

2023 Gender Pay Gap Report

The Strategy outlines an ambition to significantly grow EBITDA, through a combination of organic growth and significant adjacent acquisitions, and diversifying the sources of profitability, while delivering sustainable and competitive prices to our Members for their produce.







On cover page, from top: 1. Dairygold employees (July 2022) celebrating the DIY SOS, Big Build Ireland initiative, Mitchelstown, Cork; 2. Kelly Murphy (Dairy Ireland); 3. Conor O'Callaghan (Dairygold Agri Business)

Statement from Chief Executive

Dairygold Co-Operative Society Limited ("Dairygold") is committed to building a workplace that fosters Diversity, Equity and Inclusion (DE&I) and create an open culture where everyone feels valued and can be themselves. A key part of this commitment is the promotion of greater gender balance at all levels of the organisation.

I am proud to present our 2023 Gender Pay Gap Report, following our first report published for 2022. This report is a reflection of our commitment to transparency, diversity, equity and inclusion in our workplace. We believe that gender equality is a business imperative, as it enhances our performance, innovation, and culture.

This year we report a mean gender pay gap of 9.8%, down from 12.3% reported in 2022. This is a step in the right direction with the appointment of females to Senior Leadership and Management roles and is testament to the work we have done to improve DE&I across the organisation. We have rolled out a number of important initiatives over the past year, such as updates to our leave policies, establishing and expanding our DE&I steering group and launching a set of revised values that better represent our changing workforce and organisation.

We acknowledge that addressing the factors contributing to the gender pay gap is a journey and remain committed to building on existing DE&I initiatives as well as launching new ways to work towards a more balanced and increasingly diverse workforce. In line with our recently launched revised values, 2024 will be a year where Dairygold will continue to focus on Gender equality.

As we highlighted last year, our dairy and agri-businesses are historically male-dominated, and we believe transparent reporting is key to addressing this industry-wide issue. We remain committed to nurturing an inclusive, diverse, and equitable work environment that allows individuals to feel appreciated for who they are. Taking measurable steps to address inequity and improve DE&I is essential to us, our employees and wider society and we are excited to continue on this journey.



Conor Galvin

Chief Executive

The information detailed in this report provides us with the opportunity to work towards addressing gender diversity in Dairygold. We are committed to reducing the gender pay gap by improving our gender balance and ensuring that actionable initiatives, as outlined in this report are implemented.

Introduction

In line with our approach in 2022 and to ensure accuracy, we engaged with external consultants to calculate our gender pay gap and to help us identify what actions we can take to further close our gender pay gap.

While Gender balance is the focus of this report, our DE&I initiatives are designed to support the entirety of our workforce. It is important to note that while we refer to male/female throughout this report, in line with government guidance, we still recognise that gender is broader than male and female and does not reflect the full diversity of our workforce.

Our Commitment

We commit to building on the work we have done to date and to pursuing further measures to achieve our goal of narrowing the gender pay gap, improving our diversity profile and fostering a more inclusive work environment. Improving the gender pay gap from 12.3% in 2022 to 9.8% in 2023, marks positive progress but highlights the need for additional focus, to continue to close the gender pay gap.

Learning and Development:

DE&I training has been provided to our Senior Leadership Team, the wider HR team and DE&I Steering Committee by the Irish Centre for Diversity and Inclusion. With support from the DE&I Steering Committee, we will roll out further training to promote a more psychologically safe and inclusive working environment.

Actions Taken in 2023

Vision and Strategic Direction:

We recognise our values and behaviours are core to everything we do and so implemented a phased launch from July 2023 of the revised Dairygold Core Values, in which the importance of DE&I is incorporated.

WE CARE

We care about our people, respecting and embracing our differences, our communities, our planet and the traditions of our Society





your camera to view a video of what our Values mean to us.

WE ARE HONEST AND ACCOUNTABLE

We are honest in our interactions, take ownership and fufil our goals and commitments



WE FOCUS ON OUR CUSTOMERS

We put our internal and external customers at the centre of everything we do, providing excellent service, products and value

Our Dairygold Values

WE GROW TOGETHER

We cultivate a sense of belonging, build capability, and support our people to learn, develop and reach their full potential

WE FIND A BETTER WAY

We are continuously improving and innovating, harnessing creative ideas and seeking better and more sustainable ways of doing things

Policies and Benefits:

In 2023, we published our DE&I policy, which outlines our commitment to a working environment that values and respects sexual orientation, gender, race, ethnicity, disability, family status, civil status, and religious beliefs. This policy aims to improve DE&I awareness, support our workforce and move closer to achieving DE&I goals.

A priority has been to enhance our suite of family friendly policies to support employees. This included enhancements to our Maternity and Paternity policies to help retain and attract diverse talent, regardless of their family circumstances. We have also committed to providing additional flexibility through a review of our Hybrid Working policy, new Annual and Unpaid leave policies and the launch of a Career Break policy.

Annual leave is important for DE&I as it enables our people to celebrate their cultural and religious identities, support their personal and family needs, and enhance their well-being and engagement. By offering flexible and inclusive Annual leave policies, we are encouraging respect and appreciation for the diversity of the workforce and fostering a culture of inclusion and belonging. In line with this, we were proud to increase annual leave entitlements for all employees this year and next.

We also updated our Recruitment policies, which now incorporate best practice DE&I principles to broaden opportunities and access to roles for potential applicants.

We promoted our sponsored Further Education Assistance Programme which enhances upskilling and progression opportunities for all employees through personal and professional development.

Recruitment and Promotion Procedures:

We have taken steps to improve our recruitment and promotion procedures, focusing on competency, merit and ability based appointments. More specifically, we have updated role profiles and interview templates with a view to reduce potential bias, and updated language to improve gender neutrality in job advertisements.

In addition, we developed an Employee Value Proposition that outlines what the organisation offers to prospective employees.

Employee Culture Survey:

Gender is a fundamental focus of our DE&I agenda. We published the findings from our Employee Culture Survey, inclusive of feedback on gender and broader DE&I at Dairygold, and we committed to progress initiatives including:

- Increased Annual leave entitlement for 2023 and 2024.
- Enhanced payments for both Maternity and Paternity leave.
- Introduced an annual contribution towards the cost of private healthcare.
- Updated a suite of People policies and procedures.
- · Launched revised Values and Behaviours.
- Established our DE&I steering committee.
- · Celebrated many events supporting diversity.
- Renewed our continuous improvement training programme, with over 100 colleagues learning new skills.
- Introduced our Colleague of the Quarter Recognition Scheme.
- Introduced a Reward Statement for Employees.
- Appointed a Group Learning and Development Manager.



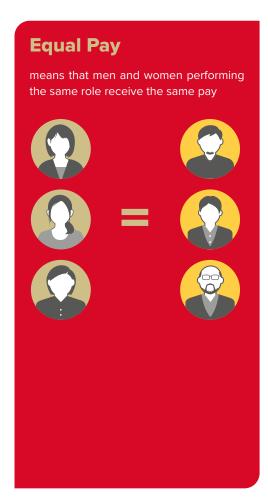
International Pride day (June 2023), From Right to Left: Conor Galvin, Dairygold CEO; Valerie Mulcahy, Guest Speaker; Jean Bogan, Dairygold Communications Lead

What is the Gender Pay Gap and What are we Reporting on?

The Gender Pay Gap Information Act 2021 introduced the legislative basis for gender pay gap reporting in Ireland. Any employer with more than 250 employees is required to publish their gender pay gap results annually from 2022.

The aim of this reporting is to highlight the need for a greater focus on gender diversity in the workplace. It does this by bringing transparency to what previously would have been considered a 'non-transparent' or undisclosed aspect of an employer's records.

Although the terms "equal pay" and "gender pay gap" are often used synonymously, they refer to two different concepts (outlined in the graphic below). Under Irish Law, an organisation must pay men and women equally for equal work.





Why Improving the Gender Pay Gap Matters to Us

Reducing the gender pay gap is important as it promotes fairness. It also has strategic merit and gives us data to support our workforce and redress inequity in an evidenced and informed way. Closing the gender pay gap is essential to promote inclusivity and, in turn, attract and retain talent in a competitive market. Gender diversity also contributes to higher productivity and organisational growth, which can better position us to realise our strategic goals.

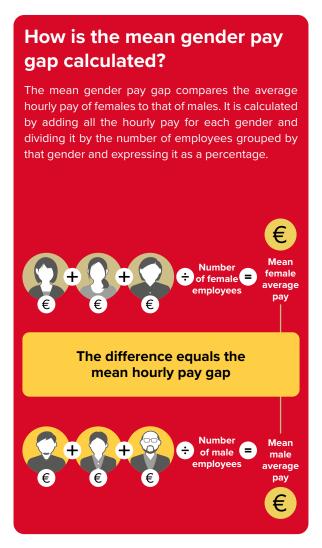
It is important to both report openly and to understand why we have a gap so that we can work to narrow it in Dairygold. The following sections provide more information on this.

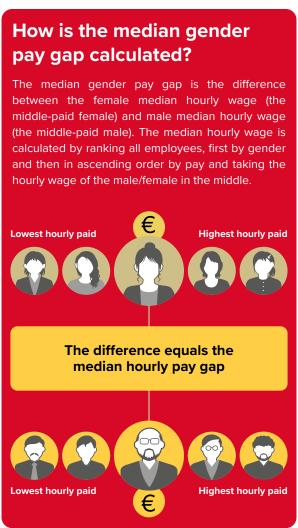
What our Data Says About Us

Our results are based on our workforce data taken on 6th June 2023 to reflect the pay period from 7th June 2022 to 6th June 2023. The gender split of our workforce is 69% male to 31% female.

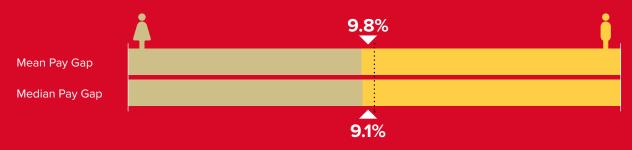
The mean gender pay gap is 9.8%. This means that, on average, males across all organisational levels earn around 9.8% more than females. The mean pay gap is based on 'hourly pay' which includes bonus. As there is a higher representation of men in the upper organisational levels this correlates to higher pay and bonuses, thus contributing to our gender pay gap.

The median pay gap is 9.1%. This means that, on average, men in mid-level positions earn 9.1% more than their female counterparts.

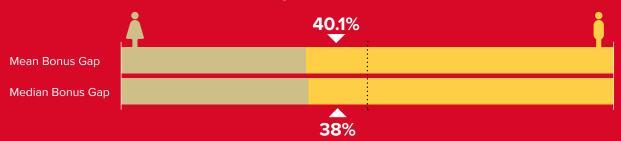




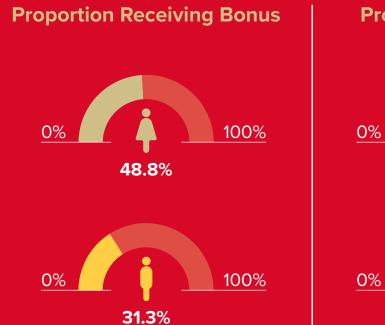
Mean and Median Pay Gap

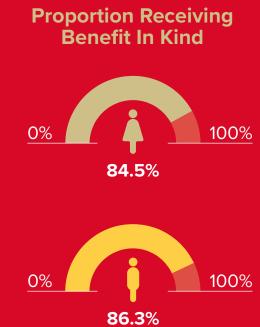


Mean and Median Bonus Gap



A female earns 91c for every €1 a male earns when comparing median hourly pay and 62c for every €1 a male earns when comparing median annual bonuses received.





The mean bonus gap is 40.1%. This means that the average male across all organisational levels earns around 40.1% more in bonuses than their female counterpart.

The median bonus gap, similar to the median pay gap, calculates the difference between the bonus received by the "middle" male versus the bonus received by the "middle" female across all organisational levels. Our results indicate that the "middle" male earns approximately 38.0% more than the "middle" female.

These are influenced largely by bonus schemes applicable to individual levels and specific roles. Higher value bonuses at more senior levels are common in larger organisations.

Action Plan

We believe that striving to ensure all employees have the opportunity to grow and develop is essential for Dairygold's success. As we face the challenge of an industry that has historically attracted more male than female employees, we are fully committed to narrowing the gender pay gap through specific actions and initiatives to promote DE&I.

We have identified several key themes across the employee lifecycle that we believe will support our efforts in addressing the gender pay gap. In 2024, our initial focus will be on the following:

Leadership Accountability and Commitment

We recognise leadership, accountability and commitment is crucial to closing the gender pay gap. A member of the Senior Leadership team, George MacLeod has been appointed as sponsor and is responsible and accountable for driving the DE&I agenda across the organisation.

DE&I Steering Group

We have an active DE&I steering group in place and this group will lead initiatives to progress the DE&I agenda. We have agreed on a number of initiatives for 2024 to drive awareness and improve DE&I.

Leadership Development Programmes

We will continue to focus on our coaching practices and ensure balanced gender representation in selecting candidates for company designated leadership development programmes in 2024, striving to provide equal opportunities to all employees.



Dairygold employees celebrating Jersey day in support of GOAL (November 2023)

Development and Progression

Mentorship

We currently offer an SLT mentor to all graduates to support their career in Dairygold. As the graduate programme evolves, more leaders and managers across the organisation will be involved as mentors. In 2024 we will pilot a structured mentorship programme to support employee development.

Broader Roll Out of DE&I Training

Addressing our gender pay gap is incorporated into all organisational activities from recruitment practices, advertisements, policies and promotion activities. We are rolling out DE&I training, including unconscious bias training.

We will provide Interview Skills Training workshops to Managers in early 2024 which will include a specific DE&I focus.

Competency Framework

In early 2024, we will publish our new competency development framework, which will outline the individual competencies required by employees to establish clear expectations and assist in their career development.

Flexible Working

Flex Policies

We will continue to review policies and procedures in line with the needs of our people and our business. Alongside Maternity and Parental leave, we offer unpaid and carers leave to our employees. We currently have over 180 people in Ireland availing of hybrid working opportunities, working up to 2 days per week from home.

Recruitment and Retention

We understand that truly embedding DE&I in Dairygold is a journey, and the landscape is constantly evolving. We commit to a process of reviewing our approach to recruitment and retention in our efforts to improve DE&I.

Graduate Programme

We aim to use our graduate programme to focus on attracting and retaining more females. We are also placing a specific focus on recruiting from a more diverse pool of schools and on community outreach initiatives to showcase the variety of roles available at Dairygold.



Dairygold Agri Business Retail employees



Aakash Niture presenting to other Dairygold colleagues

Empowering Employee Voice

We are committing to collect insights from employees across the organisation to gather their views, experiences and feedback on how we can improve the working environment in Dairygold. We aim to utilise these insights as consideration in recruitment initiatives and policy developments.

We propose to introduce an Employee Referral Scheme, to encourage employees to attract new and capable talent, as we believe our current employees are our best advocates for the organisation.

50:50 CVs

Targeting a 50:50 gender balance for CVs screened will help to ensure female talent has a more equal chance of selection for interview. We aim to move towards this target during the next year, starting by ensuring these practices are adopted by recruitment partners working with Dairygold.

This year, we also plan to track our job applications to further analyse the types of applicants our organisation is attracting and how to draw a more diverse candidate pool.

Gender Balanced Interview Panels

We aim to have gender balanced interview panels to promote equality and reduce biases going forward.

Gender Balance Across the Recruitment Process

We are currently exploring adopting a technology solution to help us reduce gender bias in our job advertisements. By adopting technology, Dairygold can ensure recruitment procedures are aligned to best practice DE&I principles and be more accessible to a larger pool of diverse candidates.

Member Representation

Under our DE&I Strategy, Dairygold is also encouraging greater female member share ownership and participation.

This is being achieved by a number of initiatives:

- Encouraging more females to become Shareholders in the Society, in their own right or as Joint Shareholders.
- Advocating greater gender diversity on our Representative Structures, including the Regional Committees, General Committee and Board of Directors.
- Promoting greater diversity and participation through Training and Development, via our Member Upskilling Programme and Young Farmer Member Programme.
- Sponsoring and supporting key events, such as the Dairy Women Ireland Conference in 2023.

Appendix: 2023 Gender Pay Gap Information Act 2021 Reporting Requirements

Snapshot date: 6 June 2023

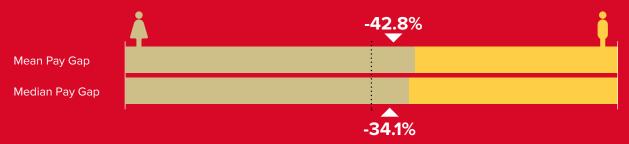
Metric	Percentage %		
Mean hourly pay gap	9.8%		
Median hourly gender pay gap	9.1%		
Mean Hourly bonus gender pay gap	40.1%		
Median Hourly bonus gender pay gap	38.0%		
Percentage of employees per gender who received a bonus	48.8% (F)	31.3% (M)	
Percentage of employees per gender to receive a benefit in kind (BIK)	84.5% (F)	86.3% (M)	
Mean hourly gender pay gap (Temporary)	21.2%		
Mean hourly gender pay gap (Part-time)	-42.8%		
Median hourly gender pay gap (Temporary)	19.7%		
Median Hourly gender pay (Part-time)	-34.1%		
Percentage of employees per gender in the lower quartile	32.4% (F)	67.6% (M)	
Percentage of employees per gender in the middle lower quartile	36.8% (F)	63.2% (M)	
Percentage of employees per gender in the middle upper quartile	28.5% (F)	71.5% (M)	
Percentage of employees per gender in the upper quartile	25.5% (F)	74.5% (M)	

Comparative Analysis

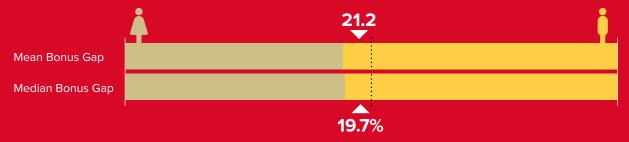
As a whole, we have made small yet meaningful improvements since the 2022 Gender Pay Gap Report. The mean pay gap, median pay gap, mean bonus gap and median bonus gap have all decreased, contributing to closing the gender pay gap. Although the gender pay gap needs to be further improved, the 2.5% improvement demonstrates our commitment to creating a more equitable organisation.

	Mean Pay Gap	Median Pay Gap	Mean Bonus Gap	Median Bonus Gap	% Females receiving Bonus	% Males Receiving Bonus	% Females receiving BIK	% Males Receiving BIK
2023	9.8%	9.1%	40.1%	38.0%	48.8%	31.3%	84.5%	86.3%
2022	12.3%	13.4%	42.5%	38.3%	43.2%	28.4%	83.3%	87.3%
Change	-2.5%	-4.3%	-2.4%	-0.3%	5.6%	2.9%	1.2%	-1.0%

Part-time employees



Temporary Contract employees



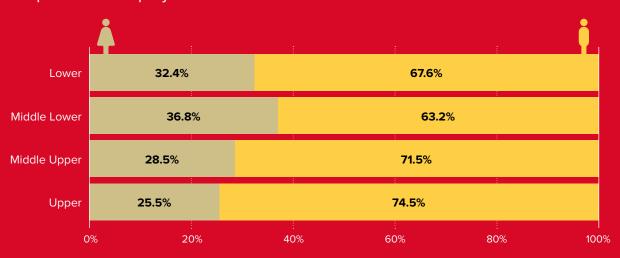
Part-time and Temporary Contract employees

For part-time employees, there is a mean pay gap of -42.8% and a median pay gap of -34.1%. This means that the average part-time female across all organisational levels earns around 42.8% more than the average part-time male across all organisational levels and that the results indicate that the "middle" part-time female earns approximately 34.1% more than the "middle" part-time male. This is partly driven by higher representation of women in part-time roles.

For temporary contract employees, there is a mean pay gap of 21.2% and a median pay gap of 19.7%.

Employee Breakdown per Quartile

Proportion of Employees in each Quartile



Over 70% of roles in the middle upper and the upper quartiles of hourly pay are occupied by males. This contributes to the gender pay gap because these positions offer higher compensation, with the most senior organisational roles in the upper quartile.



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