



Dalata Hotel
Group Gender
Pay Gap
Report 2023



DALATA
HOTEL GROUP

Contents

INTRODUCTIONS	3
Dermot Crowley	4
Dawn Wynne	5
ABOUT OUR GENDER PAY GAP	6
What is the gender pay gap?	7
Dalata Hotel Group plc gender pay gap	8
Dalata company structure	10
Dalata 2023 gender pay gap in context	11
How are we addressing the gender pay gap?	12
STATUTORY REPORTING	13
Statutory reporting	14



Introductions



DALATA
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Introduction from

Dermot Crowley

CEO

Gender Equality is a key focus of our Inclusion and Diversity strategy and I am pleased to present to you our 2023 Gender Pay Gap Report. Over the last two years in particular, we have placed a very significant focus on Inclusion and Diversity, culminating in being awarded the Investors in Diversity Silver standard in June this year.

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.

Reporting on our gender pay gap for the 6th year in a row is a good time to reflect on our progress on gender equality in Dalata. We monitor our gender mix at all levels in the organisation which allows us to identify areas of the business we need to focus on. At entry level and more junior roles our gender pay gap is reasonable, however at management level we start to see the gap emerging in favour of males and this widens the more senior the roles get.

We are delighted to have maintained gender balance on our Board of Directors in 2023. Our Senior Leadership Team, including our Hotel General Managers and Central Office executives, was 40% female in 2021 and is now 43% female in 2023 - which compares favourably to other listed companies in Ireland. However, within that we know we have work to do.

A truly inclusive culture is one where people feel that they belong, can contribute and grow their career with equal access to opportunity. History teaches us that is not something that usually occurs organically, instead you need to recognise where there is inequality, understand why that is happening and take action to rectify it.

One of the key actions we have taken since last year's gender pay gap report is to identify any barriers for females to advance their career in Dalata, in particular focussing on the progression to senior management roles in the business. We have done this through consultation with all female colleagues, using independent expertise, and we will have a set of recommend actions which we will implement over the coming months.



Following on from this project, we want to establish a female employee resource group so we can open constant communication channels and advance gender equality as a collective.

A handwritten signature in black ink, which appears to read "Dermot Crowley". The signature is fluid and cursive, with a horizontal line underneath the name.

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 and they drive our culture which is based on our four core values of Fairness, People, Service and Individuality and is about, essentially, "doing the right thing". Individuality is something we welcome and celebrate amongst our own workforce. We currently employ more than 5,000 people who represent over 100 different nationalities and each have their own unique set of characteristics.

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 own development. 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.

Dalata's 2023 Gender Pay Gap Report (July 2022 – June 2023) accounts for 5,225 colleagues in total of which 2732 – or over 52% – are female. Yet when you see the pay quartiles, we have an unequal distribution with a majority of female colleagues in the lower to middle quartiles and then a majority of males in the upper quartile.

Identifying why we don't have more females progressing into the upper quartile and what barriers may be there is key in our journey to a more gender balanced senior team. The results of this project we are currently undertaking will give us the tangible actions needed to make progress in this area and we are determined to implement the recommendations in the shortest timeframe possible. Measuring our progress on gender equality is crucial to success and we will introduce KPI's to measure the effectiveness of the new actions that will be introduced from this project.

On a continuous basis we are monitoring the gender mix at all levels in our business and in particular through our talent pipeline in our development programmes. In the development programmes currently underway, 57% of participants are female and in the first half of 2023 we had 285 internal promotions, 62% 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.



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.

In 2023, we also achieved the Investors in Diversity Silver Award for all our properties across Ireland, the UK and Germany. This achievement gives us the platform to really advance our inclusion and diversity strategy and we will soon be launching a revised action plan based on the findings from the employee survey.

Dawn Wynne

CHIEF PEOPLE OFFICER

About our gender pay gap



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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.

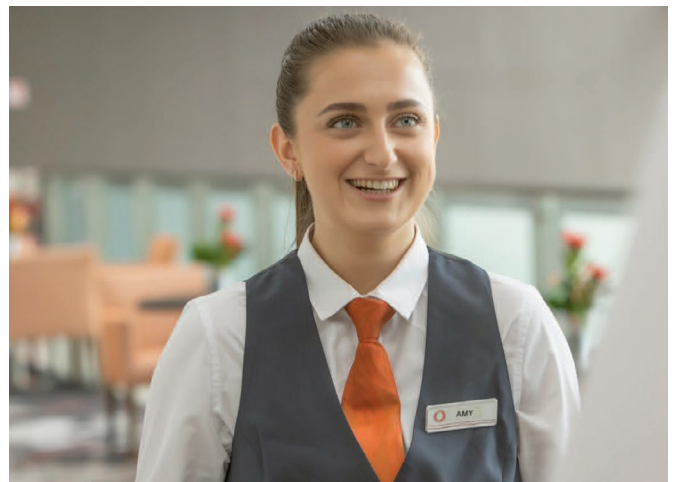
*Definition accredited to Deloitte Ireland – The gender pay gap: the need-to-know

History of Dalata gender pay gap reporting

This is Dalata's 6th 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 was a step change in gender pay gap reporting with the introduction of the Irish regulations and Dalata decided to report the overall Group Figure each year going forward in line with the Irish regulations. We 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 2023.



Percentage of females in Senior Leadership Team – December 2023	43%
Percentage of females on the Board of Directors	50%
Mean gender pay gap	8.9%
Gender mix of Dalata Academy Development Programmes 2023/2024	57% Female (244 of 425)
Percentage of Internal Promotions that are Female in H1 (January – June) 2023	62% (177 Female Promotions)

Dalata Hotel Group plc gender pay gap

2023

With our operations spanning across Ireland, the UK and continental Europe, we are required to report on three mean gender pay gap figures for 2023.

1. Mean gender pay gap for the entire company – 8.9%

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 2023 was chosen
- The period of reporting is the previous 12 months 1st July 2022 – 30th June 2023
- Employees ordinary pay, plus any bonus, LTIP or Benefit in Kind 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 – 9.8%

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	5.9%
Mean gender pay gap – Temporary and Part Time Employees	2.6%
Median gender pay gap – Temporary and Part Time Employees	1.1%
Mean bonus gender pay gap	48.8%
Median bonus gender pay gap	13.3%
Percentage of Female Employees receiving a bonus	16.9%
Percentage of Male Employees receiving a bonus	15.6%
Percentage of Female employees receiving Benefit in Kind	0.4%
Percentage of Male employees receiving Benefit in Kind	1.2%
The percentage of male and female employees in each of four pay band quartiles	See Page 14

(Please see Statutory Reporting on Page 16 for detailed information on these requirements.)

Dalata Hotel Group plc gender pay gap

2023

3. Mean gender pay gap for UK employees – minus 1.4%

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 2023 – which is payroll data for the month of March
- Employees ordinary pay, plus any bonus LTIP or Benefit in Kind 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	0.7%
Percentage of men receiving bonus pay	52.1%
Percentage of women receiving bonus pay	56.1%
Mean Gender Bonus Gap -0.7%	-8.8%
Median Gender Bonus Gap	-41.2%
Percentage of Men and Women in each hourly pay quarter	See Page 14

(Please see Statutory Reporting on Page 16 for detailed information on these requirements.)

Dalata company structure



Dalata currently operates 53 hotels across Ireland, the UK, Germany and the Netherlands under our primary brands of Clayton and Maldron Hotels. This was 50 hotels as of the 30th June snapshot date with Clayton Hotel London Wall, Maldron Hotel Finsbury Park and Clayton Hotel Amsterdam American coming on board in the 2nd half of 2023. Three other hotels are managed for our partners and therefore not included in the gender pay gap figures. On the snapshot date we had 5,225 employees across 47 hotels 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 173 people, so just over 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.

Dalata 2023 gender pay gap in context

Our gender pay gap figure of 8.9% in 2023 is an increase of 1.9% on our 2022 figure of 7% however this is mainly due to the reinstatement of bonus and LTIP (Long Term Incentive Plan) payments which invariably are paid to employees in more senior roles in the business and therefore increasing our gender pay gap as we have a majority of males on our senior leadership team (57%) – particularly in the most senior positions.

Last year, coming out of Covid, we were paying severely reduced bonus payments and no LTIP payments. Therefore 2023 is a truer reflection of our gender pay gap in a more normal year that we can base future gender pay gap figures on. Executive directors bonus payments were still slightly reduced in 2023 which means if everything stays the same for the next year, we would be expecting to see another slight jump in our gender pay gap. Everyone else who was entitled to receive a bonus and LTIP payment did so in full in 2023.

Bonus payments are reflective of the previous year's performance therefore that legacy from reduced bonus payments during Covid is still having an effect on our gender pay gap figures for this year and next. To illustrate the impact this had on our figure, our total remuneration for the previous reporting period (1st July 2021-30th June 2022) was 57% lower than this reporting period in 2022/2023 – which is closer to a more normal year in terms of remuneration.

Over half of the 8.9% gender pay gap figure is accounted for within our Senior Leadership Team which consists of just over 100 of the most senior roles – executives and managers based in Central Office and General Managers at a property level – which is just under 2% of the entire employee population. When you extract this team, the gender pay gap reduces to 4.1% for the rest of the company – which accounts for 98% of the employee population.

In the lower pay quartile we have 62% female and 38% male, a large portion of these roles are in our housekeeping departments where there are almost three times as many females compared to males.

In order to close the gap going forward, we understand the need to focus on the roles in the Senior Leadership Team to ensure we have a balanced pipeline and a robust inclusive recruitment process for when roles become available. We will of course continue with a range of efforts to ensure we also close the 4.1% gap at property level.

HOW DOES THE 8.9% FIGURE COMPARE TO NATIONAL AND INDUSTRY AVERAGES?

- In Ireland, the Central Statistics Office published national gender pay gap figures for 2022. The GPG in Ireland for 2022 was 9.6%
- In the Accommodation and Food Services industry in Ireland, the gender pay gap was 8.9%
- In the UK, the Office for National Statistics have a provisional mean gender pay gap Figure for 2023 of 13.2%
- In the Accommodation Industry in the UK they have a 2023 provisional figure of 11.3%
- According to Eurostat, in the European Union in 2021 (latest figures available) the mean gender pay gap was 12.7%

*CSO <https://www.cso.ie/en/releasesandpublications/ep/p-ses/structureofearningsurvey2022/genderpaygap/>

*ONS <https://www.ons.gov.uk/employmentandlabourmarket/peopleinwork/earningsandworkinghours/datasets/annualsurveyofhoursandearningsashegenderpaygaptables>

*Eurostat https://ec.europa.eu/eurostat/statistics-explained/index.php?title=Gender_pay_gap_statistics#Gender_pay_gap_levels_vary_significantly_across_EU

How are we addressing the gender pay gap?

One of the key actions we have taken since the last years report is a project to identify barriers for female career progression into senior roles, which is shortly coming to a conclusion. We sourced an independent expert to help facilitate the project which involved one-to-one interviews, focus groups and an all-female employee survey. The objective of the project was to consult widely with female employees of all levels in the business and of all demographics, to identify what the main barriers are and what actions we need to take to help alleviate these barriers – whether they are specific to Dalata or personal or societal barriers.

Building on the platform we laid in previous years, this is a deep dive to find the root causes of why we have a gender pay gap and how we can create the best environment to allow for a truly gender balanced company in the future and aim to get to 0%.

We are fully aware that 0% is not something we can achieve in the short term and we are conscious of the unintended consequences of setting hard deadlines for this, however we can lay the foundation for that possibility in the future and set KPI's for all the building blocks that need to go into place in the short term. The recommended actions from this project will form part of the building blocks we will be implementing in 2024.

WHAT WE HAVE ACHIEVED IN THE LAST YEAR:

- Achieved the Investors in Diversity Silver Accreditation with the 2nd highest scoring category of Building Momentum
- Agreed an Inclusion and Diversity action plan based on feedback from employee survey in the accreditation process
- Examined 2022 gender pay gap at hotel level and highlighted to General Managers with suggested actions at conference in Glasgow
- Monitored gender mix of all learning and development programmes as part of identifying pathways for female talent through the business
- Monitored gender mix at all levels of the business
- Continued focus on Inclusive Recruitment and training opportunities
- Celebrated our diversity at every opportunity, raising awareness of challenges to gender equality and profiling female role models in the business

ACTION PLAN FOR 2024

- Implement the recommended actions from project on identifying barriers for female career progression
- Examine succession planning for all senior leadership team roles and examine which roles are specialised, which have clear progression routes from operations and how we can have an influence on developing a gender balanced pipeline of candidates going forward
- Examine the introduction of Gender Balanced shortlists for all Senior Leadership Team roles on a comply or explain basis
- Establish a Women's Employee Resource Group in order to get regular feedback and input on company actions to improve gender equality in Dalata, along with providing networking, support and knowledge sharing opportunities
- Calculate the 2023 gender pay gap for each hotel and highlight this to each General Manager along with a reminder of suggested actions
- Review and update the nomination process used to identify team members/Managers for investment in their development to ensure it is transparent, fair and inclusive for all
- Conduct workshops for females to discuss their development and career paths and what supports they need on an individual basis
- Monitor each development programme cohort for gender balance at application stage
- March will be a focus month for gender equality and female career progression with a range of activities
- Aim to role model female leaders in the business



Statutory reporting



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Statutory reporting

Pay quartiles for the Group based on Irish Regulations

(Timeframe: July 1st 2022 – June 30th 2023)

PROPORTION OF MALE AND FEMALE EMPLOYEES IN EACH PAY QUARTILE		
	Female	Male
Lower	62%	38%
Lower middle	60%	40%
Upper middle	51%	49%
Upper	45%	55%

PROPORTION OF MALE AND FEMALE EMPLOYEES IN EACH PAY QUARTILE		
	Female	Male
Lower	61%	39%
Lower middle	63%	37%
Upper middle	53%	47%
Upper	45%	55%

Republic of Ireland gender pay gap disclosure 2023

The Gender Pay Gap Information Act 2021

Mean gender pay gap	9.80%
Median gender pay gap	5.9%
Mean gender pay gap – temporary and part time employees	2.6%
Median gender pay gap – temporary and part time employees	1.1%
Proportion of female employees receiving a bonus	16.9%
Proportion of male employees receiving a bonus	15.6%
Mean gender bonus gap	48.8%
Median gender bonus gap	13.3%
Proportion of female employees receiving BIK	0.4%
Proportion of male employees receiving BIK	1.2%

UK gender pay gap disclosure 2023

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

Mean gender pay gap	-1.4%
Median gender pay gap	0.7%
Percentage of men receiving bonus pay	52.1%
Percentage of women receiving bonus pay	56.1%
Mean gender bonus gap	-8.8%
Median gender bonus gap	-41.2%

PROPORTION OF MALE AND FEMALE EMPLOYEES IN EACH PAY QUARTILE		
	Female	Male
Lower	61%	39%
Lower middle	51%	49%
Upper middle	49%	51%
Upper	43%	57%

Gender Pay Gap

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