

GENDER PAY GAP REPORT - FINAL

Introduction

We are pleased to publish our 2023 Gender Pay Gap figures. The report provides a reminder of the Gender Pay Gap legislation introduced by the Irish government last year, a summary of what the term Gender Pay means, and why it matters to ALDI alongside our commitment to equal pay. It also contains our 2023 results, and an update on our ongoing initiatives and continued long-term efforts to reduce ALDI's Gender Pay Gap over the coming years.

Diversity and Inclusion continues to be at the forefront of the way we work at ALDI. We know that in a diverse and inclusive environment, there's space for great people to do great things. Building an equitable process helps us attract those people wherever they are.

The introduction of the Gender Pay Gap legislation last year ensures that we continue to look at the progression of women into senior roles, review succession planning, recruitment and talent development processes and understand what we need to do better. We know that meaningful change will take time, and there are no quick fixes. We remain fully committed to supporting the progression of women in ALDI.

To learn more about diversity and inclusion at ALDI, and our **Embrace Strategy**, visit [ALDIrecruitment.ie/diversity-inclusion](https://aldirecruitment.ie/diversity-inclusion)

Reporting on our Gender Pay Gap

In 2021, the Irish government introduced a Gender Pay Gap legislation enforcing employers with more than 250 employees in Ireland to report their Gender Pay Gap on an annual basis. We published our first report in December 2022, and we are now pleased to provide our report for 2023.

The legislation requires us to take a snapshot of our data at a date in June 2023 and publish our results by the same date in December 2023.

A reminder of what Gender Pay means

Gender Pay is not the same as equal pay, and it's important to distinguish between them as the two can often be confused.

Gender Pay measures the difference between the average pay of all men in the workforce and the average pay of all women in the workforce, regardless of type or level of role. It's a group comparison that highlights any differences in the distribution of men and women across the workforce.

Equal pay measures the difference in the pay of men and women doing the same role, similar role or work of equal value. It's an individual comparison that highlights if there are any differences in pay related specifically to gender.

At ALDI, our colleagues' pay depends solely on their job and how long they have worked for us. As no other factors are taken into account when determining pay, we're confident we do not have an equal pay issue at ALDI. While a company can deliver equal pay to individual men and women, it can still have a gender pay gap. This is due to a range of factors that have historically impacted the progression of women in the workplace. The most recent average pay gap in the EU is 13.0%¹, and according to a report published by PWC, the average pay gap for Irish companies published in 2022 was 12.6%.

In this report, we will focus on Gender Pay.

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Measuring Gender Pay

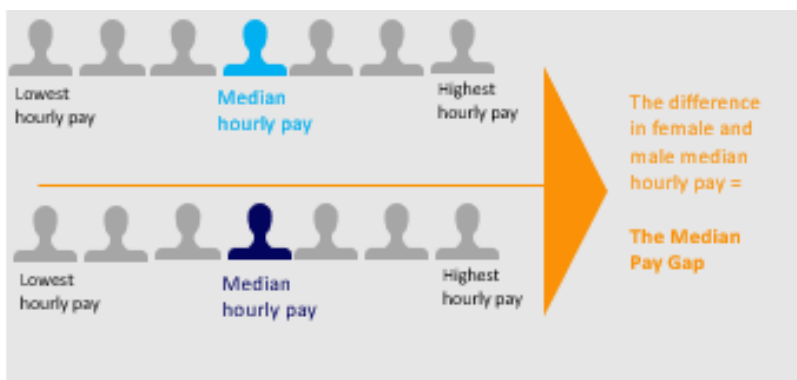
We are required to report on a number of statistics when measuring gender pay. These are:

- The **median and mean** hourly pay gap
- The bonus pay gap
- % of employees receiving bonus
- % of employees receiving benefit in kind (BIK)
- Our pay quartiles

¹As reported in 2021 by Eurostat – statistical office of the European Union.

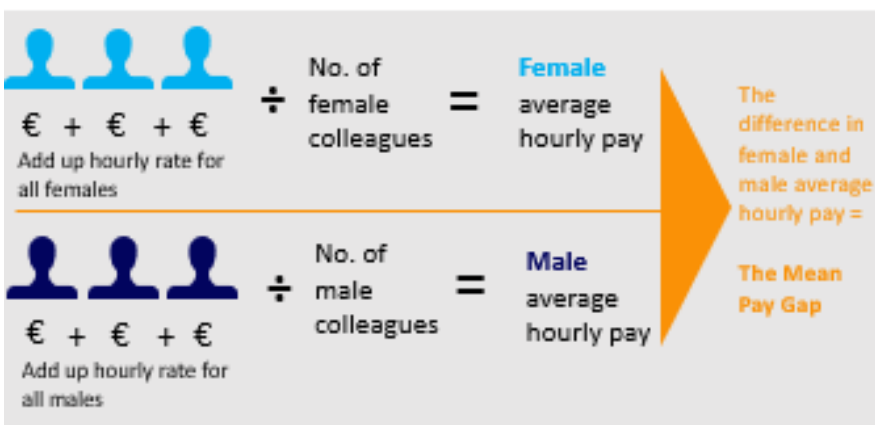
What is the Median Pay Gap?

The Median Pay Gap finds the woman who earns more than half the other women in the company, and less than the other half – the one right in the middle – and compares her earnings to the man in the same position.



What is the Mean Pay Gap?

The Mean Pay Gap is the difference between the average hourly rate of pay for women, compared to the average hourly rate of pay for men.



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Our 2023 Gender Pay results

Measuring our Pay Gap

Median Pay Gap

All employees 2.56%

Part-time employees 1.24%

Temporary employees -24.38%

For 2023, our median pay gap is 2.56%. This result reflects that most of our roles are store roles, and our practice of determining pay based solely on job type and tenure in the role. Our median gap for temporary employees has increased in 2023 in favour of women. This figure can change significantly each year through changes in people joining and leaving the company throughout the year.

Mean Pay Gap

All employees 12.49%

Part-time employees 2.15%

Temporary employees -14.47

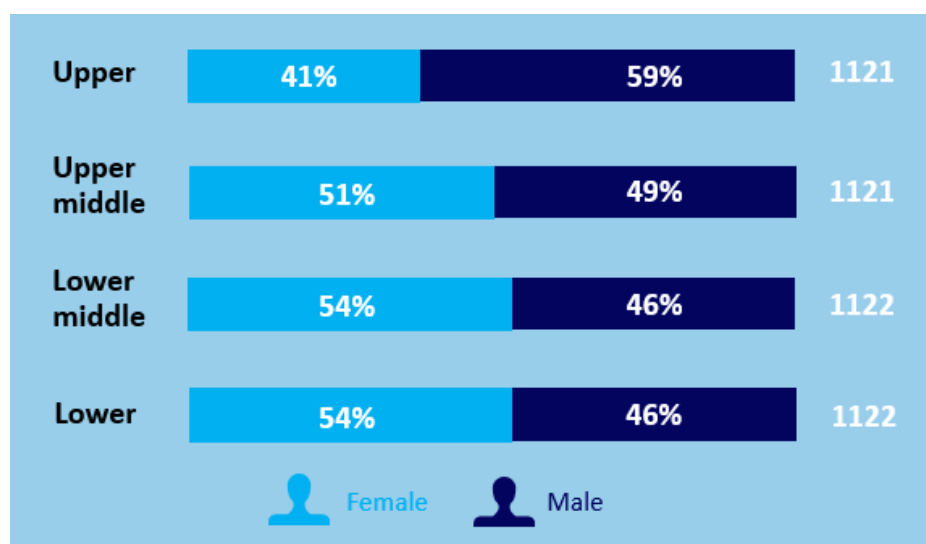
Our Mean Pay Gap for 2023 is 12.49%, a small reduction on our 2022 figures in favour of women. This number means the average hourly pay for females is 12.49% lower than that of males. This compares to the most recent EU average of 13%¹ and the 2022 average pay gap for Irish companies of 12.6%, as reported by PWC. So, while we remain broadly in line with organisations across Europe and Ireland, we know, like others, we must continue our efforts to address the gap. Our mean gap for temporary employees has increased by 7.07% in 2023 in favour of women – again this figure can change significantly each year through changes in people joining and leaving the company.

We know that the key contributing factor to this gap is the higher proportion of men in more senior, higher-paid roles. We also know that this is not a quick fix and that change takes time. We remain committed to addressing this issue and later in this report we have provided an update of the work we will continue to do to reduce the gap in the years ahead.

Our Pay Quartiles

We are also required to rank the pay of all employees from lowest to highest and split our workforce into four groups based on hourly pay. We then show the proportion of male and female colleagues within each of the four pay quartiles.

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Here you can see our upper quartile, and the highest-paid employees within ALDI, is made up of 59% men and 41% women. We know that this remains the key contributing factor to our mean Gender Pay.

¹As reported in 2021 by Eurostat – statistical office of the European Union.

Measuring our Bonus Gap

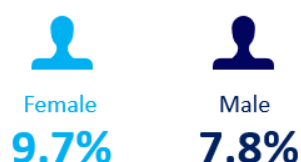
Median Bonus Gap: 0%

We are delighted to share that we do not have a median bonus gap at ALDI. This reflects that, within the small portion of our salaried workforce that receive bonus, we continue to offer the same bonus opportunities as we all contribute towards ALDI's business objectives.

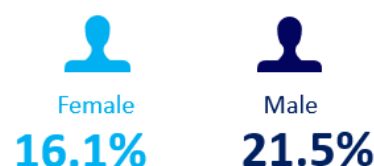
Mean Bonus Gap: -3.9%

There is a small difference in our mean bonus gap in favour of women. This reflects that in addition to our regular bonus arrangements, salaried employees can receive, for example, retention and referral payments and a slightly higher proportion of women received these in 2023.

% of employees receiving a bonus



% of employees receiving benefit in kind (BIK)



Our 2023 update on addressing our Gender Pay Gap

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Last year, we told you about our commitment to address our Gender Pay Gap over the coming years through various initiatives and programmes across ALDI. Below is an update on our ongoing initiatives and continued long-term efforts to reduce the gap and promote the progression of women at ALDI.

Women in Leadership Mentorship programme

In 2022, we were in the process of developing our Women in Leadership Programme. We're delighted to report that the pilot programme was officially launched in September 2023, with both mentors and mentees attending a series of workshops throughout the year.

The objective of this programme is to support diversity and gender balance at senior management levels by ensuring female talent is more visible. We look forward to the next phase of the programme as we continue to roll it out across the business.

Flexible working

We continue to offer flexible working opportunities to support our colleagues' personal circumstances, including:

- Retail colleagues: We offer a number of different contracts to our employees, starting at 15 hours per week for our store staff. Colleagues can also request to flex their standard hours up or down to suit their personal circumstances.
- Store Managers: They can request a shorter working week and we will work with each colleague on an individual basis to assist with their personal circumstances.
- Office colleagues: We have a hybrid working policy where colleagues can work 2 days at home and 3 days in the office. They can also speak with their manager to request part-time working hours, and this is reviewed on a case-by-case basis.

Attraction and Selection

We remain committed to ensuring equal opportunities are offered throughout our selection process, and we continue to ensure that all our recruitment materials represent the growing diversity within our business.

Diversity and Inclusion Training

We continue to provide Diversity and Inclusion training for Executive Managers and above. Recognising the importance of this topic and the ongoing success of the training, we're delighted to report that the offering has now been extended to include all Store Managers. This aims to ensure our managers have the tools and language required to have positive conversations about diversity and inclusion.

Employee Listening

Listening Groups continue to feature as part of our Embrace strategy to ensure we are delivering on the most pertinent topics and the needs of our colleagues and wider business.

In 2023, our Listening Groups focused on better understanding the potential blockers to progression for female colleagues within the organisation, better understand the lived experiences of women and to gauge the nuances of working in different roles and departments across the business. The focus groups provided an opportunity for colleagues to share their experiences in their current roles, opportunities for progression, and perceptions of potential blockers to that progression.

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We will continue to look at ways we can listen to our colleagues and use these insights to continue to make positive changes at ALDI.

We will continue to review our progress regularly and focus on the areas where we need to do better. We remain committed to providing a diverse, inclusive and supportive workplace and clear and equal opportunities for all colleagues to progress their careers and continue to do great work at ALDI, regardless of their gender.

Each year, as we publish our results, we will remain transparent around our numbers and the reasons behind them, and we will continue to provide updates on ongoing and new initiatives taking place across ALDI to address our gap and improve the progression of women at ALDI.