



Kellanova Ireland

Gender Pay Gap Report 2023



Introduction

A place at the table for everyone

Kellanova, formerly known as Kellogg Company, has a vision to become the world's best performing snacks-led powerhouse. Our 100-year legacy, trusted brands and talented colleagues will help make this a reality and continue to create a place at the table for everyone.

We are proudly committed to advancing sustainable and equitable access to food and promise to deliver 'Better Days' for 4 billion people by 2030. Understanding and embracing Equity, Diversity and Inclusion (ED&I) is pivotal to achieving this goal.

Respecting, valuing and welcoming all individuals helps us to thrive daily as a progressive organisation. ED&I feeds innovative thinking, new opportunities and fair ways of working. It positively influences how our organisation operates to support our overarching belief that good business does good for our communities, planet and people.

We actively encourage ED&I by ensuring our colleagues have a voice, and one that's always heard. We have several BERGs (Business Employee Resource Groups) that empower employees to address what's important to them, their colleagues, customers and the millions of families that choose and enjoy our food.

We aspire to achieve gender parity across our organisation and in December 2022, three years ahead of schedule, we reached our goal of 50:50 gender representation at manager level and above across Europe. We strive to be a global pay equity leader and are confident that we pay men and women equally for the same job. In 2022, independent analysis shows that we pay women 99.3% of the majority of counterparts globally.

In 2019, we became signatories of the LEAD Network 50:50 pledge. Partnering with the Network supports our ongoing efforts to attract, retain and develop a diverse workforce. This year, we've been excited to build on this with the co-founding and co-chairing of Ireland's first LEAD chapter to continue to facilitate discussions and actions around gender diversity, inclusion and equity in Ireland.

With Ireland being the home of our European head office, it is important for us to drive the advancement of the Irish FMCG industry, so that, irrespective of gender, all individuals are valued, rewarded and developed.

We are passionate about improving gender parity and will continue to invest in policies, processes and practices that embed and enrich ED&I throughout the decisions we make and the actions we take.

Kellanova is immensely proud to be an organisation that embodies forward momentum and creating a vibrant culture where everyone can thrive. ED&I is a bedrock of this and helps us all to excel in the interests of the colleagues, customers and communities that we represent.

We believe our benefits and progressive policies are leading the way to create a seat at the table for everyone. However, we recognise that we are on a continued journey and we are committed to taking real actions, not just words, as we strive to foster equity, diversity and inclusion at Kellanova.



Tammy Winnie
VP Human Resources,
Kellanova Europe

Understanding our Gender Pay Gap Report



What is the gender pay gap?

Kellanova is proud to have an equal pay approach that is non-discriminatory and removes any inequality in reward and remuneration to value everyone in the roles they fulfil. Equal pay involves direct comparison of people who are performing equal or comparable work in the same or similar jobs. This is the high standard we hold ourselves to globally and across Europe.

This is different from gender pay gap, which is a measure of the difference in the average pay of all men and women across an organization, irrespective of role, seniority, and the nature of the work. This is also an important metric in that it can indicate a discrepancy in the type of work being done by men and women on average, and the impact on average compensation as a result. The analysis in this report focuses specifically on the gender pay gap reporting requirements, including:

- The difference between the mean (average) and median (middle) pay of male and female employees, split as: 1) All employees; 2) Part time employees only; and 3) Employees on temporary contracts.
- The difference between the mean and median bonus pay of male and female employees,
- The percentage of male and female employees who were paid a bonus in the previous year,
- The percentage of male and female employees who received Benefits in Kind (BiK) in the previous year,
- The proportion of male and female employees employed in quartile pay bands (where the list of employees is put in pay order and split into quarters).



Our reporting is based on payroll data from the preceding 12 months, as of 10 June 2023 (referred to as the relevant date). This includes all types of pay, allowances and BiK provided during this period. The majority of bonuses included are from our Annual Incentive Plan (AIP). When considering long term incentives, we report on the value of the options granted at the time – not when exercised.

Equal Pay

Men and women are paid the same for like work



The Gender Pay Gap

The difference in average hourly earnings between all men and women across an organisation



Bonus, is by definition, any additional pay relating to profit sharing, productivity, performance, incentive or commission in the form of money, vouchers or shares, share options or interests in shares. The majority of the bonuses we included are from our AIP. It also includes the value of any share options granted.

What is the difference between 'mean' and 'median'?

Mean

The mean gender pay gap is the difference between the average hourly earnings of men and women.

Median

The median pay gap is the difference between the midpoints in the ranges of hourly pay of men and women. We take all pay in the sample, list them in order from lowest to highest, and pick the middle salary.

Our gender pay data 2023

(as of the relevant date)

Ireland is home to Kellanova's European head office and four legal entities. In line with requirements for gender pay gap reporting, we have included data from our only legal entity that has 250 or more employees in the Republic of Ireland; Kellogg Europe Trading Limited (KETL).



KETL accounts for 88% of Kellanova's total headcount at the Ireland office, with this split:

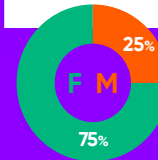
187 females



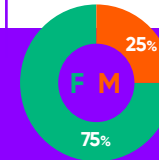
99 males



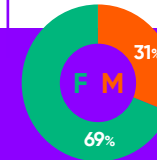
Lower Quartile:



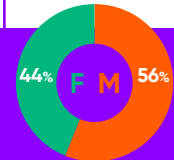
Lower-middle Quartile:



Upper-middle Quartile:



Upper Quartile:



Mean pay gap

43.79%

35.22%

Median pay gap

Part-time Employees
Mean and Median N/A

9 females



0 males



Temporary Employees
Mean = 40.68% Median = 40.68%

10 females



5 males



Bonus Pay (based on 251 people receiving bonuses)
Mean = 70.90% Median = 56.23%

87% of females received bonus pay



89% of males received bonus pay



Proportion Receiving
Benefits in Kind

86% females



86% males



About the data

The Median Gap – the gap between the hourly rate of the middle point of each gender:

- The gap is larger this year due to a change in the female role at the middle point, which for women is at the level of a "junior manager" while the middle point for men is at the level of a "senior manager".
- This shift from 2022 is primarily due to changes in population distribution resulting from an increase in the number of women hired into lower level roles.

The Mean Gap – the difference between the average hourly earnings of men and women:

- The gap has grown this year due to an absence of females in VP+ level roles.
- Looking at a more granular level to reflect our grading structure:
 - Individual Contributors: The pay gap is negative, meaning that on average, females earn more than males at this level.
 - Managerial levels: The pay gap is circa 8%, which is less than last year
 - Directors: The pay gap is 6%.
 - Senior Directors: The pay gap is negative, meaning that on average, females earn more than males at this level.

Kellanova's European head office is a hub for talent, welcoming and hosting many colleagues from our global organisation's different legal entities. This involves developing female talent within our Ireland office, who are not employed by KETL and who go on to fulfil senior roles within our European business. These colleagues are not included in our gender pay data.

Our level of females eligible for bonus pay remains the same as last year. Both females and males appear as ineligible in this bonus cycle, which is mainly due to their hire date.



Closing the gap

Data-driven progress

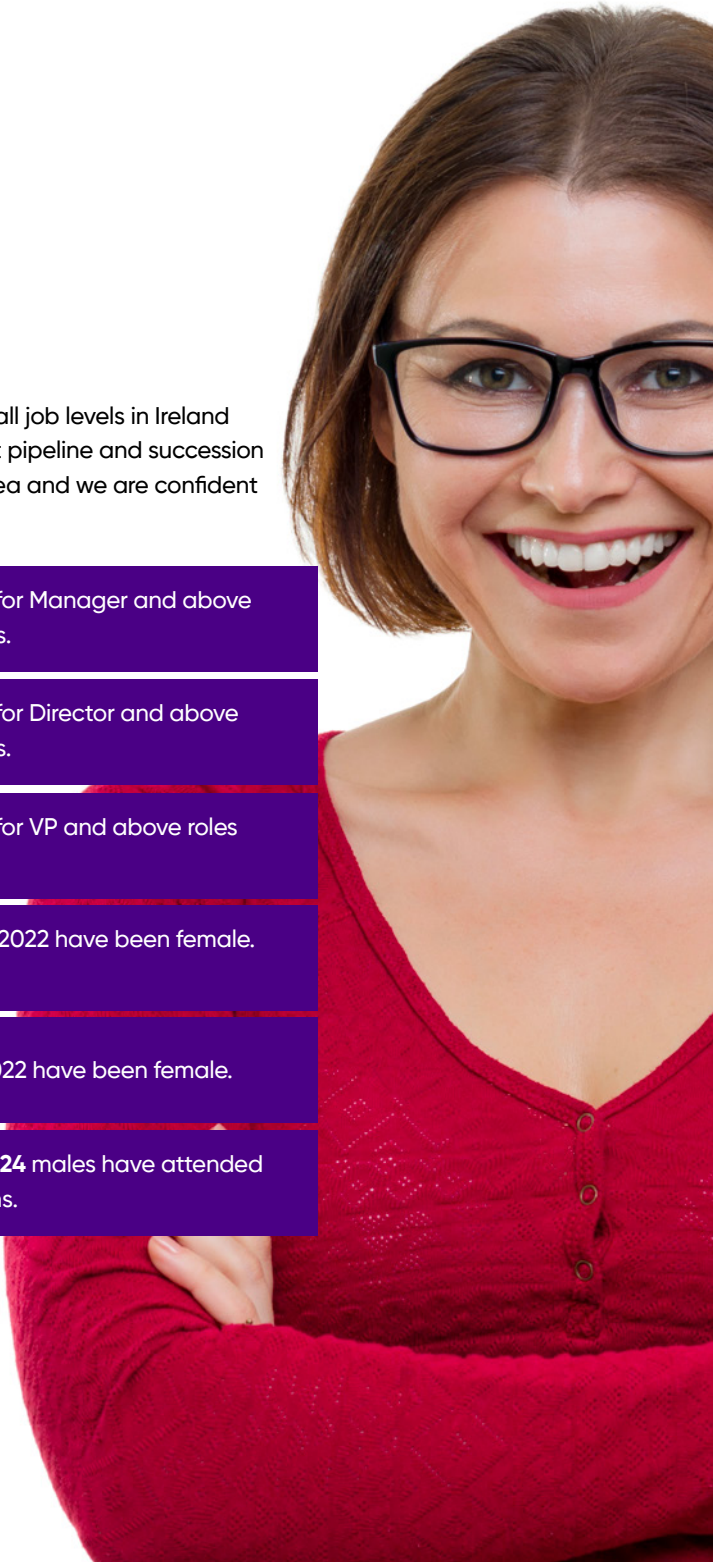
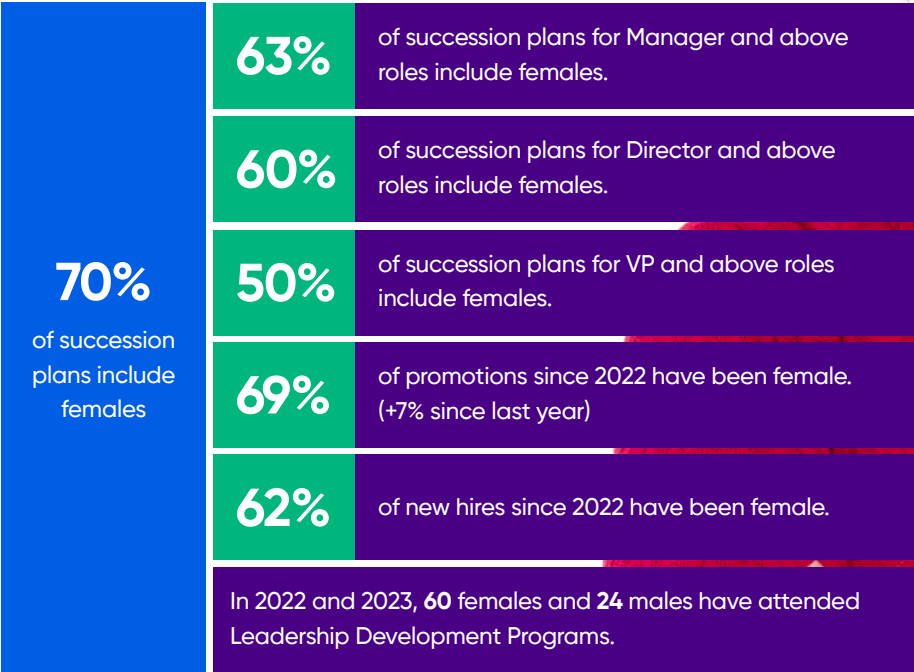
- As part of our commitment to enhancing ED&I, we utilise data-driven insights to make practical and impactful decisions that advance equity and equality. Our People Dashboard helps pinpoint opportunities to maintain the momentum of gender parity across all leadership roles.
- The continued development of female talent is supported by our annual talent cycle, which involves:

Annual talent review
Key emphasis on succession planning and diversity.

Quarterly People Development Committees (PDCs)
Accelerates talent development in readiness for future opportunities.

Quarterly scorecard
Reviewed with our European Leadership Team to analyse gender demographics and develop solutions for progressing female representation at senior levels.

- We take a long-term view of gender parity across all job levels in Ireland and are striving to strengthen diversity in our talent pipeline and succession planning. Plenty of work remains ongoing in this area and we are confident that we are heading in the right direction:



Closing the gap

Attraction & Advancement

- We build recruitment strategies around ED&I to support ongoing efforts to enrich the diversity of our workforce. For example:
 - Our job adverts proudly communicate the fact that, three years ahead of schedule, we achieved our goal of 50:50 gender representation in mid-management levels and above, because we believe this attracts a wider range of candidates from diverse backgrounds.
 - We continue partnering with myGwork (a business community for LGBTQ+ professionals, students and inclusive employers, and anyone who believes in workplace equality) by advertising all career opportunities on their platform.
 - This year, we formed a new partnership with a business community of professionals of African descent in Ireland – APNI (African Professional Network of Ireland) – and attended the 2023 APNI Career Fair.
- Following a successful pilot last year, we've launched 'Seek Out' inclusive recruitment training with our hiring managers. This is a mandatory, robust and immersive learning experience for hiring managers who initiate a recruitment process and helps to improve genuinely unbiased and inclusive recruitment processes.
- Our 'Leadership Lab' pilot programme was launched this year, with a cohort of senior people managers taking part in a five-month blended learning experience. This equips them with the core leadership skills and knowledge required to cultivate inclusivity during talent attraction, development, engagement and retention. Next year sees the start of the rollout of the programme to all people managers – a step that extends learning and development and helps sustain our ED&I ambitions and progress.
- Training programmes help us to promote organisation-wide understanding of ED&I. We continue to run Google's #IamRemarkable Training, our e-learning unconscious bias training, our 'Change Makers' programme, which helps develop a foundational understanding of key aspects of ED&I, and our new ED&I microlearning (i.e. Allyship, Microaggressions & Microaffirmations).
- We've focused on allyship this year to evolve inclusivity. We are running a pilot with MARC (Men Advocating Real Change) that concentrates on male allyship and involves 15 business leaders. Following the pilot, we will evaluate and agree the possibilities for implementing this as a formal programme.
- In 2023, we launched our new Employer Value Proposition. We are communicating stories about our benefits, culture and career progression opportunities to show what makes Kellanova a progressive employer and to support diversity during talent attraction and retention.
- We want to ensure our colleagues can grow and flourish in their roles. Last year, we launched our first ASPIRE – Women In Leadership Programme in collaboration with Talking Talent. This transformative nine-month programme supports and develops our high-performing female talent in Europe and has already helped advance the leadership skills of 48 female employees. This is now a permanent leadership development offering and we have further cohorts planned for 2024, which will help develop female talent within mid-to-senior level roles.

Closing the gap

A workplace where we all BELONG

- We are proud of the progress we're making through our partnership with LEAD (Leading Executives Advancing Diversity Network). We signed the LEAD Network CEO Pledge in 2019 to support our commitment to gender parity and, three years ahead of schedule, managed to achieve the 50:50 goal of gender representation for all leadership levels across Europe. This year, we've co-founded and co-chaired the first LEAD Chapter in Ireland, which will enable us to continue to develop a diverse local network and harness further opportunities for gender parity. We have 575 LEAD members across Europe and ten volunteers who play an active role in the LEAD Education Committee and heading-up local chapters.
- KETL participated in the Seramount Inclusion Index 2023 for all Ireland employees. The Index was launched to help organisations with corporate efforts at hiring and promoting women, the ability to measure other under-represented groups on a country-specific basis, creating inclusive cultures, and holding country leaders and managers accountable for results. Being part of the Index helps us to understand any trends and gaps in ED&I and create solutions for improving best practice.
- Our people help make us a progressive organisation, where promoting ED&I helps our culture thrive. Empowering colleagues makes this a reality and our BERGSs (Business Employee Resource Groups) are crucial to this. Our annual theme this year has been Allyship - #WeAreAllies - with all BERG events and activations focused on demystifying allyship for the diverse communities within our organisation, showing areas of intersectionality and educating our colleagues and leaders about allyship behaviours. In 2024, we will be embracing a global theme of 'Belonging'.
- This year, Kellanova has been honoured with the title of 'Best International Company' at the first-ever Menopause Workplace Excellence Awards in Ireland. We are excited about this win and embrace it as a reminder that, although best practice is being recognised, we need to continue building our culture of understanding, empathy and support. We will continue to focus efforts on family policies across Europe to create a consistent approach, regardless of where people are based or their length of service. We launched our Domestic Abuse policy this year, which follows the introduction of our Menopause, Fertility and Pregnancy Loss policies in 2021. Policy reviews remain a valued priority, as we strive to continually make improvements.
- Our continued partnership with Talking Talent (an online coaching platform for expectant and existing parents and caregivers) provides an opt-in choice for anyone who has extended their family through birth, adoption or surrogacy or has caring responsibilities. Managers can also use the platform and can seek guidance and support about how to best support colleagues.
- We embrace hybrid working as a powerful tool for unlocking our high performing culture. To support this, we operate a 'Locate for your Day' policy, enabling office-based colleagues to work from a place that most suits them. It is discussed at recruitment stage and applicants are actively encouraged to take a hybrid approach to working.



Closing the gap

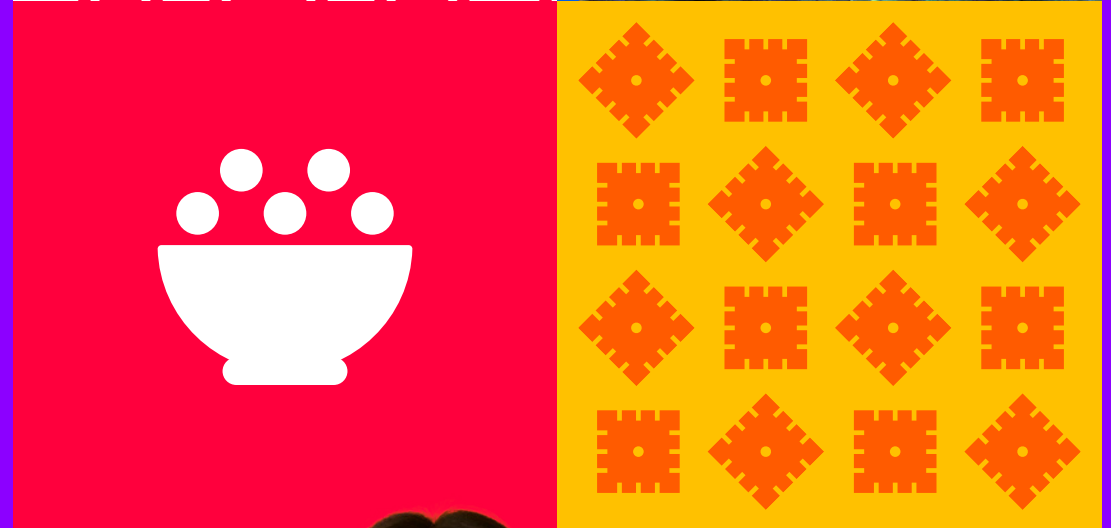
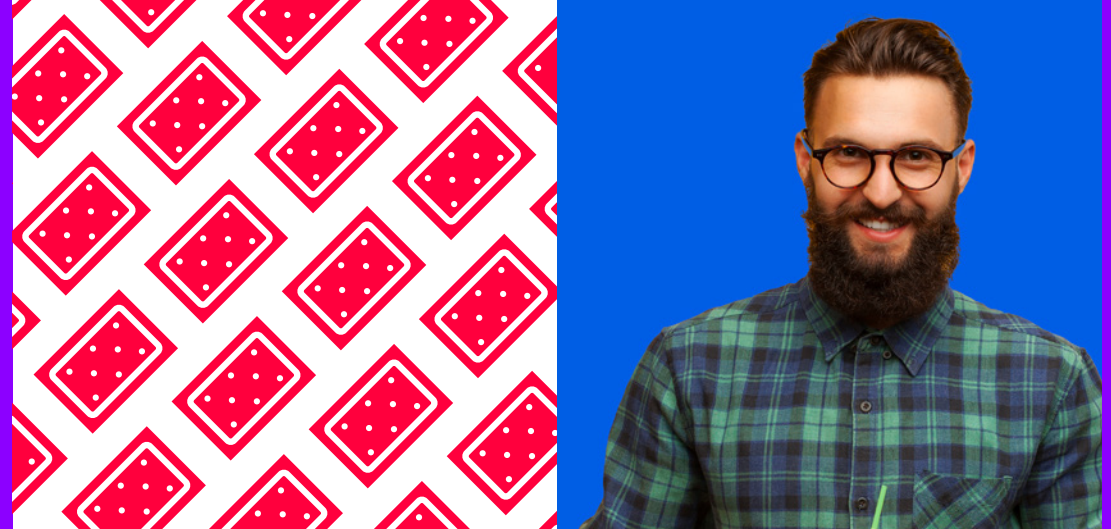
Global Pay Equity

At Kellanova, we strive to be a global pay equity leader and are confident that we pay women and men equally for the same job. Last year, research by an independent capital firm showed that, when comparing similar roles, we pay women 99.3% of the majority of their counterparts at a regional level, in Kellanova Europe. As part of continued efforts to close the pay gap, our leaders and managers work closely together with our HR teams. A quarterly exercise started this year, which focuses on identifying gaps and bringing together all relevant parties to create solutions that will drive parity. We are confident that this exercise will help us to sustain our pay equity target.

Our annual salary increase cycle involves managing cases of employees who are lower placed in the salary range, by using an algorithm that assigns a higher percentage increase. In the 2023 cycle, we made an additional investment to support our lowest-paid employees cope with the financial impacts of rising living costs and inflation.

We also consider pay relativity, to ensure pay equity when making remuneration decisions during recruitment, promotions and lateral moves.

Finally, as part of our plans for next year, we will be building a capability module about pay equity for HR and people managers, which will include tools, actions, and recommendations.



In conclusion

We continue to empower colleagues, put practices and policies in place, and form partnerships that make ED&I a fundamental part of the thriving culture of Kellanova. Ongoing efforts are achieving progress and driving positive change that's appreciated by our colleagues, customers and communities.

Together, we are creating an organisation that is for everyone and where everyone belongs. We are immensely proud of this and take even greater pride in the fact that we know equity, diversity and inclusion have no end point. For us, embracing ED&I is an ongoing journey, where there will always be possibilities to grow, to challenge ourselves and to realise new opportunities.

We remain confident that our people, plans and partnerships will continue to take us forward on this journey, ensuring we strive towards creating a culture that embraces everyone for who they are and ensures equity and belonging for all.

There's a welcome place for everyone at our table.



OUR ED&I VISION

We're committed to our journey of creating a place at the table for everyone with a culture that embraces differences and ensures equity and belonging for all.