

Gender Pay Gap Report 2022 - Timpson Limited

Timpson Limited employ some 2,541 colleagues across the UK and is part of Timpson Group. We are focussed on inclusion and colleague happiness, recognising the importance these factors play in enabling our colleagues to reach their potential at work. We are proud of our upside-down culture which encourages all colleagues to acknowledge being different and be their true selves at work. We are sincere in our welcome and passionate in our celebration of diversity.

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

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

What is the Gender Pay Gap?

Our report on our gender pay and bonus pay gap follows the methodology set by the UK Government's Gender Pay Gap Regulations and compares the difference in the average hourly rates of pay between our male and female colleagues regardless of their roles from the newest colleagues to our most senior executives. It is based on a snapshot of 5th April 2022. 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 regulations set out two ways to measure the gender pay and bonus gap

- 1. Mean pay and bonus gap** – where the difference is between the average hourly rate of pay for our female colleagues compared to the average hourly pay for our male colleagues across the company. This is arrived at by adding up the hourly rate of pay (or annual bonus) for our female colleagues and dividing this by the total number of female colleagues and doing the same for our male colleagues.
- 2. Median pay and bonus gap** – where the hourly rate of pay (or annual bonus) for our female colleagues, and then for our male colleagues, is listed from the highest paid to the lowest paid regardless of role. The median pay is the difference between the hourly rate of pay for the middle-listed female colleague and the hourly rate of pay for the middle-listed male colleague.

Our Results for 2022

Gender Pay and Bonus gap – the table below shows the Timpson mean and median hourly gender pay gap as at 5th April 2022 and also shows the bonus gap for the 12 months to 5th April 2022.

	2022	2022	2021	2021
	Mean	Median	Mean	Median
<u>Timpson Gender Pay & Bonus Gap</u>				
Difference between men and women				
Gender Pay Gap	-4.8%	0.3%	-7.1%	-0.8%
Gender Bonus Gap	53.9%	37.9%	32.4%	29.1%

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

Our results evidence the progress made since our first report in tackling our gender pay gap. Still a positive result which we will continue to improve upon. There is a slight increase in our median pay gap, likely caused by the increase of new female colleagues at branch level.

The statutory calculation does not allow for full-time equivalent normalisation and as our mean gender bonus gap is influenced by there being more males in Timpson and where women make up just 17% of the Timpson workforce, we accept there is more work to be done on this area.

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>2022</u>
Female	90%
Male	96%

Pay quartiles – the next table shows the proportion of male colleagues and female colleagues across Timpson in four equally sized groups, with each quartile containing 622 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 2022	Lower- middle Quartile 2022	Upper middle Quartile 2022	Upper Quartile 2022
Female	22%	14%	12%	19%
Male	78%	86%	88%	81%

Our analysis shows an increase in the number of female colleagues in the lower quartile reflecting the increase in the number of women joining us at branch level. Regardless, we will build on the progress made so far and remain attentive to the drivers of a gender pay gap.

Our view on our pay gap.

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

- an outdated perception that the main services offered to our customers are traditional and male oriented, presenting challenges in recruiting females; and
- the number of long-serving male colleagues in our senior roles.

Timpson will always be a place where everyone is welcome and accepted. Despite outdated perceptions of our services on offer, we remain committed to challenging such stubborn assumptions. In 2022 we realised the early results of our major initiative for the progression of female talent into Timpson Area Management roles through Project Kenwood and the appointment of our first two female Area Managers, who themselves have now recruited more women into the business. Project Kenwood has certainly contributed to our better understanding of how we can continue to review and improve the career outlook for our female colleagues, whilst at the same time delivering valuable lessons on areas such as recruitment and succession planning. We have also seen the benefit of our multi-million pound investment into training, where our first group of Timpson graduates highlighted female talent which might otherwise have escaped us. And of course we continue to invest in technological means to encourage colleagues to voluntarily disclose personal diversity information that will assist in our inclusive decision making.

I confirm that our data in this report is accurate.



Paresh Majithia
Finance Director