

# EDRINGTON



Gender Pay Gap Report 2023

# Creating an inclusive and high-performing culture where our people can be their best

2023 has been a year of exceptional results for Edrington. From reaching £1bn core revenue for the first time, to achieving top quartile employee engagement.

Since we began reporting our gender pay data in 2017, we have seen diversity, equity, and inclusion (DE&I) integrated into our strategy and increased our focus on internal engagement.

This has delivered encouraging progress in cultivating a diverse and inclusive workplace – with 79% of our colleagues agreeing that we have a work environment that is open and accepts individual differences. We have action plans to support the DE&I agenda in all our business units and regions. We have also further narrowed our gender pay gap in the UK – one contributory factor was our action to increase the number of women in senior roles. We have exceeded the target we set ourselves in 2018, with women now making up 40% of our senior leadership population.

There is much more to do, but we have confidence that the actions we have taken, and continue to take, are having a positive impact on creating an inclusive and high-performing culture where our people can be their best.

We can confirm that the data set out in this report is accurate and has been produced in accordance with the Equality Act 2010 (Gender Pay Gap Information) Regulations 2017.



**Scott McCroskie**  
Chief Executive

**Veronika Gunn-Boesch**  
Global HR Director

# Taking action to close our gender pay gap

Our diversity, equity, and inclusion (DE&I) strategy has been developed to cultivate an inclusive environment that celebrates diversity of thought – one where all our people feel they are welcomed, valued, able to make meaningful contributions and be their full authentic self. Our strategy is underpinned by a range of policies and interventions to bring change and accelerate our progress.

## **Supporting carers**

Our Global Carers Policy was introduced in January 2023 to help colleagues balance the responsibilities of caring for a loved one who is seriously ill, older, or disabled, alongside their work commitments. At the heart of the policy is the provision of up to five days of paid carers' leave each year, which to date over 65 colleagues have used. Creating a carer positive workplace culture and providing a proactive framework of support ultimately contributes to a more equal distribution of caregiving responsibilities between men and women and in turn positively impacts the gender pay gap.

## **Supporting parents**

Since its launch in 2020, more than 200 colleagues have benefitted from 26 weeks full pay leave as part of our Modern Family Leave Policy (MFL). It has encouraged male colleagues to take more time off to welcome their newest family member, created new career and secondment opportunities internally, and we've seen the number of individuals taking MFL double between 2020 and 2023.

## **Supporting work/life balance**

In 2021, we introduced our global, 50:50 Hybrid Working Policy to offer office-based colleagues the option to structure their working time to suit their individual needs. This means that we can continue to connect and build relationships while creating an equitable and inclusive working environment, regardless of geographical location.

## **Supporting progress internally and externally**

Balance, our global employee network, helps us to achieve greater gender balance in how we attract, progress and retain colleagues at Edrington. Some of our notable actions to advance careers have included coaching and sessions featuring speakers from diverse backgrounds, themed around courage, productivity and inspiration.

As a signatory of the Scotch Whisky Association's Diversity and Inclusivity Charter and an active member of their skills and inclusion working group, Edrington helps foster collaboration, sharing of best practice and delivery on diversity, equity, and inclusion priorities across the Scotch Whisky sector.

## What our people say about how we support working parents and carers

**Gillian Alexander, Senior Brand Manager.**

**Gillian said:**

“The Global Carers Policy has afforded me the opportunity to support my husband through his recent cancer diagnosis and be by his side at key consultations and reviews. This has been invaluable and meant a great deal to our family at a very difficult time. It is a perfect example of Edrington’s core values and culture which I am truly proud to be a part of.”

**Scott Adams, Edrington’s Head of Cask Supply took MFL when he became a father in 2022.**

**Scott explained:**

“For me, MFL was a precious opportunity to spend valuable time with my son and be fully involved in his care from birth. Only once you experience this benefit do you truly appreciate its value.”

**MFL also creates secondment opportunities for colleagues.**

**During Scott’s leave, Rebecca Grant, our Head of Maturation, undertook the role:**

“Being given the opportunity to step up into the role of Head of Cask Supply was a hugely rewarding experience for me personally. Since the secondment I have secured a new role as Head of Maturation for The Macallan which encompasses UK cask supply operations, The Macallan cask warehousing operations and strategy.”

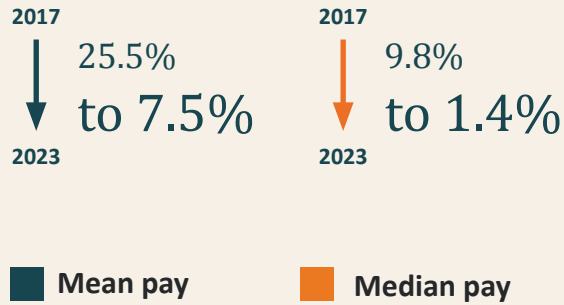
# Key facts

Seven years into gender pay gap reporting, we can see our sustained progress in narrowing the gender pay and bonus gap supported by our actions.

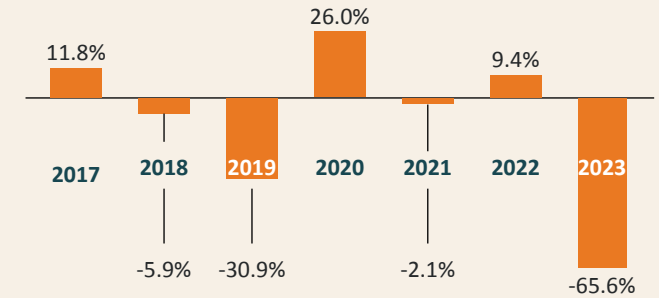
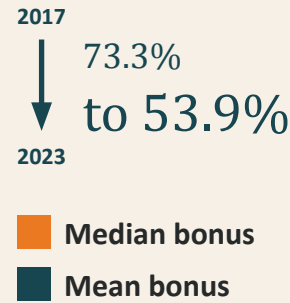
## Pay Gap Progress

A consistent and sustained decrease in mean, median pay and mean bonus gap.

We continue to see a fluctuation in our median bonus gap.



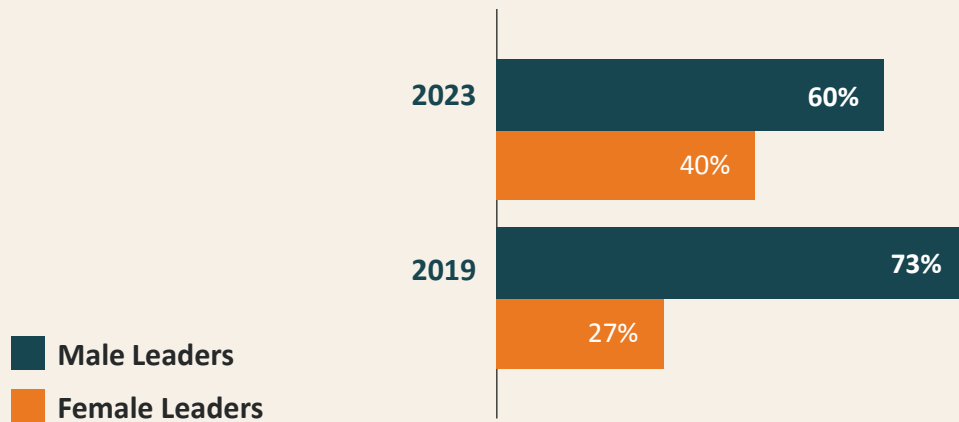
## Bonus Gap Progress



# Key facts continued

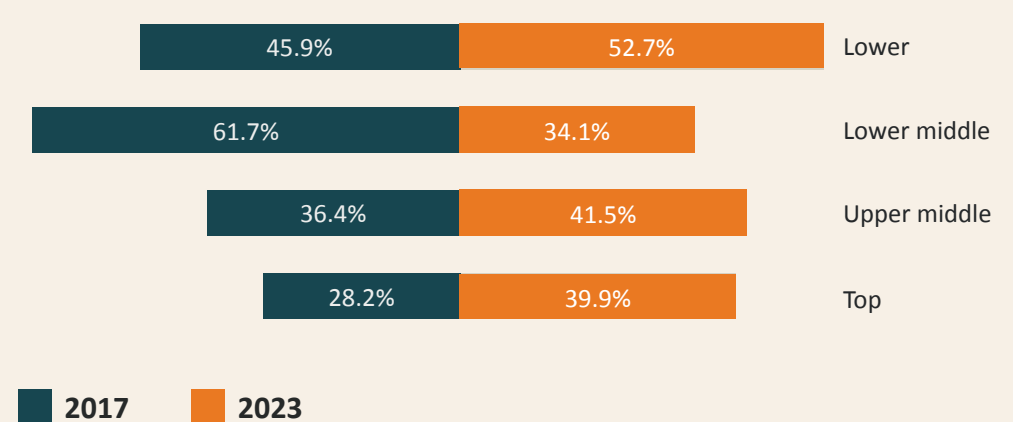
The changing distribution of roles undertaken by women across the business.

## Increase in women in leadership roles



In 2019 Edrington started tracking the number of women in leadership roles as part of the gender pay action plan.

## Distribution of women by pay quartiles



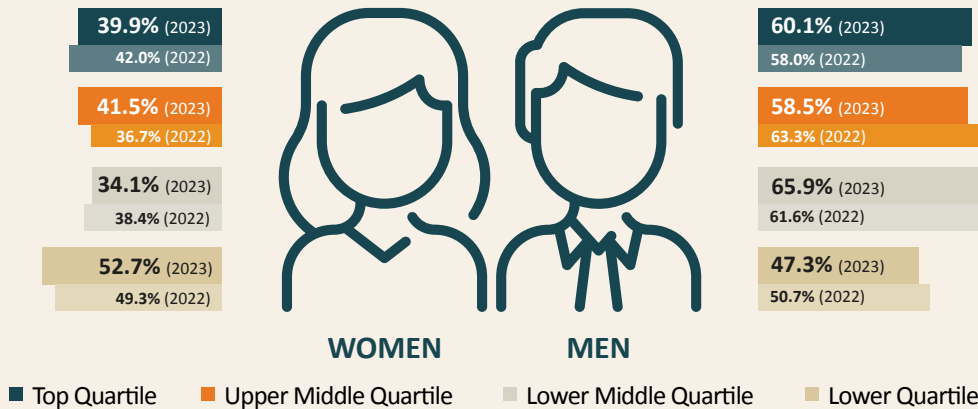
The greater number of women in the upper middle pay quartile and a decrease in the lower middle quartile is a result of more women undertaking entry level professional roles across the business.

# Understanding our gender pay gap data

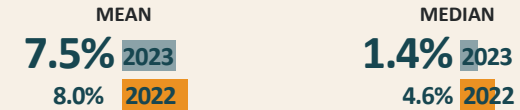
The increase in the number of women in senior leadership roles has contributed to the reduction in the mean pay gap – 7.5% in 2023, down from 8% in 2022.

An increase in the proportion of women in the top pay quartile and reduction in the lower pay quartile has narrowed our median gender pay gap to 1.4% (ONS median of 14.3%).

## Pay Quartiles Comparison



## Gender pay



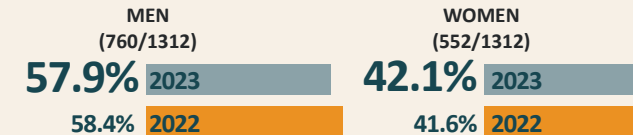
## Gender bonus



## % Receiving a bonus



## % of gender split in the business



## Pay gap trends 2022 to 2023

We have reduced our mean pay gap by 0.5% and median pay gap by 3.2%. This has been achieved by:

- Increasing the number of women in senior roles (grade 19 and above), exceeding our target for women in leadership roles by 7%
- Growing the number of women in our highest paid population, compared to 2022
- Our overall number of employees increasing, with the proportion of women growing at a higher rate than men
- Women's mean and median pay increasing 9.8% and 12% respectively compared with the mean and median pay for men increasing by 9.2% and 8.4% respectively



## Bonus gap trends 2022 to 2023

The mean bonus gap has increased by 17.8% while the median bonus gap decreased by 75%. This is a result of:

- An increase in the number of people receiving a bonus
- Returning to typical short-term bonus pay, following the Covid-19 pandemic
- The mean bonus pay increased for men at a greater rate than for women
- The median bonus pay for women increased, whilst for men it decreased

## Long-term trends

We expect year on year fluctuations in the bonus gap figures. As reported in previous years, Edrington's longstanding UK employee Share Reward scheme, for all employees with six months service, is not fully reflected in the bonus figures. This is because bonuses awarded in the form of free shares are only included in the definition of "bonus" if the award gives an immediate rise to an employee's liability of income tax, which the Edrington Share Reward scheme does not.



# How we calculate the gender pay gap

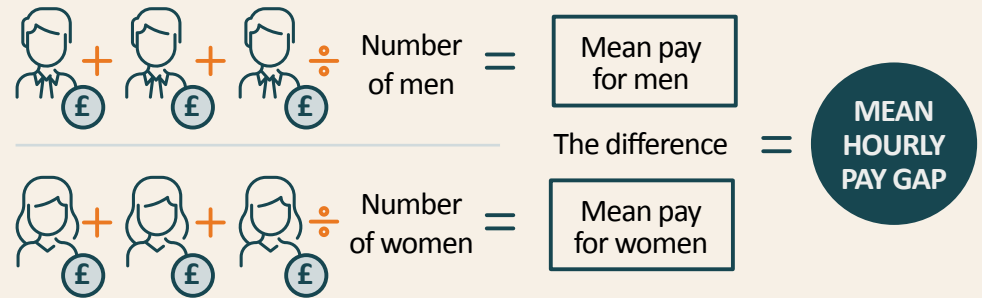
The gender pay gap regulation requires companies in the UK with more than 250 employees to report the difference in pay between men and women, publishing a breakdown of men and women in different pay quartiles and the proportion of men and women in the company who receive bonuses as part of their total reward. The measurement is taken with reference to a snapshot date of 5 April each year.

Edrington employs approximately 1,400 people in the UK and this report includes the gender pay statistics at an overall Edrington Group level. Two Group businesses are covered by the regulation: Edrington Distillers Ltd and Highland Distillers Ltd (which owns the brands acquired through Highland Distillers in 1999). Edrington UK Distribution Ltd does not meet the required 250 employee threshold to be reported separately, although is included in the overall Edrington Group figures.

## What is the mean?

The mean is the average, calculated by adding all numbers in a set together and dividing by the total number of terms in the set.

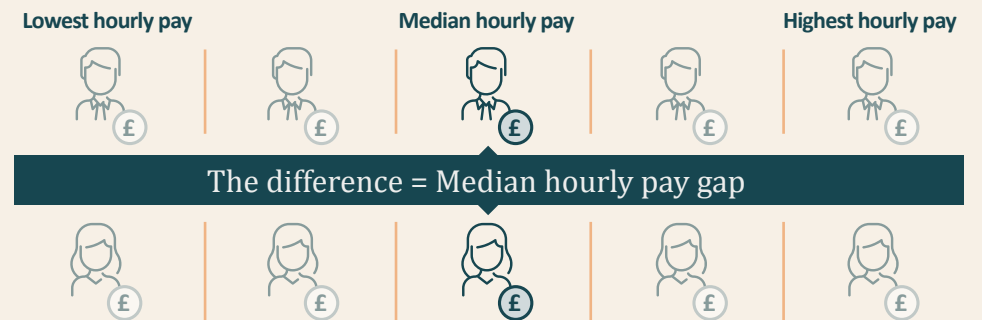
## How we calculate the mean difference



## What is the median?

The median is the middle term in a set of numbers, it's calculated by arranging the numbers in a set in order of magnitude and determining the middle value.

## How we calculate the median difference



# Statutory declarations

2023	2022	2021	2020	2019	2018	2017
Gender Pay Mean <b>7.5%</b>	Gender Pay Mean <b>8.0%</b>	Gender Pay Mean <b>12.9%</b>	Gender Pay Mean <b>15.2%</b>	Gender Pay Mean <b>15.3%</b>	Gender Pay Mean <b>28.1%</b>	Gender Pay Mean <b>25.5%</b>
Gender Pay Median <b>1.4%</b>	Gender Pay Median <b>4.6%</b>	Gender Pay Median <b>9.7%</b>	Gender Pay Median <b>13.9%</b>	Gender Pay Median <b>10.4%</b>	Gender Pay Median <b>14.5%</b>	Gender Pay Median <b>9.8%</b>
Gender Bonus Mean <b>53.9%</b>	Gender Bonus Mean <b>36.1%</b>	Gender Bonus Mean <b>64.8%</b>	Gender Bonus Mean <b>72.1%</b>	Gender Bonus Mean <b>63.2%</b>	Gender Bonus Mean <b>72.2%</b>	Gender Bonus Mean <b>73.3%</b>
Gender Bonus Median <b>-65.6%</b>	Gender Bonus Median <b>9.4%</b>	Gender Bonus Median <b>-2.1%</b>	Gender Bonus Median <b>26%</b>	Gender Bonus Median <b>2.5%</b>	Gender Bonus Median <b>-5.9%</b>	Gender Bonus Median <b>11.8%</b>
% Receiving a Bonus (Men) <b>47.3%</b>	% Receiving a Bonus (Men) <b>26.9%</b>	% Receiving a Bonus (Men) <b>58%</b>	% Receiving a Bonus (Men) <b>27.7%</b>	% Receiving a Bonus (Men) <b>67.7%</b>	% Receiving a Bonus (Men) <b>51.9%</b>	% Receiving a Bonus (Men) <b>35.2%</b>
% Receiving a Bonus (Women) <b>47.4%</b>	% Receiving a Bonus (Women) <b>28.5%</b>	% Receiving a Bonus (Women) <b>49.6%</b>	% Receiving a Bonus (Women) <b>23.2%</b>	% Receiving a Bonus (Women) <b>52.5%</b>	% Receiving a Bonus (Women) <b>39.5%</b>	% Receiving a Bonus (Women) <b>30.2%</b>
% of Overall Men in the Business <b>57.9%</b>	% of Overall Men in the Business <b>58.4%</b>	% of Overall Men in the Business <b>61.1%</b>	% of Overall Men in the Business <b>59.8%</b>	% of Overall Men in the Business <b>62.6%</b>	% of Overall Men in the Business <b>61.2%</b>	% of Overall Men in the Business <b>62.8%</b>
% of Overall Women in the Business <b>42.1%</b>	% of Overall Women in the Business <b>41.6%</b>	% of Overall Women in the Business <b>38.9%</b>	% of Overall Women in the Business <b>40.2%</b>	% of Overall Women in the Business <b>37.4%</b>	% of Overall Women in the Business <b>38.8%</b>	% of Overall Women in the Business <b>37.2%</b>
Lower Quartile (Women / Men) <b>52.7% / 47.3%</b>	Lower Quartile (Women / Men) <b>49.3% / 50.7%</b>	Lower Quartile (Women / Men) <b>48.1% / 51.9%</b>	Lower Quartile (Women / Men) <b>53.1% / 46.9%</b>	Lower Quartile (Women / Men) <b>48.1% / 51.9%</b>	Lower Quartile (Women / Men) <b>56.7% / 43.3%</b>	Lower Quartile (Women / Men) <b>45.9% / 54.1%</b>
Lower Middle Quartile (Women / Men) <b>34.1% / 65.9%</b>	Lower Middle Quartile (Women / Men) <b>38.4% / 61.6%</b>	Lower Middle Quartile (Women / Men) <b>35.9% / 64.1%</b>	Lower Middle Quartile (Women / Men) <b>40.9% / 59.1%</b>	Lower Middle Quartile (Women / Men) <b>38.5% / 65.5%</b>	Lower Middle Quartile (Women / Men) <b>33.5% / 65.6%</b>	Lower Middle Quartile (Women / Men) <b>61.7% / 38.3%</b>
Upper Middle Quartile (Women / Men) <b>41.5% / 58.5%</b>	Upper Middle Quartile (Women / Men) <b>36.7% / 63.3%</b>	Upper Middle Quartile (Women / Men) <b>38.4% / 61.6%</b>	Upper Middle Quartile (Women / Men) <b>34.7% / 65.3%</b>	Upper Middle Quartile (Women / Men) <b>32.6% / 67.4%</b>	Upper Middle Quartile (Women / Men) <b>34.8% / 65.2%</b>	Upper Middle Quartile (Women / Men) <b>36.4% / 63.6%</b>
Top Quartile (Women / Men) <b>39.9% / 60.1%</b>	Top Quartile (Women / Men) <b>42.0% / 58.0%</b>	Top Quartile (Women / Men) <b>33.3% / 66.7%</b>	Top Quartile (Women / Men) <b>32% / 68%</b>	Top Quartile (Women / Men) <b>30.5% / 69.5%</b>	Top Quartile (Women / Men) <b>30.4% / 69.9%</b>	Top Quartile (Women / Men) <b>28.2% / 71.8%</b>

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