

Berry Bros. & Rudd

2019 Gender Pay Gap Report



BY APPOINTMENT TO
H.M. THE QUEEN
WINE & SPIRIT MERCHANTS
LONDON



BY APPOINTMENT TO
H.R.H. THE PRINCE OF WALES
WINE & SPIRIT MERCHANTS
LONDON

BERRY BROS & RUDD
3, ST. JAMES'S STREET, LONDON

WINE & SPIRIT MERCHANTS

Foreword

I'm pleased to present the second Berry Bros. & Rudd Gender Pay Gap report. We believe being open and honest is the best way to sustain the values which have guided Berry's through 300 years of history and change.



In keeping with last year's report, we have produced figures based on our entire UK workforce to provide the most transparent and complete picture of our organisation. As a reminder, the results published on the Government website are for the BB&R Ltd entity only, and so will once again differ from the results contained in this report.

While we have made some progress on last years results, we recognize that we still have some work to do and our business remains committed to the principles and practices of equal opportunities for all our employees.

I strongly encourage you to read both this year's report, as well as the 2018 report, which together provide the full details of our Gender Pay Gap journey so far.

A handwritten signature in black ink that reads "Lizzy Rudd".

Lizzy Rudd
Executive Chairman

What does this report contain?

This is the second year we have published our Gender Pay Gap statistics.

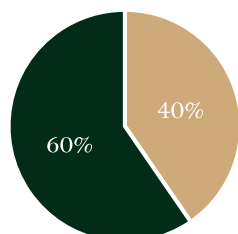
This report contains the six sets of figures which employers need to publish each year, namely:

- The difference in the **median** and **mean** hourly pay between men and women based on their pay on 5th April 2019
- The proportion of women and men in each **pay quartile** based on their pay on 5th April 2019
- The **median** and **mean** difference in total bonus received between men and women in the 12 months up to 5th April 2019, and
- The **proportion** of men and women who received a bonus in the 12 months up to 5th April 2019

Where possible we have provided details of how the figures have changed since last years report and the reasons for these changes. Additionally, we have included details on the actions we have taken within the business since the last report was published.

Finally, at the end of this document is a Glossary of Terms to provide further explanation of the terminology used throughout this report.

How has our Gender Pay Gap changed?



■ Female ■ Male

- Between 5th April 2018 and 5th April 2019 our UK business increased by c.40 employees. This increase was approximately the same among male and female colleagues, so female representation in the business has remained the same since 2018.
- Our headline figure, the **Median Gender Pay Gap is 0%**. This is an improvement on last year, and means the ‘middle’ male colleague was paid the same as the ‘middle’ female colleague. This change was driven by a slight increase in female

representation within the two higher organisational levels, and a slight decrease in the two lower organisational levels since 2018.

- This figure is a very good result when set within the context of the 2019 UK Median Gender Pay Gap of 17.3% (Office for National Statistics).
- However, while we have a 0% Median Gender Pay Gap, and close to equal representation in the two middle pay quartiles, female colleagues continue to be underrepresented in both the lower and upper quartiles in approximately equal measure, as shown by the graph and trend lines on the right.
- In addition, while the changes since last year are positive, it is important to note that our business is susceptible to large changes in reportable metrics compared to other companies as a result of our relatively small population.



Median Gender Pay Gap

2019	2018	Change
0.0%	2.9%	-2.9%

The Median Gender Pay Gap in 2019 reduced from 2.9% to 0.0%. This means the ‘middle’ male and ‘middle’ female were paid exactly the same within the Company.

Mean Gender Pay Gap

2019	2018	Change
10.6%	13.2%	-2.6%

Between 2018 and 2019 the Mean Pay Gap also reduced. This means the average pay difference decreased. This was largely driven by changes at a senior level.

Employees by Pay Quartile (Female)

Pay Quartile	2019	2018	Change
Top (highest)	30.1%	27.1%	3.0%
Upper Middle	48.9%	46.4%	2.5%
Lower Middle	47.8%	50.0%	-2.2%
Lower (lowest)	31.5%	36.5%	-4.9%

Employees by Pay Quartile gives a more detailed breakdown of the changes which have resulted in the 0% Median Gender Pay Gap figure. The proportional

representation of female employees has increased in the top two pay quartiles, but also decreased in the lower two quartiles. These two changes combined have moved the median figure to 0% since 2018. A very small change in the population within each quartile can lead to a relatively large percentage change in the figures reported. In future years we would expect this level of variation to continue, for example, a 5% change within a Pay Quartile is the equivalent of a movement of only 5 employees.

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How has our Gender Bonus Gap changed?

Median Gender Bonus Gap

2019	2018	Change
18.9%	34.4%	-15.5%

The headline figure of the Gender Bonus Gap reduced to 18.9%, down from 34.4% in 2018.

Mean Gender Bonus Gap

2019	2018	Change
33.6%	48.3%	-14.7%

The Mean Gender Bonus Gap in 2019 also reduced to 33.6% from 48.3% in 2018.

Proportion receiving a bonus

Employees	2019	2018	Change
Male	76.9%	76.1%	0.8%
Female	69.7%	69.1%	0.7%

The percentage of male and female colleagues has remained largely consistent between 2018-2019.

- In 2018 the Gender Bonus Gap was predominantly driven by three factors; the difference in the representation of female employees in our most senior roles; the difference in representation of female employees in sales roles; and the higher percentage of female employees in part-time roles within the UK business.
- Since the 2018 figures were taken there has been some change in the representation of female employees within these groups.

Median Gender Bonus Gap

- Comparing the results from 2018 and 2019 the difference can be largely attributed to the lower overall business performance in the period measured, which resulted in a lower overall bonus spend and lower amounts awarded under the sales incentive schemes.
- The reduction in business performance had the most significant impact (proportionally) within sales roles, which are occupied by a higher proportion of male employees.
- As a result, the difference in the sales incentive distribution had the net result that female colleagues (on average) earned more relative to their male colleagues, but this was mainly due to male colleagues earning less than they did (on average) in the previous year, rather than a change in the representation of female colleagues in sales roles.

Mean Gender Bonus Gap

- Comparing the results from 2018 and 2019 the difference can be largely attributed to two factors; first, as explained above – business performance resulting in lower overall bonus and second, changes within senior roles within the business.
- It is important to note that the bonus measures will continue to be subject to changes in business performance in future years, even where there is a positive change in the underlying representation of female employees in sales and in senior roles. If business results were to decrease in future years this will likely show an improvement in the Gender Bonus Gap, and if business results improve this is likely to show a reversal of this trend.

What changes have we made?

- As part of the 2018 Gender Pay Gap report, we outlined our commitments in terms of recruitment, training, development, and retention, and we continue to stand by those commitments and our desire to ensure Berry Bros. & Rudd is an inclusive workplace, now and into the future.
- Last year we made a commitment to review our UK Family Leave Policies (Maternity, Adoption, Shared Parental Leave, and Paternity leave) to ensure these were still fit for purpose and that they supported our family business values.
- As a result, work was undertaken toward the end of last year, which resulted in a decision to significantly enhance our paid maternity, paternity and adoption leave, by both increasing the amount of financial support from the Company and reducing the eligibility period to receive that enhanced support.
- Many of the issues that have been identified as part of the introduction of the Gender Pay Gap reporting are as a result of historical underrepresentation of female employees within certain industries and professions. Changes in these areas are likely to be gradual as they require a change in the underlying make-up of the UK workforce.
- However, while changes in the overall workforce are likely to take some time, companies are able to address some of the factors that contribute to decisions employees make about staying in the workforce.
- Going forward we will continue to look for ways in which we can support all our employees and promote equal representation of colleagues throughout our business.

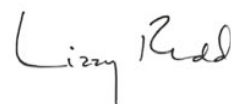
Statutory disclosure

The tables below show our Gender Pay Gap figures for BB&R Limited as well as the combined Berry Bros. & Rudd UK population:

			Berry Bros. & Rudd	BB&R Limited
Median gender pay gap (%)			0.00%	5.10%
Mean gender pay gap (%)			10.59%	20.49%
Median gender bonus gap (%)			18.90%	25.22%
Mean gender bonus gap (%)			33.56%	36.19%
Proportion of males receiving a bonus (%)			76.86%	79.03%
Proportion of females receiving a bonus (%)			69.74%	70.87%
			Berry Bros. & Rudd	BB&R Limited
Proportion of males and females by pay quartiles (%)	Top Quartile	Male	69.89%	74.29%
		Female	30.11%	25.71%
	Upper Middle Quartile	Male	51.06%	62.86%
		Female	48.94%	37.14%
	Lower Middle Quartile	Male	52.17%	53.62%
		Female	47.83%	46.38%
	Lower Quartile	Male	68.48%	68.57%
		Female	31.52%	31.43%

Directors Declaration

I confirm the Gender Pay Gap information in this report is accurate as of the 5th April 2019 snapshot date



Lizzy Rudd
Executive Chairman

Glossary of Terms

Median Gender Pay Gap

The median gender pay gap is the difference between the 'middle' male and 'middle' female employee's hourly rate of pay after ordering all employees by rate of pay from lowest to highest. This value is then divided by the 'middle' male employee's rate of pay to generate a percentage.

Mean Gender Pay Gap

The mean gender pay gap is the difference in the average hourly rate of pay between male and female employees. This difference is then divided by the hourly rate of pay of the average male employee to generate a percentage.

Employees by Pay Quartiles

This shows the proportion of male and female employees in four quartiles after ranking individuals by their hourly pay from highest to lowest.

Gender Pay Gap versus Equal Pay

The Gender Pay Gap is not the same as 'Equal Pay', which relates to how women and men are paid when they are doing the same job or work of equal value. A company can have a Gender Pay Gap without having a difference in equal pay.

Median Gender Bonus Gap

The median gender bonus gap is the difference between the 'middle' male employee's total bonus and the 'middle' female employees' total bonus after ordering all employees from lowest to highest based on their total bonus value. This difference is then divided by the 'middle' male employee's bonus value to generate a percentage.

Mean Gender Bonus Gap

The mean gender bonus gap is the difference in the average bonus award made to male employees compared to female employees, in the 12 months to the 5th April 2019. This is then divided by the male employee average bonus to generate a percentage.

Proportion receiving a bonus

This is the proportion of male and female employees who received a bonus in the 12 months to the 5th April 2019.

BB&R UK vs. BB&R Limited

Berry Bros. & Rudd has two separate employing entities in the UK; **BB&R Limited** and **Berry Bros. & Rudd Limited**. Under the regulations we are only required to report on BB&R Limited, however, we have provided the gender pay statistics for the entire UK Berry Bros. & Rudd employee population to give the most complete view of our organisation.