



GENDER PAY REPORT
2023

Gender Pay Report 2023

Our continued success relies on the capability of our people and we strive to ensure a fair and equitable approach to all people management practices including recruitment, reward, development and progression.

We are committed to creating a diverse and inclusive place to work where our people can be themselves and be at their best. We take this commitment seriously and support action on closing the gender pay gap and addressing gender balance in our workforce.

Our 2023 figures are broadly similar to 2022, as we expected, recognising it will take several years and continuing focus to achieve our aim of increasing the proportion of women employed in our business. However, we can now see a trend in some parts of our business over the recent period showing some progress against these goals.

Percentage of men and women in our team

	2023	2022
Men	78.5%	80.6%
Women	21.5%	19.4%

Our Results (at 5 April 2023)

Pay difference between men and women

The 'gender pay gap' is an average figure and is distinct from 'equal pay' which looks at the individual level and is about ensuring that men and women are paid the same for carrying out the same work, or work of equal value.

The table below shows our 'gender pay gap'. This is a snapshot of the difference between the average pay levels of all women compared to all men, irrespective of their role or level in the organisation, expressed as a percentage of men's average pay.

Our Gender Pay Gap

	2023	2022
Mean pay gap	-13%	-28.2%
Median pay gap	-2.8%	-31.9%
UK National Gender Pay Gap	7.7%	14%

Source: Office of National Statistics 2023

Our figures show that on average across the whole workforce women's average pay is slightly higher than men's average pay, despite a clear common approach to pay. We have seen some change in this measurement from 2022, although we are satisfied that overall our pay approach is in balance.

We believe our pay gap is largely driven by an imbalance in the ratio of men and women across our business which differs across departments and functions within our business. We do not believe there is an imbalance of rates of pay given to men and women doing the same or equivalent work, or any significant gap between men and women at the same grade.



Bonus difference between men and women

All our employees have the opportunity to receive a bonus. In a year of strong business performance, the primary reason for employees receiving a bonus of less than 100% would typically relate to their employment start date.

During the reference period the business was able to provide all employees with bonus payment, with only the most recent joiners not participating in the award.

Percentage of men and women who received a bonus payment:

	2023	2022
Men	89.0%	92.0%
Women	89.0%	98.0%

Gender bonus gap

Our gender bonus gap has increased marginally from the preceding year. We feel, for this reference period, the remaining gap is attributable mostly to the provision of bonus provided at the most senior level of the business, with the roles, at that time, filled by men.

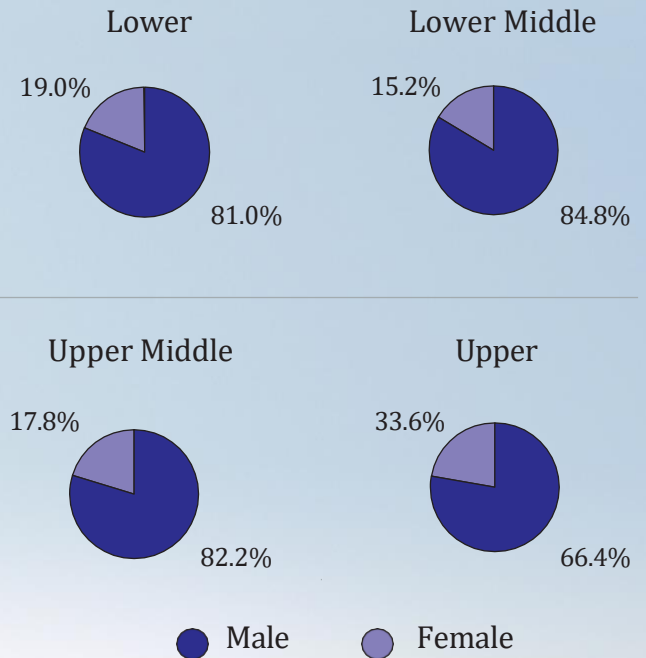
Our gender bonus gap	2023	2022
Mean bonus gap	26.0%	21.4%
Median bonus gap	0.8%	0%

Pay quartiles across all employees

The charts below show the gender distribution across Highland Spring in four equally sized pay quartiles. For example, within the upper pay quartile 33.6% of employees are women and 66.4% are men.

Overall, women represent 21.5% of our workforce. Women are less well represented than this figure in the lower three quartiles due to proportionally more men being in lower level roles.

Over recent years we have seen significant positive progress in the Upper quadrants, and we intend to build on this trend across the business.



We believe a number of factors continue to influence our gender balance:

- Traditionally manufacturing and in particular bottling, has attracted more men than women overall. More than two thirds of our workforce are employed within production, engineering and warehousing and are predominantly male. We have more balanced gender representation within our office and support functions.
- Our business operates 24/7 and relies upon the majority of employee working a shift pattern; we don't believe there is an inequality of shift opportunity or recruitment of such roles, although shift patterns particularly of a rotating nature may be generally less attractive to women.

Increasing the number of women in our business and moving towards a more equal distribution of women at all levels is very important. The progress we made on this in some parts of our business in 2023 are balanced by reductions in gender balance in other parts. The details below provide an outline of our continuing commitment to this change, and of the actions we will take to make a difference in the period ahead.

Our commitment to improve includes:

Recruitment – We recognise that recruiting new employees provides the greatest opportunity to address gender balance. Whilst we already support requests for flexible and hybrid working, the number of female applicants, particularly within our lower pay quartiles is significantly and persistently lower than the number of male applicants. We will continue to review our sourcing and advertising routes to ensure they are encouraging a better gender balance of applicants. Offers of employment are however always based upon the skills and experience.

Flexible working – we will continue to explore how we can change ways of working and build on the flexible working options we already have in place. With a hybrid approach fully embedded in our non-operational areas we continue to explore further opportunities to support the most flexible ways of working for our employees (where it is possible for the work to be done in a hybrid way).

Shift working - we will continue to address our assumption that women find some shift patterns less attractive and take actions to change patterns and ways of working where possible. Alongside this we have and will continue to improve our physical working environments to provide the most inclusive and welcoming facilities for our female employees.

Training – alongside training for managers on how to avoid potential unconscious bias when making decisions in recruitment, performance and pay, we also provide guidance and insight for all employees on our aspirations in shaping a more diverse workforce and a more inclusive culture.

Pay – we will continue to review our salary management guidelines to ensure fair and equal pay opportunities for everyone.

Future workforce – we will continue to work with schools and colleges to help students learn about the positive employment opportunities within our business and wider industry. We will continue to provide opportunities for Apprenticeships for future and existing employees.

We remain committed to creating an inclusive, diverse and healthy organisation, where every person can be themselves and be at their best.

Simon Oldham, Managing Director April 2024