

# creating a

The Pernod Ricard UK gender pay story 2023



## Introduction

We are Pernod Ricard UK – the UK arm of global drinks producer Pernod Ricard. We've been creating conviviality and unforgettable experiences in the UK since 2001, bringing people together through our unrivalled portfolio of spirits, wines and champagnes.

Our products are some of the best-known brands in the world: Absolut, Jameson, The Glenlivet, Beefeater, Havana Club, Kahlúa, Perrier-Jouët, G.H. Mumm, Campo Viejo and Jacob's Creek to name a few.





#### What is the gender pay gap?

The gender pay gap shows the difference in average pay between men and women. It's different to 'equal pay', which refers to women and men receiving the same pay for the same role, or for work of equal value.

#### Our Employer Value Proposition

Proud to belong

Empowered to perform

#### Committed to care

Throughout this document, we may refer to ourselves by our acronym – **PRUK** – and Pernod Ricard as the '**Group**'.

### Contents

#### Chapter 1

Our greatest asset: why we're striving to become a fairer workplace

#### Chapter 2

Picturing the numbers: our gender pay figures at a glance

#### Chapter 3

Exploring the figures: taking a deeper look at our numbers

#### Chapter 4

Sustaining our efforts: what we're doing to close the gap

#### Chapter 5

Epilogue: setting out our stall for the future



## Our greatest asset

Our people are at the heart of everything we do and we're committed to making sure they have the environment where they can truly thrive.

## Our greatest asset

We're a business that's driven by conviviality: our purpose is to bring people together to share in the magic of human connection. That's why it's crucial that our colleagues feel their best, not only so they can be their best and do their best, but to help them embody our purpose.

Enabling that means providing a workplace where people feel they can be their true selves. A workplace that's diverse, inclusive and welcoming; where people's unique talents are celebrated; where colleagues have opportunities to progress in the way that best suits them; and where every interaction is authentic and collaborative, because it's underpinned by a culture that's open and fair.

#### Why we're telling this story

A fairer, gender balanced environment is a vital component of this welcoming workplace, so closing our gender pay gap is a crucial step.

We're pleased to say we've made great progress to shrink it further over the last 12 months. In fact, we have eliminated the median pay gap to -0.6% a reduction of nearly 11% on last year.

This report lays out how we've continued to close our gap and what we're planning next to maintain this positive momentum. It details our latest gender pay figures and tells the stories of how our efforts are making a positive impact – directly from the colleagues who've benefitted from them.

We're making real change happen. Now we need to sustain it – because our people are our greatest asset. We will continue to make improvements to make sure our business is a place where all our people are championed.



#### A legal note

Government regulations stipulate that any business with at least 250 employees must supply details of its gender pay gap. We're happy to do this and showcase the work we're doing to close ours while helping to support diversity within our industry.

## Picturing the numbers

Over the last 12 months, we've continued our journey towards creating a more gender balanced organisation.



## **Picturing the numbers**

Below, we show the top-line figures that illustrate the progress we've made.

For the purposes of this report, we've used icons to represent females and males.



#### Mean and median numbers – what's the difference?

When it comes to gender pay reporting, mean and median figures are the commonly accepted numbers that feature in reports such as this.

We report on both to give a full, clear and robust picture of our pay by gender.



... divided by the number of colleagues.

### Median

The median is the middle point of a wage range.

Imagine lining up all colleagues' pay from smallest to largest ...



... the median is the figure in the middle

Median is a more representative figure because the mean can be skewed by a small number of people on higher pay.











## Exploring the figures

Taking a deeper look at the story behind the numbers.



## **Exploring the figures**

#### Year on year comparison

Looking at how 2023 compares to previous years, we've made positive progress. The standout success has been the closure of our median gender pay gap and tightening of our bonus gap. There are also more colleagues – both men and women – receiving bonuses.

Our mean pay gap has widened slightly (+1.2%). As previously mentioned, the mean can be skewed by a small number of people on higher pay and the marginal increase in our mean gender pay gap from 2022 to 2023 is a result of that.

Metric		2020	2021	2022	2023	Variance since last year	
Gender Pay Gap	Mean	14.1%	11.8%	5.7%	6.9%	1.2	
	Median	13.5%	18.1%	10.3%	-0.6%	-10.9	V
Gender Bonus Gap	Mean	36.1%	18.7%	14.1%	5.8%	-8.3	V
	Median	34.8%	15.9%	18.5%	5.2%	-13.2	V
% receiving Bonus	Males	81%	88%	69%	83%	14	
	Females	68%	83%	73%	76%	3	

\*as reported by the Office of National Statistics, 2022.





We're proud to report that our median gender pay gap has shrunk to

closing the gap between men and women.

Our mean gender pay gap stands at

Both these key figures are below the national average\* of







### Exploring the figures (continued)

#### Bonuses and who gets them

One of our biggest achievements this year is the number of colleagues that have received bonuses: the figures for both women and men have increased. As an equal opportunities employer, all permanent colleagues – irrespective of their position, age, gender or ethnicity are eligible for a bonus.

> We also narrowed the gender gap between bonus payments.



We can attribute the difference in these numbers to the fact we have a slightly higher number of men in more senior roles, which results in higher bonuses being given to men, relative to those awarded to women.

We're working on increasing the number of women in management and senior roles so we can continue to drive these figures down.

#### **Career development**

Our distribution of male/female colleagues by quartiles shows us that women are generally well represented across the board. Importantly, it also shows us that our pipeline for female talent is strong in the lower, lower middle and upper middle quartiles.







## Sustaining our efforts

Our numbers only tell half the story. While they evidence that we're heading in the right direction, we know there's more that needs to be done.

## Sustaining our efforts

We're taking steps across the board to make more improvements to ultimately close our gender pay gap. We'll do so by building on our past initiatives and introducing new ones, because it's only by being proactive and adaptable that we'll continue to provide an open, fair and inclusive environment.



#### What we're doing in HR

Our HR philosophy is to attract, develop and retain brilliant individuals and make the most of their unique talents. We do this by creating an encouraging environment where everyone is motivated to develop and progress.

- One of the ways we do this is by providing flexible working policies, which give our people the space and freedom they need to deliver their best work and develop their career. For example, we recently introduced a 'work from anywhere' policy, which allows colleagues to work from anywhere in the world for up to 15 days a year. This has been well received, with significant take up in the first year.
- ▶ More broadly, we're dedicated to fostering greater female representation across the business while supporting our women. We proactively keep in touch with those on maternity leave and are pleased to have had a 100% return rate in 2023, with comeback coaching among the tools we use to support mums returning to work.
- Alongside this we **externally benchmark** our salaries and benefits every year, and we're committed to our annual performance management and pay review process. This helps us make sure all our people regardless of gender – are being paid fairly based on their role, responsibilities, experience and performance.

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#### What we're doing in diversity and inclusion

Our newly launched United Networks give under-represented colleagues a platform to share their experiences, opinions and thoughts, while providing a safe space for them to connect, collaborate and celebrate their differences. We're proud that these groups are colleague-led, empowering employees to set their own agenda and bolster our diversity and inclusion in the way they see fit.

So far, we have groups representing women and our LGBTQ+ community and – since this report was compiled – we've also launched a network for employees from minority ethnic backgrounds. Our HR team works closely with the networks to make sure our policies and practices reflect the different needs of our people.

The Group recently launched its first diversity, equity and inclusion (DE&I) maturity survey to better understand where the business and its affiliates are on our collective DE&I journey. We're pleased that PRUK performed strongly in this survey, showing we're making good progress. We're asking the right questions of ourselves and reassessing our strategies and initiatives to make sure we keep moving forward.

• Externally, we're active **champions of Diversity** and Inclusion in Grocery, an initiative helping to make our industry more progressive. We encourage our people to get involved in its work, including as keynote speakers at conferences. We're also continuing our work with **Women of the Future**, a programme which celebrates the success of women.

These programmes complement the specific steps we've taken to better support female colleagues, including signing the **Menopause** Workplace Pledge, distributing free sanitary products in our offices, running menopause training for all employees and introducing Peppy, a menopause support app. We also run internal activities to mark both International Women's Day and International Men's Day, which has included allyship seminars so we can better advocate for one another.

Our efforts to support women globally were recognised by Forbes when we featured on its **World's Best Employers** list as a female-friendly company.





## Colleague story

I've been on maternity leave twice since I've been here and my return to work in both cases has been incredibly positive. The availability of flexible working and being able to work with my manager in discussing my working hours have really helped. Everyone's very open to having those conversations that'll settle you back into the business.

And that extends beyond maternity. I know I can call my manager if there's stuff going on at home: they understand family comes first.

It's particularly nice to be able to support other women wanting to progress through the business, giving them guidance and being a sounding board for them.

## **Progression that matters**

Having been with the business more than 15 years, Customer Business Controller Hannah Briscoe has seen plenty of change. But the constant support and guidance of her colleagues has made the greatest impact.

> Likewise, I had great support and guidance when I had to take long-term sick leave. I was off for 12 months and the business was in contact throughout, so I never felt uncomfortable or out of touch.

The mentoring that's now available is excellent, too. As a mentor myself, it's such a good feeling to be able to help people, regardless of gender, and support them with their development. But it's particularly rewarding to be able to support other women wanting to progress through the business,

giving them guidance and being a sounding board for them. I wish I'd had something like that when I first started, but that's a sign of the progression the business has made.

Another great thing for me is Wellness Works [our programme of wellness and fitness classes]. I'm part of the Pilates group. It's a real demonstration of how the business is making sure employees are happy and is thinking of their wellness. It reminds you to take a break from the computer and make time for yourself.

I'm also a big fan of Libra, our United Network for women. It's such a move forward and it's great that it's being presented across the board, to everyone. It's opening up conversations.

That's one of the biggest changes I've seen – we're having more open conversations now. People are willing to understand and want to understand more. And that's helping make sure we're inclusive and there isn't any discrimination, on any grounds.



### Sustaining our efforts (continued)



Our efforts to create more gender balance in our recruiting process are making a positive impact.

> In the last year of the people we hired were women.

> > In fact, women made up

of our Senior Management appointments.

We'll build on this success by continuing to focus on alternative pipelines and promotional tactics to attract new talent – such as by creating gender balanced shortlists and diverse recruitment panels.

- Alongside this, we're continuing to actively challenge all our hiring managers to make sure their behaviour reflects our values and we follow rigorous internal processes before any offers are made to avoid any potential bias. This includes an internal peer comparison and external benchmarking
- We're also committed to finding and nurturing the next generation of PRUK employees. Through our partnership with the **Bright Network**, we promote our workplace to university students and graduates, while our **Bright Futures** programme offers students year-long placements across our business. This initiative is consistently highly rated and was voted the best FMCG placement opportunity in the Top Undergraduate Employers Table.
- We also have an established apprenticeship programme, which is creating further opportunities for young people.







### Sustaining our efforts (continued)

## What we're doing in **employee wellbeing**

We're committed to supporting colleagues' mental health and have expanded our services to bolster the help we provide in this area.

- This includes retraining our **Mental Health First Aiders**, running **Financial Wellbeing** seminars and launching StartRight, an initiative to keep Monday mornings meeting free, so employees have the time to plan their week.
- We also hosted our inaugural **Feel Good Fair** where employees attended support and advice sessions, such as group therapy focused on anxiety and stress management. Senior leaders also shared their mental health stories, which served as powerful moments that have helped us normalise conversations at all levels of the business, while continuing to break down taboos.
- Additionally, to further support employees' financial wellbeing, we've introduced a profit share scheme and are pleased all colleagues have signed up to it.
- Further initiatives supporting our **Better Balance programme** include annual Vitality health checks, summer hours, protected lunch hours and online mental health platform, **Unmind**. We introduced Unmind following feedback from our annual wellbeing survey and through it, all employees have access to a wealth of mental health support services.



The result? Our efforts are helping foster a healthier and happier workforce who are better informed and empowered to recognise how they're feeling and know where to turn for support; a benefit that extends beyond work.

#### What we're doing in employee development

We're passionate about helping our people make the most of their talent, skills and abilities. It's why employee development is a key focus area for us.

In 2023, we launched our **flagship reverse mentoring programme**, which is sparking more meaningful, vulnerable conversations between employees and senior leaders, while fostering a sense of collaboration that cuts through hierarchy.

Through the programme, senior leaders are paired with employees to hear their diverse insights, experiences and recommendations.

The first phase saw seven directors paired with seven colleagues and has proved to be a great success. We've recently expanded the programme to our next management level.

This is being run alongside our regular training programmes and dedicated mentoring programme – **Talent United** – which supports colleagues on their career journey.





Sustaining our efforts: what we're doing to close the gap

#### Colleague story

## **Opening up the conversation**

Head of Customer Marketing Andrew Bardsley is sharing his mental health story to help others with their wellbeing – and to bolster our welcoming environment where everyone can be their best.

I've been at Pernod Ricard for just over ten years and at PRUK for three. During that time, I've really benefitted from the company – especially when it comes to employee welfare.

I've had ups and downs with my mental health over the last decade, but only in the last 12 months have I felt in a position where I can talk about them. Last year, I got up in front of the whole company and talked about how Unmind had supported me. It's a fantastic service: the free counselling sessions have really helped me, and I spoke about how I feel it could benefit others. I received a lot of positive feedback; people told me it was helpful to hear my real-life experience. And it felt great to take that message to a wider audience – especially men of a certain age – helping them get comfortable with their feelings.

That session came off the back of the reverse mentoring I did with our finance director. He wanted to find out more about mental health and how he could work with his team to create an environment where people feel comfortable, safe and willing to speak.

It was a great experience – I was able to build a better relationship with someone more senior than I simply because they were interested and willing to be mentored in an area they felt vulnerable in.

I'm also a Mental Health First Aider, training I got through Pernod Ricard – I've used it more than my physical first aid training.

When I first had struggles with my mental health, the business was a different place – things like that weren't handled very well. But when I reflect on how things are dealt with now, it's like night and day. That's testament to the fact the business has taken it seriously and done something about it, and I'm happy to play a small part in highlighting what's available to colleagues.

That change is hugely positive because there are so many resources now: no one has to get to the stage where they feel they can't cope. You're working in a happier environment and that's contributing towards that wider goal of creating a workplace where everyone – regardless of gender - can thrive.



Epilogue We're very pleased with the great progress we've made in closing our gender pay gap in 2023. It's been a real team effort and we're proud of the contributions our people have made to help us shrink it. We'll keep listening to our people and looking for areas where we can continue to improve and sustain this, while leveraging our culture of openness and fairness. In doing so, we're confident we'll maintain the diverse, inclusive and welcoming workplace we've built together.



