act 2010 (Gender Pay Gap Information) Regulations 2017

Which employee base does this include?

All UK based employees.

How is it calculated?

- Calculations are based on employer payroll data on the snapshot date of April 5th 2022 – which is payroll data for the month of March.
- Employees ordinary pay, plus any bonus paid in that period, is divided by the total number of hours worked to calculate the average hourly wage
- Subtract the average hourly wage of all the females from the average hourly wage of all the males
- Divide the result by the average hourly wage for men
- Multiply the result by 100

What else needs to be disclosed for the UK Regulations?

Median gender pay gap using hourly pay	2.0%
Percentage of men receiving bonus pay	8.0%
Percentage of women receiving bonus pay	8.2%
Mean Gender Bonus Gap	-0.7%
Median Gender Bonus Gap	2.1%
Percentage of Men and Women in each hourly pay quarter	See Page 10

(Please see Statutory Reporting on Page 14 for detailed information on these requirements.)

DALATA GENDER PAY GAP IN CONTEXT

– WHY DO WE HAVE A GAP?

Our Gender Pay Gap of 7% in 2022 is a slight reduction of 0.02% on our 2021 figure, however that figure was calculated in line with UK regulations rather than the Irish regulations, therefore making direct comparisons is complex, as we have outlined in previous sections

Our Gender Pay Gap is partly influenced by a majority female representation in our operational roles and partly influenced by a majority male representation in more senior roles, in particular in our senior leadership team.

The gap compares favourably to the national gender pay gap in Ireland, which is 11.3% according to *Eurostat figures (2019) and to the EU average of 13%

* <https://ec.europa.eu/eurostat/databrowser/view/tesem180/default/table?lang=en>

DALATA COMPANY STRUCTURE

Dalata operates 50 hotels across Ireland, the UK and one in Germany under our primary brands of Clayton and Maldron Hotels – 49 hotels as of the 30th June snapshot date with Clayton Hotel Glasgow opening in November 2022. On the snapshot date we had 5326 employees – which has increased in the 2nd half of 2022 – with the vast majority of employees working in operations at a hotel level.

Our hotel employee structure typically has 6 leadership positions, led by the General Manager, along with Heads of Departments for the various functions. Each department has several operational roles with different levels of seniority.

All the hotels are supported by a Central Office Team with a primary base in Sandyford in Dublin but with various satellite locations across Ireland and the UK. The Central Office Team is a mixture of centralised functions to support hotels such as HR, Finance, Marketing, Sales, Revenue etc. and specialised corporate functions such as Company Secretarial, Corporate Development, among others.

The Central Office team amounts to 146 people, so less than 3% of our total employee population. However, the vast majority of these roles are very specialised and require a high level of either hotel experience or educational qualification in the relevant field.

Over the last year we have opened 5 new hotels in the UK and 4 of these hotel openings have been led by female General Managers.



Opening of Clayton Hotel Manchester City Centre in 2022 by General Manger Filiz Smith and her team

GENDER PAY GAP AT VARIOUS LEVELS

Our Group Mean Gender Pay Gap is at 7%, however we need to analyse the gap at the various employee levels to understand this further. Our Senior Leadership Team has 99 employees and consists of our Executive Management Team – (31 employees and the highest level of management in the company, including directors), all Hotel General Managers and other Central Office management roles.

When we exclude our senior leadership team from our mean gender pay gap for the group, it comes down from 7% to 4.4%. Therefore, for over 98% of our employee population, the Gender Pay Gap is 4.4%.

If we look at the quartiles for the Group, we can see there is a majority female representation at the Lower and Lower Middle quartiles. These quartiles contain the majority of operational roles - in particular in Accommodation departments - while there is a majority of males in the upper quartile.

Group and Irish Quartiles based on Irish Regulations (Timeframe: July 1st 2021 – June 30th 2022)

QUARTILE METRICS	Group		Ireland	
	Female	Male	Female	Male
Lower	61%	39%	63%	37%
Lower Middle	62%	38%	60%	40%
Upper Middle	50%	50%	54%	46%
Upper	45%	55%	45%	55%

UK Quartiles based on UK Regulations (Timeframe: March – April 2022)

Percentage of Men and Women in each hourly pay quarter	Female	Male
Lower	58%	42%
Lower Middle	43%	57%
Upper Middle	46%	54%
Upper	45%	55%

HOW ARE WE ADDRESSING THE GENDER PAY GAP?

In striving for gender equality and to be a truly inclusive employer, we are taking a multi-faceted approach that will evolve over time and we are monitoring and measuring the outcomes. Our approach consists of training, education, awareness, setting KPI's and targets, identifying challenges to gender equality in Dalata and in society, working with expert partner organisations to tackle these challenges and benchmarking our approach against best practice.

What we have achieved in the last year

- All of our Senior Management team and HR Managers underwent expert live training with the Irish Centre for Diversity and the National Centre for Diversity (UK) – Inclusive Leadership and Inclusive Recruitment training.
- We achieved the Investors in Diversity Bronze Accreditation for the entire group
- Underpinned our commitment to gender equality by publicly listing two KPI's in our ESG strategy – Gender Pay Gap and the percentage of Females in our Senior Leadership Team – along with publishing a number of other gender equality measures
- The percentage of females in our senior leadership team increased from 40% last year to 45% this year – December 2022
- Achieved Gender Balance on our Board of Directors – now predominantly female (62%)
- Celebrated our diversity in Dalata through cultural events such as Pride, International Women's Day, Ramadan, etc. and used the opportunities to educate employees and raise awareness of relevant topics
- Launched our new Employee Code of Conduct which sets the parameters for an inclusive workplace
- Audited all our policies supporting inclusion and diversity



Investors in
Diversity

BRONZE

ACTION PLAN FOR 2023

- Monitor pathways for female talent through our business, including our development programmes and graduate programmes. Identify any areas where female talent drops in the business.
- Consultation with employees on identifying barriers for females progressing to senior management positions through focus groups.
- Strive to achieve Investors in Diversity Silver Accreditation
- Increased focus on Inclusive Recruitment – working with our partners such as Open Doors, Employers for Change, The Valuable 500 and Ibec on making our processes more inclusive
- Increase the volume of training opportunities on Inclusion & Diversity – identify content relevant to various levels in the business and ensuring all employees have access to relevant training
- Continue to celebrate our diversity at every opportunity, raising awareness of challenges to gender equality and profiling female role models in the business
- Examine additional progressive policies to support gender equality, and inclusion more broadly



GENDER EQUALITY METRICS IN DALATA

Percentage of Females in Senior Leadership Team – December 2022	45%
Percentage of females on Board of Directors	62%
Gender Pay Gap	7%
Diversity of Dalata Academy Development Programmes 2022 to date	54% Female
Percentage of Internal Promotions that are Female in H1 (January – June) 2022	52.5% - 148 Female Promotions

ALISON MANSFIELD, GENERAL MANAGER, CLAYTON HOTEL BRISTOL (OPENED IN 2022)

Career Development and Progression

I started in Dalata in 2009 in Central Reservations, moved to open Clayton Hotel Cardiff as Front Office Manager, promoted up to Deputy General Manager, moved back to Dublin to be General Manager of Maldron Hotel Tallaght, moved back to Cardiff to be General Manager of Clayton Hotel Cardiff. Opened Clayton Hotel Bristol as General Manager in 2022.

Challenges building your career as a woman in the hospitality industry?

There is often a presumption in most industries that senior roles are filled by men. Women face challenges especially when it comes to mothers in any industry. People presume you can't be a mother and have a successful career or you have to give up your career and settle for something else when you have kids but that's not the case. When I meet people and I talk about myself, I often get asked "Who is the GM of the hotel" and people are shocked when they find out it's me. They ask how I have the time for family and a career but you make time for what you love and when you're organised and work hard you can do it all.

Advice for other women pursuing a career in Dalata?

Don't settle. Anything is achievable. The industry has changed and will continue to change to adapt. There is always a way to make it work if you want a career.

Proudest moment of your career so far?

Coming back from maternity leave and developing into a General Manager role while also achieving a CIPD level 5 in HR Management.



ALINE CALIARI, HUMAN RESOURCES MANAGER, MALDRON HOTEL MANCHESTER CITY CENTRE

Career Development and Progression

I joined the group in 2014 as Accommodation Supervisor in Maldron Hotel Dublin Airport. In May 2015 I was promoted to Accommodation Manager. In 2016 I joined the first class of the Elevate Development Programme and decided at the end of it that I would like to pursue a career in HR. I then started my HR diploma course and graduated while opening Clayton Hotel Charlemont as Accommodation Manager. My career in HR began in Maldron Hotel Dublin

Airport as Assistant HR Manager and I have moved to the UK in August 2021 to join the project of opening the beautiful Maldron Hotel Manchester City Centre as HR Manager.

Challenges building your career as a woman in the hospitality industry?

No, I haven't faced challenges, I am very fortunate to have been mentored by very strong, fair and inspiring people throughout my career.

Advice for other women pursuing a career in Dalata?

Just do your research if you ask around the Dalata properties you will see without a doubt that it is an incredible place to work!

Can men do more to support their female colleagues in the industry?

I believe that understanding their perspective and becoming allies in the fight for gender and pay equality.



STATUTORY REPORTING

Republic of Ireland Gender Pay Gap Disclosure 2022 - The Gender Pay Gap Information Act 2021

Mean Gender Pay gap	7.80%
Median Gender Pay Gap	4.00%
Mean Gender Pay Gap - Temporary and Part Time Employees	2.90%
Median Gender Pay Gap - Temporary and Part Time Employees	0.60%
Proportion of Female Employees receiving a bonus	6.00%
Proportion of Male Employees receiving a bonus	4.80%
Mean Gender Bonus Gap	36.40%
Median Gender Bonus Gap	27.10%
Proportion of Female employees receiving BIK	1.10%
Proportion of Male employees receiving BIK	1.10%

STATUTORY REPORTING (CONT'D)

UK Gender Pay Gap Disclosure 2022

- The UK Government Equality Act 2010 (Gender Pay Gap Information) Regulations 2017

Mean gender pay gap	6.40%
Median gender pay gap	2.00%
Percentage of men receiving bonus pay	8.00%
Percentage of women receiving bonus pay	8.20%
Mean gender bonus gap	-0.70%
Median gender bonus gap	2.10%

Percentage of Men and Women in each hourly pay quarter	Female	Male
Lower	58%	42%
Lower Middle	43%	57%
Upper Middle	46%	54%
Upper	45%	55%

