

GENDER PAY GAP REPORT 2021

Established in 1979, LWC Drinks Ltd has grown from a small start up to the “fastest growing privately owned drinks company in the UK.”

We consider our success the product of our philosophy; not to sell brands on behalf of brand owners, but to buy on behalf of our customers.

With over 40 years of experience, 10,000 on-trade customers and employing over 1,000 members of staff across 14 sites, we pride ourselves on providing the best possible service available in the industry through every facet of our business, and making a real difference.

At LWC, we value our employees and place a great emphasis on creating an encouraging and supportive working environment with equal opportunities of progression for both male and female employees.

We offer training and development programmes across the business, with both management training courses and support in achieving role specific qualifications across all areas of the business.

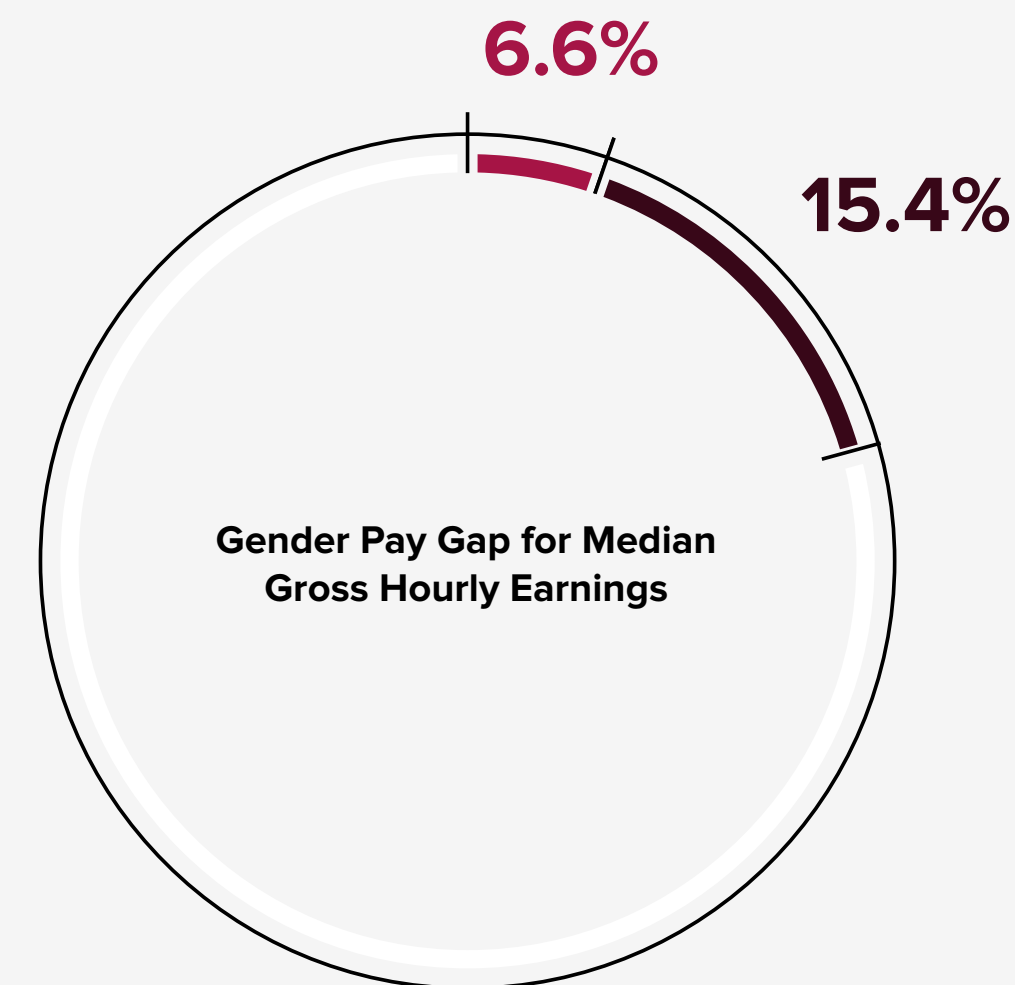
ORDINARY PAY GAP: MEDIAN

LWC Drinks' Gender Pay Gap report based on the snapshot date of 5th April 2021.

In 2021, our Gender pay gap for median gross hourly earnings was **-5.5%**. The negative percentage shows that females at LWC Drinks Ltd typically earn an average of 5.5% more than male employees per hour.

This is down -0.4% on the figure from 2020, which was -5.9%, showing a positive consistent reduction in the Company's gender pay gap.

The UK National Average still remains at a higher gender pay gap for median gross hourly earnings, at 15.4%, showing that across the rest of UK businesses, male employees continue to be paid a higher hourly pay.



■ LWC Drinks ■ UK National Average

In addition to our difference in median pay, we can also look at the ordinary pay gap for mean pay, which looks at the difference between the mean average hourly pay for men and the mean average hourly pay for women. In 2021, LWC Drinks Ltd had a mean ordinary pay gap of 0.3%. In contrast to the median pay gap, this shows that on average, men at LWC Drinks Ltd are paid 0.3% more than women. This suggests that the pay gap is almost non-existent, as for every £1 that a man earns at LWC Drinks Ltd, a woman will earn 99p.

This has improved significantly since 2020, where the mean pay gap was reported at -5.3%. However whilst this is a positive result, consideration needs to be applied to the fact that mean pay can be distorted by very high or low hourly pay (or bonuses), which is why it is beneficial to also take into account the median pay gap, which looks more at what the 'typical' situation is.

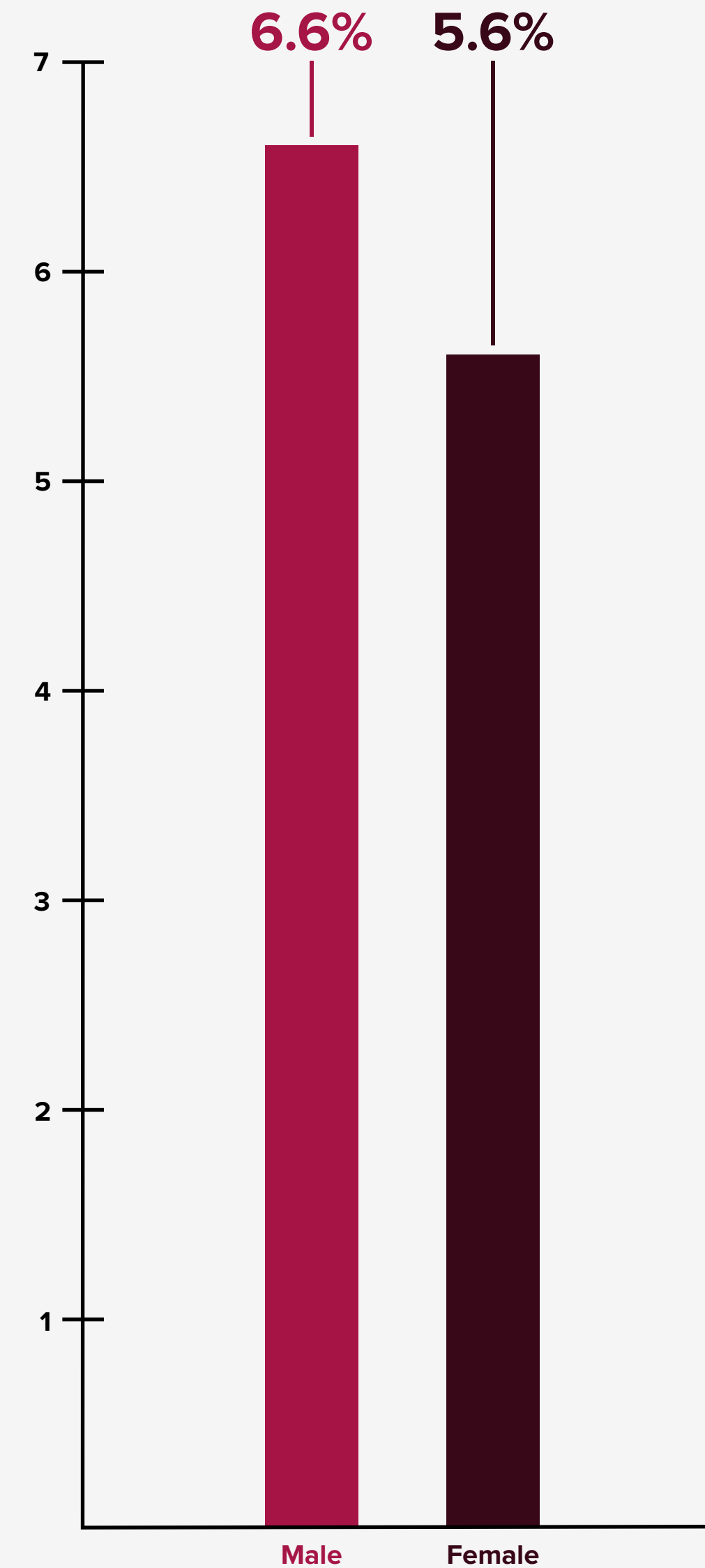
BONUS PAYMENTS

This includes any bonuses or commission paid to employees at the snapshot date of 5th April 2021.

The results show that there is a very small difference between females and males receiving a bonus, with male employees currently receiving more bonuses than female employees at LWC Drinks Ltd.

The figures to the right are significantly lower than reported for 2020, where bonuses were paid out to a much higher 79.8% of males and 80.4% of females; largely due to the difficult trading conditions which the Company faced in light of the Covid-19 pandemic.

It is important to consider the impact of temporary factors such as this when analysing the statistics on average earnings, including bonuses.

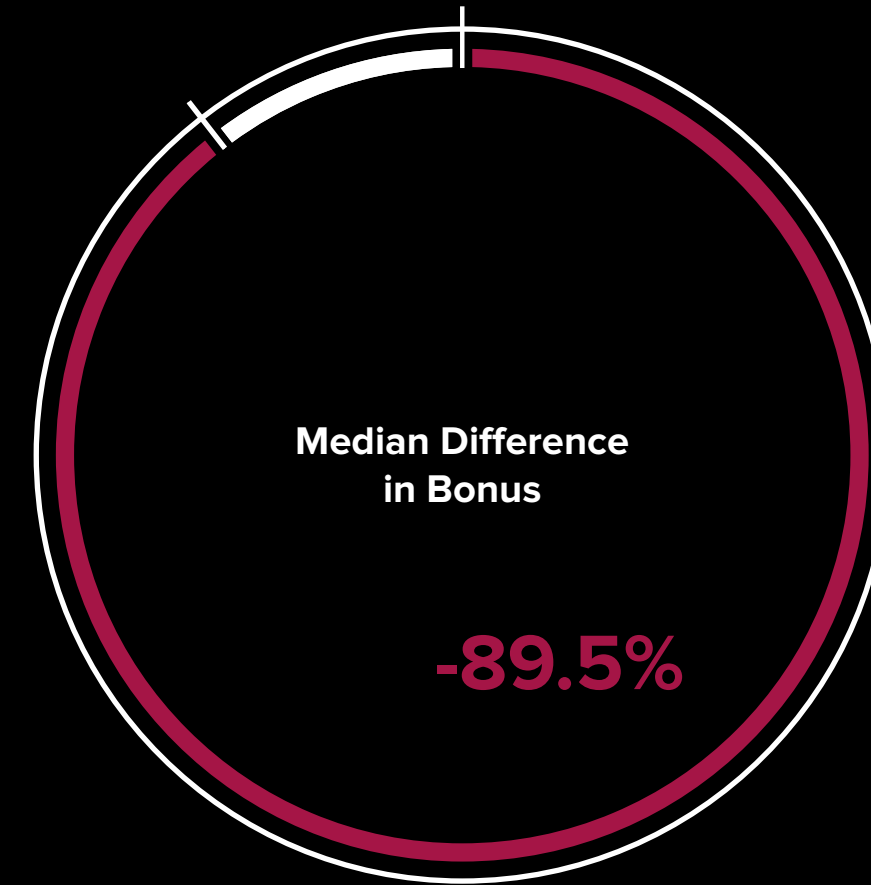


BONUS PAYMENTS

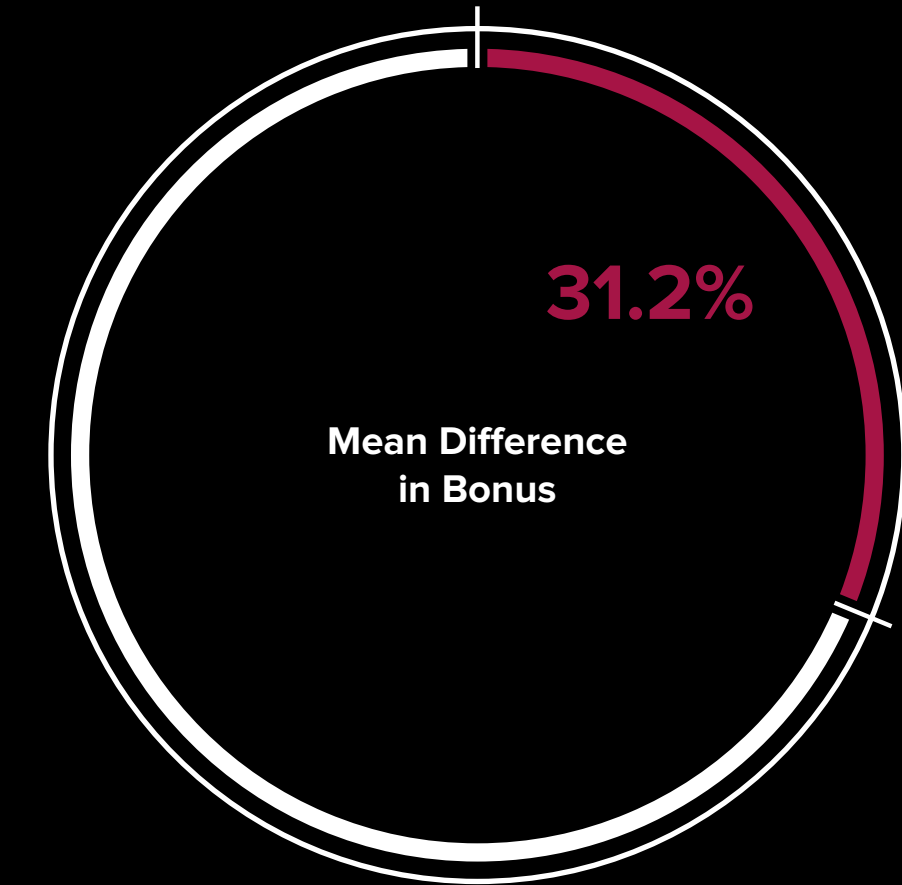
Looking into the bonus payments in more detail, the figures for 2021 follow a similar trend to the previous year (figures shown below), with a median difference in bonus of -89.5%, an increase of 7.7%.

This shows that overall, typically employees who are men have lower paid bonuses than employees who are women at LWC Drinks Ltd.

However, similarly to the ordinary gender pay gap for mean pay, the mean difference in bonus was actually 31.2%, another significant shift from last year which was -34.5%. This further suggests that the mean pay figures may have been distorted by some very high or very low bonus payments.



■ LWC Drinks



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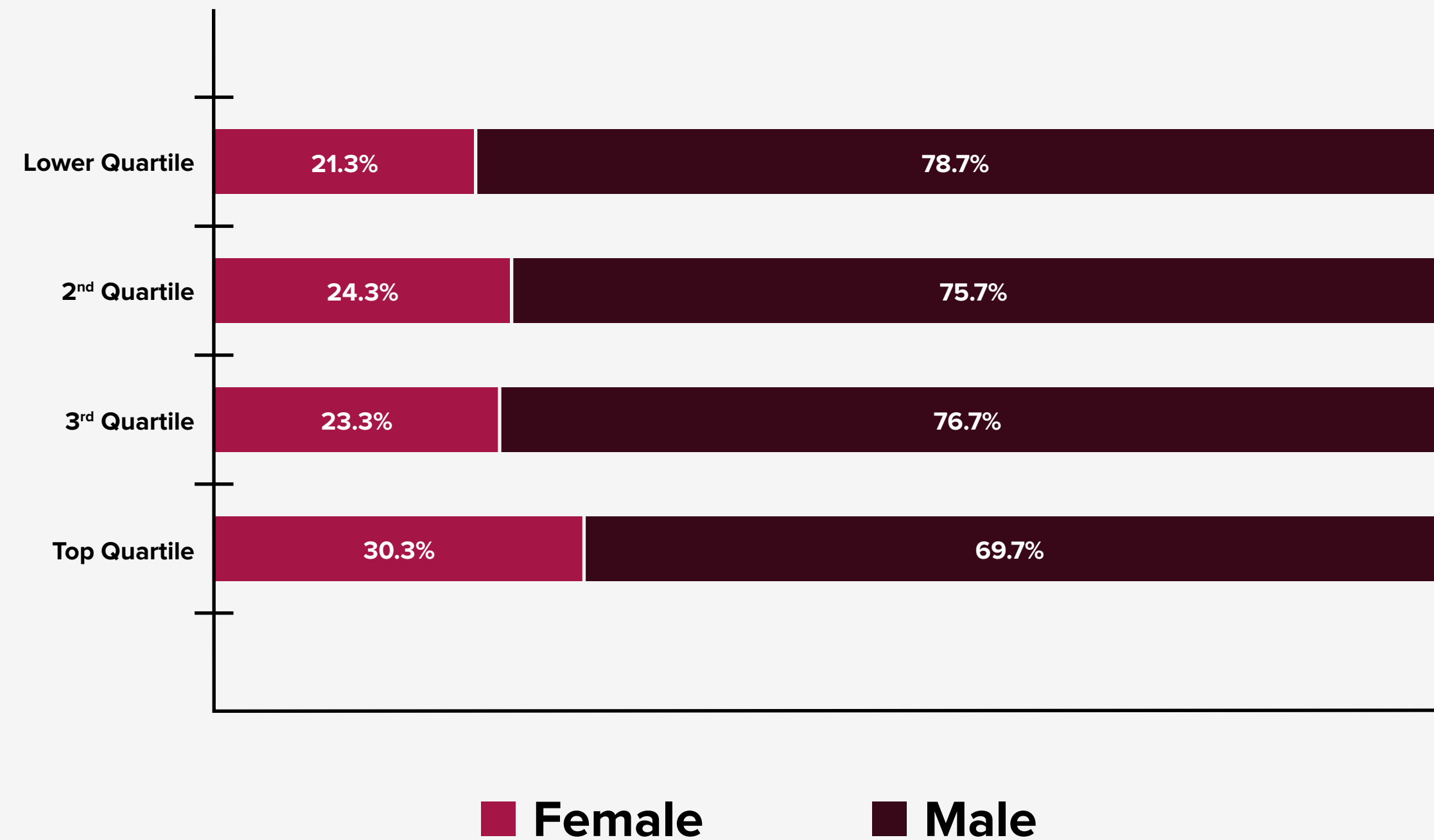
The median pay gap for bonuses is likely to be impacted by the fact that LWC Drinks Ltd does have a naturally higher intake of male employees in the large operational, distribution side of the business, which includes lower paid job roles. In addition to this, there has been a consistent increase in female employees in the top pay quartiles over the past 3 years. Whilst LWC Drinks Ltd works to ensure an equal bonus entitlement across male and female employees, the value of these bonuses will differ depending on the annual salary of each employee and the bonus entitlement will vary between different job roles within the business.

PAY QUARTILES

LWC Drinks has a consistent gender pay gap within each quartile band based upon ordinary pay.

Due to the business being predominantly distribution based, many of the warehouse and driver roles are male dominated professions. In addition, many of the senior depot manager roles are male due to the progression from warehouse positions within the Company. This would largely explain why at each ordinary pay quartile there is a significant gender pay gap.

However, since the Company gender pay gap report for 2018 was published, we have seen a continued steady increase in the number of female employees, particularly in the top quartiles. In comparison to 2020, the number of females in the top 3 quartiles has increased by 5.2% collectively. In the lower quartile, we have also seen a decrease in the number of females; a reduction of 1.2% since last year.



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LWC Drinks Ltd proactively works to encourage equality in the workforce and offers varied training and development opportunities for both male and female employees to progress within the Company.

We continue our work in ensuring that pay is paid equally and appropriately for the role carried out and utilise our gender pay gap results to further encourage equality.