

Berry Bros. & Rudd

2020 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 am delighted to present our 2020 Berry Bros. & Rudd Gender Pay Gap report, our third report and the first for me as Chief Executive.



As per the past two years, we have again provided figures based on our entire UK workforce, going beyond the requirements of the regulations, and included the results of previous years in this report to allow for greater transparency.

While companies were not required to publish a Gender Pay Gap report last year due to the unprecedented impact of the Covid-19 pandemic, we believe publishing our figures is the right thing to do.

We place great importance on transparency, on supporting our entire workforce and ensuring our Company value of Integrity is a lived value.

A handwritten signature in black ink that reads "Emma Fox".

Emma Fox
Chief Executive

What does this report contain?

This is the third 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:

Gender Pay Gap

- The difference in the **median** and **mean** hourly pay between men and women based on their pay on 5th April 2020
- The proportion of women and men in each **pay quartile** based on their pay on 5th April 2020

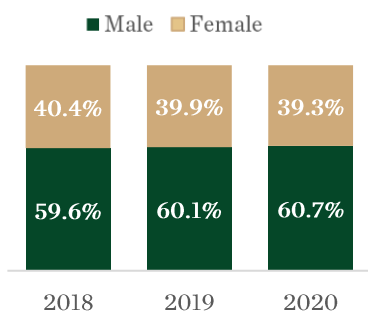
Gender Bonus Gap

- The **median** and **mean** difference in total bonus received between men and women in the 12 months up to 5th April 2020, and
- The **proportion** of men and women who received a bonus in the 12 months up to 5th April 2020

Where possible we have provided details of how the figures have changed since last years report and the reasons for these changes.

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

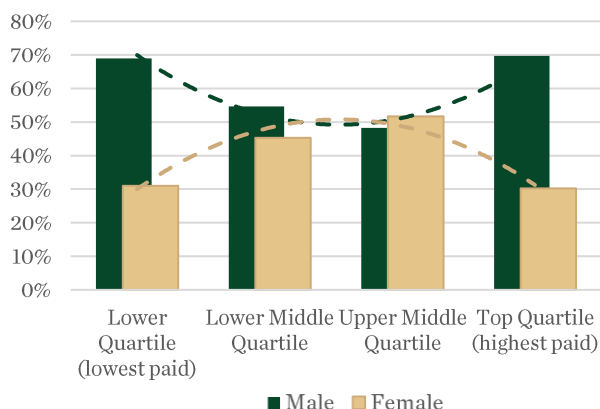
How has our Gender Pay Gap changed?



- Between 5th April 2019 and 5th April 2020 the headcount in our UK business decreased by c.20 employees. This change was spread proportionately among male and female colleagues, so female representation in the business has remained consistent since 2018.
- Our headline figure, the **Median Gender Pay Gap is -2.7%**. This is a slight change on last year driven by an

increase in female representation within the two higher pay quartiles, and a slight decrease in the two lower pay quartiles.

- This result means that we continue to be well positioned relative to the 2020 UK Median Gender Pay Gap which the Office for National Statistics has given as 15.5%.
- However, while we have close to equal representation in the two middle pay quartiles, female colleagues are underrepresented in both the lower and upper quartiles, as shown by the graph and trend lines on the right.
- It is worth noting that due to our relatively small workforce we continue to be susceptible to large changes in these numbers as a result of small changes in populations, even though this has not been the case to date.



Median Gender Pay Gap

2020	2019	2018
-2.7%	0.0%	2.9%

The Median Gender Pay Gap in 2020 changed from 0.0% to -2.7%. This means the 'middle' female was paid slightly more than the 'middle' male within the Company.

Mean Gender Pay Gap

2020	2019	2018
6.9%	10.6%	13.2%

Between 2019 and 2020 the Mean Pay Gap reduced further. This was due to the changes in female representation in the different pay quartiles.

Employees by Pay Quartile (Female)

Pay Quartile	2020	2019	2018
Top (highest)	30.2%	30.1%	27.1%
Upper Middle	51.7%	48.9%	46.4%
Lower Middle	45.3%	47.8%	50.0%
Lower (lowest)	31.0%	31.5%	36.5%

Employees by Pay Quartile provide the most detailed view of the changes over the last three years which have resulted in the -2.7% Median Gender Pay Gap. The proportional

representation of female employees has increased in the top two pay quartiles, but also decreased in the lower two quartiles, while staying relatively fixed overall as a percentage of the population within the organisation. While these are relatively small changes in terms of the population, our Gender Pay Gap has still improved over the last three years.

How has our Gender Bonus Gap changed?

Median Gender Bonus Gap

2020	2019	2018
21.0%	18.9%	34.4%

The headline figure of the Gender Bonus Gap increased slightly from 18.9% to 21% in 2020.

Mean Gender Bonus Gap

2020	2019	2018
40.2%	33.6%	48.3%

The Mean Gender Bonus Gap in 2020 also increased to 40.2% from 33.6% in 2019.

Proportion receiving a bonus

Employees	2020	2019	2018
Male	81.6%	76.9%	76.1%
Female	82.1%	69.7%	69.1%

The percentage of male and female colleagues receiving a bonus has shown an increase between 2019 - 2020.

Mean and Median Gender Bonus Gap

- The cause of the Gender Bonus Gap is the difference in the representation of female employees in senior roles and sales roles and the higher percentage of female employees in part-time roles within the UK business. This has a detrimental impact on the reported figures as bonus awards cannot be grossed-up to their full-time equivalent value under the reporting regulations.
- The reason that the Gender Bonus Gap is more pronounced than the Gender Pay Gap is that variable pay plays a larger role in total compensation in senior and sales roles, and so is not offset by larger male representation in the lower pay quartile.
- The reason the Median and Mean Bonus Gaps increased between 2019 and 2020 is that while the overall bonus spend across the business between April 2019 - March 2020 decreased as a result of business performance, during this period the level of sales incentive spend remained largely consistent with the previous year. As a result, sales incentives spend, which is awarded to sales roles where there is a higher percentage of male colleagues, made up a larger proportion of total bonus spend, resulting in an increase in the Gender Bonus Gap for this year.

Proportion receiving a bonus

- The proportion of male and female colleagues receiving a bonus has increased quite substantially since last year. This is the one measure which can be most directly linked to the impact of the Covid-19 pandemic.
- In the last two years, all employees who were employed during the performance year, and who were eligible at the time of payment, received a bonus. Between payment date in the summer and the snapshot date of 5th April in the following year, any new joiners will not have received a bonus due to starting after payment date. As a result, these new joiners reduce down the percentage of those awarded a bonus in the last 12 months.
- The reason the percentage awarded has increased is because fewer colleagues left or joined the workforce in the months of Jan – April 2020 due to the pandemic. This reduction in turnover ultimately increased the proportion of those employed who had received a bonus in the last 12 months.

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:

- Both sets of figures have been calculated in-line with UK Government guidance
- The Berry Bros. & Rudd UK workforce consists of all UK employees, in both of our legal entities, and includes those employees who were furloughed in April 2020 using their contractual rate of pay
- The BB&R Ltd figures exclude those colleagues working in our other UK legal entity, which is below the reportable headcount threshold, and additionally excludes all colleagues who were furloughed. As a result, these figures represent only about 50% of our actual UK workforce
- We have presented the Berry Bros. & Rudd UK results in the main body of this report as we believe it provides the greatest level of transparency, that it will allow meaningful comparison between this year's results and those in future and past years, and to ensure we provide the most complete and comprehensive view of our UK workforce from a Gender Pay perspective.

Gender Pay Gap Figures

	Berry Bros. & Rudd	BB&R Limited		Berry Bros. & Rudd	BB&R Limited	
Median gender pay gap (%)	-2.70%	0.00%	Proportion of males and females by pay quartiles (%)	Top Quartile	Male 69.77%	71.11%
Mean gender pay gap (%)	6.95%	12.30%			Female 30.23%	28.89%
Median gender bonus gap (%)	21.00%	22.46%		Upper Middle Quartile	Male 48.28%	67.39%
Mean gender bonus gap (%)	40.19%	65.45%			Female 51.72%	32.61%
Proportion of males receiving a bonus (%)	82.11%	82.51%		Lower Middle Quartile	Male 54.65%	57.78%
Proportion of females receiving a bonus (%)	81.56%	84.04%			Female 45.35%	42.22%
				Lower Quartile	Male 68.97%	73.91%
					Female 31.03%	26.09%

Directors Declaration

I confirm the Gender Pay Gap information in this report is accurate as of the 5th April 2020 snapshot date



Emma Fox
Chief Executive

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 2020. 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 2020.

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.