

Gender Pay Gap Report 2023 - Timpson Limited

Timpson Limited employ 2,747 colleagues across the UK and is part of Timpson Group. At the heart of our business are our colleagues and their happiness. We work tirelessly in improving the happiness, diversity and inclusivity of our colleague population which aims to represent the diversity of the communities we serve.

The vast majority of our colleagues work in our national chain of shops where the general public's perception historically saw key cutting and shoe repairing as a male occupation. We have worked hard to correct the historical perception and are proud of our efforts to increase diversity through work experience and real employment opportunities for under-represented groups, including women. This has resulted in a growing female presence in our business.

Transparency is key. Gender pay gap reporting is a valuable tool that helps us identify areas for improvement. We use the data to analyse pay disparities and develop targeted strategies to close the gap by focusing on recruitment and promotion efforts on those roles where men are currently overrepresented. This ongoing process allows us to build a more inclusive workplace where talent is valued regardless of gender.

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 2023. 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 gap 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 2023

Gender Pay and Bonus gap – the table below shows the Timpson mean and median hourly gender pay gap as at 5th April 2023 and also shows the bonus gap for the 12 months to 5th April 2023.

	2023	2023	2022	2022
	Mean	Median	Mean	Median
<u>Timpson Gender Pay & Bonus Gap</u>				
Difference between men and women				
Gender Pay Gap	-2.7%	1.1%	-4.8%	-0.3%
Gender Bonus Gap	43%	34.4%	53.9%	37.9%

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 negative percentage figure shows the degree to which women earn on average more per hour than their male counterparts.

Our results continue to evidence the progress made since our very first report where we had a significant gender pay gap. The increase in our median pay gap is likely caused by new female colleagues joining us at branch level. However, it compares well against the UK's median gender pay gap of 14.3%. And whilst our gender bonus gap is high, we continue to make good progress to shrink it.

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, women making up only 17% of the Timpson workforce, we acknowledge the important work to be done on this area.

The table below shows the proportion of men and women who received a bonus.

Proportion of male and female colleagues receiving bonus pay

	<u>2023</u>
Female	94%
Male	97%

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 640 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 2023	Lower- middle Quartile 2023	Upper middle Quartile 2023	Upper Quartile 2023
Female	23%	17%	11%	19%
Male	77%	83%	89%	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, whilst the increase in the lower-middle quartile reflects the progress made so far.

Our view on our pay gap.

Our overall gender pay gap reflects the structure of our workforce. Here is what we are doing to address this:

- **Challenging Outdated Perceptions** – we recognise that traditional views of our services may discourage some women from applying. We therefore actively promote the diverse range of opportunities available at Timpson to attract a wider talent pool
- **Investing in Female Leadership** – Initiatives like Project Kenwood demonstrate our commitment to developing female talent. Our successful female Area Managers are now mentors, inspiring and supporting other women seeking promotion.
- **Building a Diverse Pipeline** – our multi-million pound training programme identifies and nurtures female talent, showcasing the value of investing in future leaders.
- **Data-Driven Decisions** – we’re encouraging colleagues to voluntarily share diversity information, providing valuable insights to guide our decision-making on recruitment and promotion.

I confirm that our data in this report is accurate.



Paresh Majithia
Finance Director