

Gender Pay Gap Report 2021 - Timpson Limited

Timpson Limited employ some 2,259 colleagues across the UK and is part of Timpson Group. We are committed to enabling all colleagues to reach their potential whilst feeling they can also be themselves at work. We fully recognise that we are all different and the value of teams purposefully comprised to include and demonstrate the different perspectives brought about by colleagues working in a culture of diversity and inclusion.

Reporting on our gender pay gap serves as an important aide to our collective effort in improving gender diversity at every level and throughout our business. In addition to our long-standing work in providing work experience and real work opportunities, through our Timpson Foundation, for male and female ex-offenders, we have used our analysis from our gender pay gap reporting to recruit and promote more women into those roles where our gender pay gap is driven by a higher proportion of men.

The vast majority of our colleagues work in our national chain of shops and of course, we recognise the general perception which historically saw shoe repairing and key cutting as a male occupation.

Timpson Limited was again significantly impacted by Covid-19 and the subsequent national lockdown of January 2021, during which we supported all colleagues, including those who might ordinarily have been absent due to family leave or unpaid leave, by paying the top up to furlough to enable colleagues to continue benefiting from their full basic pay. The impact of supporting our colleagues by topping up their furlough pay has an impact on our Gender Pay figures.

What is the Gender Pay Gap?

Our report on gender pay and bonus pay gap follows the methodology set by the UK Government comparing the hourly rates of pay between our male and female colleagues regardless of their roles, as at 5th April 2021. Gender pay gap analysis is different from equal pay which is concerned with men and women receiving equal pay for the same or similar work of equal value, a principle that is followed throughout our business.

The gender pay gap is concerned with showing the difference in the average hourly earnings of men and women regardless of their roles across the business.

Our Results

Gender Pay and Bonus gap – the table below shows Timpson’s mean and median hourly gender pay gap as at 5th April 2021 and it also shows the bonus gap for the 12 months to 5th April 2021.

	2021	2021	2020	2020
	Mean	Median	Mean	Median
<u>Timpson Gender Pay & Bonus Gap</u>				
Difference between men and women				
Gender Pay Gap	-7.1%	-0.8%	15.3%	-5.9%
Gender Bonus Gap	32.4%	29.1%	51.2%	45.2%

The bonus and pay gap figures above show the difference between average hourly and bonus pay levels for women at Timpson as defined in the regulations. The positive percentage figure shows the degree to which women earn on average less per hour than their male counterparts.

Our results show significant progress in tackling our gender pay gap, with our mean figure closing the pay gap from 15.3% in 2020 to -7.1% in 2021. As with the rate of pay, our mean gender bonus gap is influenced by there being more males in Timpson and where women make up just 14.7% of the Timpson workforce. However significant progress has been made with both our mean and median result.

Everyone in Timpson is eligible to participate in our bonus scheme. Whilst our bonus is gender neutral, our bonus gap is influenced by the composition of our workforce, having more men than women in the field management roles and more men than women in the business. The UK regulations require the bonus calculation to be based on the actual hours worked, without pro-rating for part-time working.

Proportion of colleagues receiving a bonus – the table below shows the proportion of men and women who received a bonus. It also shows the availability of bonus for those at work.

Proportion of male and female colleagues receiving bonus pay

	<u>2021</u>
Female	98%
Male	99%

Pay quartiles – this table shows the proportion of males and females across Timpson in four equally sized groups, with each quartile containing 563 colleagues, sorted by level of pay ranging from quartile 1, which shows the lowest paid colleagues to quartile 4, which includes the highest paid colleagues.

	Lower Quartile 2021	Lower- middle Quartile 2021	Upper middle Quartile 2021	Upper Quartile 2021
Female	13%	14%	12%	19%
Male	87%	86%	88%	81%

Our plans to close the gap.

We will build on the progress made so far; to remain aware of the drivers of a gender pay gap and to be an even more inclusive place to work.

Our Gender Pay Gap is not caused by our female colleagues being paid differently from their male counterparts doing the same job but by the structure of our workforce. Any pay gaps will be influenced by those factors identified in our previous reports, namely,

- the challenge to us of an outdated perception that the key services offered to our customers and, as a consequence,
- the number of long-serving male colleagues in senior roles, and
- the proportion of female colleagues, which as well as being low, were working more flexibly across the business impacting on the data.

Regardless, we remain committed to changing this stubborn perception and in 2021, acting on the Main Board's request for a major initiative for the progression of female talent into Timpson Area Management roles, we launched Project Kenwood. The results of this exciting initiative will be apparent in good time for our next report. In the meantime, the momentum built by Project Kenwood is contributing to our better understanding of how we can continue to improve the career outlook of our female colleagues whilst at the same time, the organisation continues to review areas such as recruitment processes to ensure fair hiring practices and noting the opportunities emerging from its mentoring programme.

We have sought the view of our colleagues to better understand the diversity of our colleague population, by asking them to voluntarily disclose their personal diversity information, including gender. The information provided will help us to better identify areas for improvement and allow for more inclusive decision making. We know there is more to do and remain excited about the continuing challenge.

I confirm that our data in this report is accurate.



Paresh Majithia
Finance Director