

# UK GENDER PAY GAP

Report 2023

## UK GENDER PAY GAP: OVERVIEW

#### UK COMPANIES WITH MORE THAN 250 EMPLOYEES ARE REQUIRED TO REPORT THEIR GENDER PAY GAP EACH YEAR.

## WE BELIEVE IN EQUAL PAY FOR THE SAME ROLE

We are confident that men and women in our business are paid fairly. We have detailed guidance setting out our approach to remuneration globally and a process to ensure that pay decisions are fair.

## HOW DOES IT APPLY TO OUR BUSINESS?

Within the William Grant & Sons (WG&S) group, we have a number of different employing entities. In previous years, we have reported on both William Grant & Sons Distillers Limited and William Grant & Sons employees in the UK. At this time, William Grant & Sons Distillers Limited was the only entity with more than 250 employees and so was the only part of the business on which we were legally required to report. However, we chose to go beyond our minimum legal obligations to increase transparency and openness.

This year, our report will include figures representing WG&S Limited, as this entity now has more than 250 employees. While reporting on WG&S Limited has undoubtedly contributed to a change in William Grant & Sons' overall figures, this data helps us to identify gaps and put in place interventions to help us make William Grant & Sons a truly inclusive company and 'a home where Rare Characters thrive'.



## GENDER PAY GAP DEFINITION

Key terms 🐔

#### Mean pay gap

The percentage gap in the average hourly pay between men and women.

#### Median pay gap

The percentage gap in the mid-point of hourly pay between men and women.

#### Mean bonus pay gap

The percentage gap in the average bonus between men and women.

#### Median bonus pay gap

The percentage gap in the mid-point bonus pay between men and women.



## WILLIAM GRANT & SONS DISTILLERS LIMITED

## GENDER PAY GAP 2023

We have seen a decrease in both the mean and median figures this year. This is due to multiple contributing factors, including a one-time additional payment made to all colleagues, and increased efforts in the Diversity, Equity & Inclusion (DE&I) space. Together, these factors have contributed to a decrease of 12.4% in our mean pay gap and a 5.4% reduction in our median pay gap since the figures were first published in 2017.

While there has been a slight improvement to the percentage of females in both the upper and lower middle quartile, there is a noticeable decrease in female representation within the upper middle and lower quartile. A number of factors could contribute to the difference in gender representation per quartile, including: the locations of the distillery sites, a lack of awareness within the jobs market of the variety of roles within distribution and manufacturing, and the proportion of roles that require inflexible shift patterns. Whilst shift work changes monthly, depending on business needs, volume, demand and availability, the data highlights that only 20% of shifts paid during this period were worked by females.

#### Hourly gender pay gap



#### Bonus gender pay gap

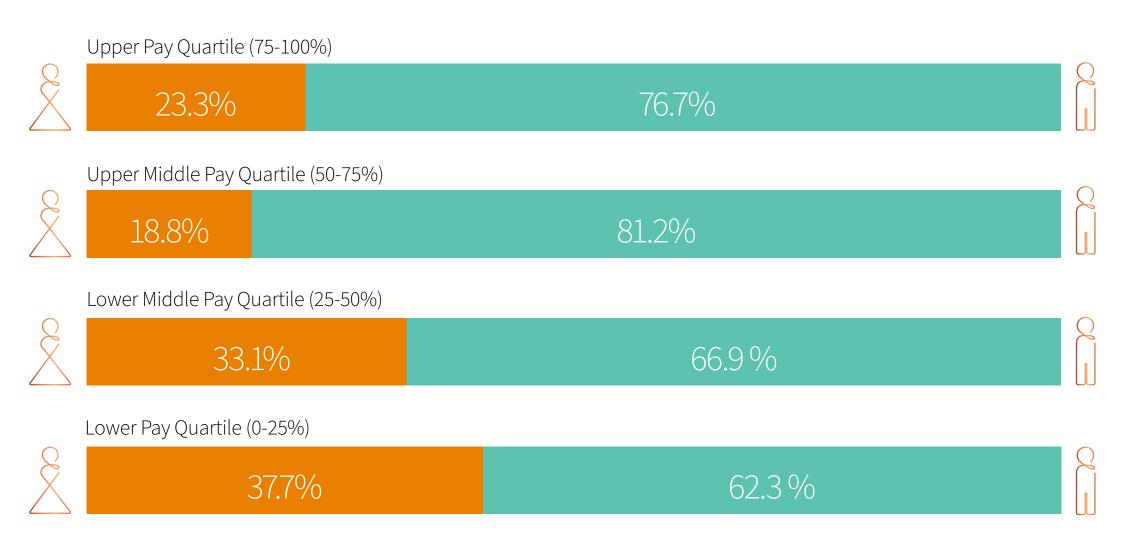


<sup>\*</sup>The reason why the proportion of employees receiving bonus is less than 100% relates to the date the employee starts with the business. Our performance year runs from 1 January to 31 December and employees must be employed by 30 September of the relevant performance year to receive a bonus payment (which is typically paid in the following March). Further, if an employee leaves/is under notice when the bonus would be payable, they would not be eligible for bonus.

#### Proportion of women and men receiving bonus\*



#### Proportion of employees in each pay quartile band



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## WILLIAM GRANT & SONS LIMITED

Hourly gender pay gap

2023

25.4%

12.9% Median

Bonus gender pay gap

2023

69.9%

Mear

15.9%

Median

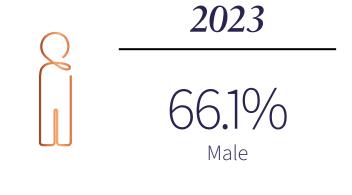
WG&S Limited is a growing part of our business and accounts for 18% of UK relevant employees. Due to continued business growth, this is the first year that we have reported on the WG&S Limited entity. One consequence of it being the first reporting cycle means that there are no previous figures to compare it against.

In comparison to the overall figures in the UK, both the hourly and bonus pay gap for WG&S Limited are significantly higher than those in WG&S Distillers Ltd and WG&S employees in the UK. This can be attributed to the Executive Board members falling within this entity, in addition to a large proportion of females occupying roles within the lower pay quartile.

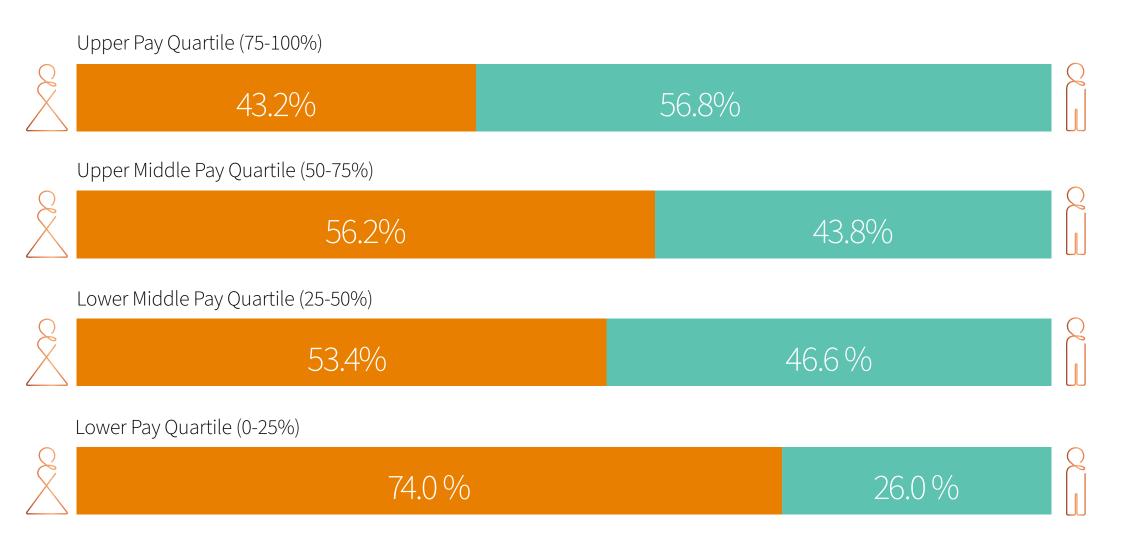
The bonus pay gap can also be explained by the contrast in female representation across role levels.

#### Proportion of women and men receiving bonus\*





#### Proportion of employees in each pay quartile band



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## WILLIAM GRANT & SONS ALL UK COLLEAGUES

(INCLUDING WILLIAM GRANT & SONS DISTILLERS LIMITED AND WILLIAM GRANT & SONS LIMITED)

Hourly gender pay gap

2023

Bonus gender pay gap

2023

26.6%

Mear

4.4%

Mean

2.5% Median

-3.2%

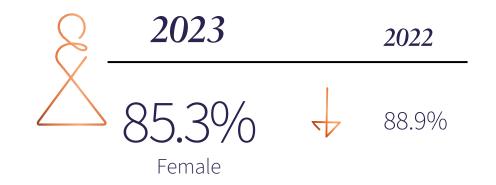
Median

The total population of all William Grant & Sons employees in the UK includes those within William Grant & Sons Distillers Limited. The majority of employees in WG&S Distillers Ltd work within our operational sites in Scotland. These sites are primarily distilleries and manufacturing, which equates to 59% of our overall UK workforce. With a high proportion of our workforce sitting within WG&S Distillers Ltd, it is positive to see that our mean pay gap has remained consistent this year and that we have recorded a further 5.1% reduction in our median pay gap.

Whilst the proportion of male and female employees who received a bonus within the overall UK population is equal, the data indicates that there is a significant increase in the mean bonus pay gap this year and a decrease in the median bonus pay gap.

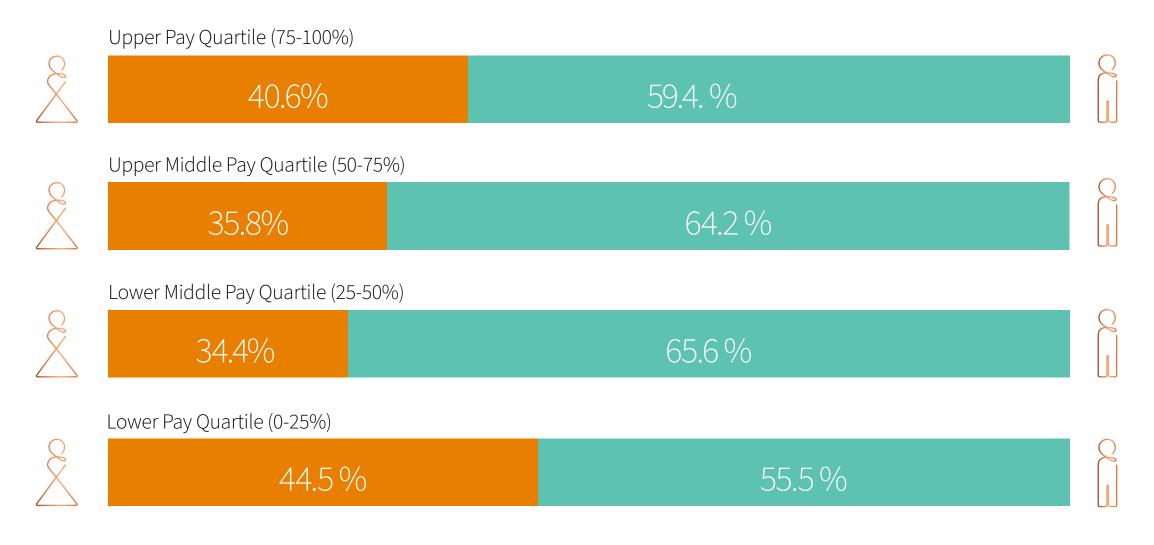
The fluctuation in the mean bonus pay gap can be explained by improvements made to our reward and benefits offering. We saw an increase in employees choosing to divert their bonus to their pensions. This means that parts of their bonus payments would not be included in the pay gap calculations, impacting the overall figures. The median bonus pay gap suggests that the bonus gap is in favour of the female population.

#### Proportion of women and men receiving bonus\*





#### Proportion of employees in each pay quartile band



UK GENDER PAY GAP REPORT 2023

<sup>\*</sup>The reason why the proportion of employees receiving bonus is less than 100% relates to the date the employee starts with the business. Our performance year runs from 1 January to 31 December and employees must be employed by 30 September of the relevant performance year to receive a bonus payment (which is typically paid in the following March). Further, if an employee leaves/is under notice when the bonus would be payable, they would not be eligible for bonus.

## CLOSING THE GAP

## OUR ACTIONS IN 2023

- ✓ We defined the parameters of success by creating areas of DE&I focus and action.
- ✓ Focussed on using a data driven approach to identify gaps and develop targeted actions.
- Reviewed the recruitment processes to reduce barriers to entry.
- ✓ Continued to prioritise learning through the delivery of our Thrive programme.
- ✓ Designed and launched a new Dignity at Work workshop for Team Leaders to enable them to maintain a supportive work environment for their teams.
- ✓ Launched our Parents & Caregivers network, which is our seventh network and aims to build knowledge and understanding, promote connectivity and encourage advocacy across the Company.
- ✓ Reviewed our Private Medical Insurance which now provides gender identity support, specialist menopause care and hormone assessment.

## OUR COMMITMENT FOR 2024 AND BEYOND

At William Grant & Sons, we want everyone to feel that they belong, and we are committed to building a safe, inclusive, and welcoming environment, where all our colleagues feel valued and respected at all times.

#### DE&I remains a priority for the business and looking forward we will:

- Launch a new Company DE&I ambition that is supported by a clear action plan.
- Identify our key priorities for the year and clarify the initiatives aligned to each priority that will continue to drive change.
- Focus on DE&I governance processes to ensure that we are set up for future success.
- Launch DE&I focussed recruitment training.
- Continue to support and empower our networks to promote inclusion and help bring our DE&I priorities to life.
- Expand on our approach to data by standardising outputs and frequency of data.
- Partner with diversity job boards to enhance our route to market and further promote diversity of thought, background and experience.

#### DECLARATION

I confirm that the information reported is accurate, as at the snapshot date of 4 April 2023.



# APPENDIX

#### (COMPARISON OF 2023 FIGURES V 2022/2021/2020)

Hourly Gender Pay Gap	A	ALL WG&S EMPLO	DYEES IN THE UI	K	WG&S DISTILLERS LIMITED				
	2023	2022	2021	2020	2023	2022	2021	2020	
Mean Pay Gap	4.4%	4.4%	8.7%	11.1%	4.7%	9.8%	10.1%	11.8%	
Median Pay Gap	2.5%	7.6%	7.4%	7.1%	5.1%	9.1%	8.1%	9%	

Bonus Gender Pay Gap	A	ALL WG&S EMPLO	OYEES IN THE UI	K	WG&S DISTILLERS LIMITED				
	2023	2022	2021	2020	2023	2022	2021	2020	
Mean Pay Gap	26.6%	9.4%	24.8%	41.7%	10.4%	16.5%	30.5%	39.0%	
Median Pay Gap	-3.2%	1.9%	7.3%	3.4%	9.0%	7.9%	0.0%	0.0%	

Proportion Receiving Bonus	A	ALL WG&S EMPLO	DYEES IN THE UK	<	WG&S DISTILLERS LIMITED				
	2023	2022	2021	2020	2023	2022	2021	2020	
Female	85.3%	88.9%	93.8%	70.5%	90.2%	94.8%	98.1%	95.7%	
Male	85.3%	90.5%	97.5%	83.1%	89.9%	94.3%	99.3%	96.3%	

# APPENDIX

#### (COMPARISON OF 2023 FIGURES V 2022/2021/2020)

	ALL WG&S EMPLOYEES IN THE UK								
Proportion by Quartile	2023		2022		2021		2020		
	Female	Male	Female	Male	Female	Male	Female	Male	
Upper Pay Quartile (75-100%)	40.6%	59.4%	38.8%	61.2%	35.5%	64.5%	38.3%	61.7%	
Upper Middle Pay Quartile (50-75%)	35.8%	64.2%	31.5%	68.5%	34.8%	65.2%	32.3%	67.7%	
Lower Middle Pay Quartile (25-50%)	34.4%	65.6%	34.9%	65.1%	36.0%	64.0%	36.5%	63.5%	
Lower Pay Quartile (0-25%)	44.5%	55.5%	47.1%	52.9%	45.3%	54.7%	44.8%	55.2%	

	WG&S DISTILLERS LTD								
Proportion by Quartile	2023		2022		2021		2020		
	Female	Male	Female	Male	Female	Male	Female	Male	
Upper Pay Quartile (75-100%)	23.3%	76.7%	21.0%	79.0%	20.8%	79.2%	24.5%	75.5%	
Upper Middle Pay Quartile (50-75%)	18.8%	81.2%	20.6%	79.4%	21.6%	78.4%	20.4%	79.6%	
Lower Middle Pay Quartile (25-50%)	33.1%	66.9%	30.8%	69.2%	34.3%	65.7%	31.8%	68.2%	
Lower Pay Quartile (0-25%)	37.7%	62.3%	43.7%	56.3%	37.7%	62.3%	39.0%	61.0%	

## APPENDIX

#### GENDER PAY – HOURLY PAY GAP AND BONUS PAY GAP – TRENDS 2020-2023

WG&S All Company UK and WG&S Distillers Ltd Mean and Median Hourly Gender Pay Gap Trend 2020-2023

WG&S All Company UK WG&S Distillers Ltd 2023 2023 2021 2022 2021 2022 Mean Pay Median Pay

WG&S All Company UK and WG&S Distillers Ltd Mean and Median Bonus Gender Pay Gap Trend 2020-2023

