

# Gender Pay Gap Report for Year Ending 5<sup>th</sup> April 2023

## 1 Foreword

At Johnstons of Elgin (“Johnstons”) we believe diversity and inclusion are essential to our continued long-term success. We are firmly committed to fostering a culture that is shaped by our values and where everyone feels they can bring their whole authentic selves to work and is supported to develop and grow their skills.

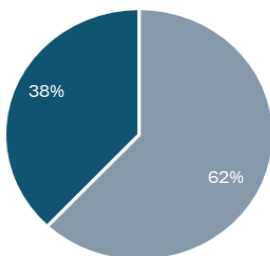
Since 2017, the UK Government has required public and private sector employers with 250 or more employees to publish key data on the gender pay gap in their UK businesses. In this report, we provide a snapshot of our UK gender pay gap data comparing trends with previous years. This report also recognises the actions we are taking to improve diversity and inclusion and further narrow our gender pay gap.

Although it is a legal requirement to publish our gender pay gap data annually, producing a gender pay gap report allows us to be open and honest about any disparities in our business and demonstrate a genuine concern for pay equality as well as our commitment to facing the problem head on. We believe transparency drives accountability and allows us to better determine where we need to make improvements.

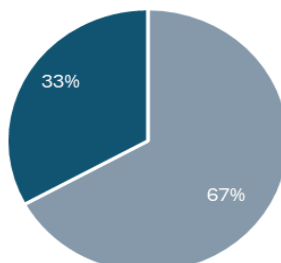
We confirm the information in this report is accurate and published in accordance with the UK gender pay gap reporting guidelines and regulations.

## 2 Gender Diversity at Johnstons

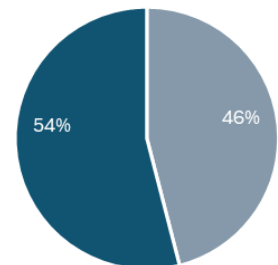
■ Women ■ Men



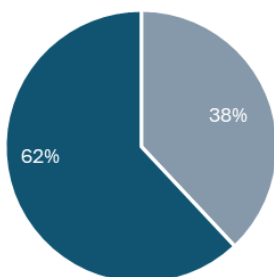
**Board of Directors**



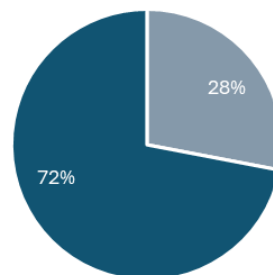
**Senior Leadership Team**



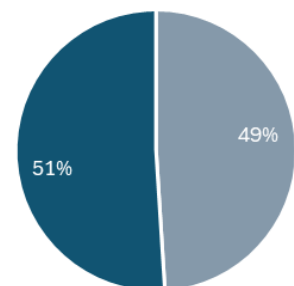
**Managers**



**Employees**



**Modern Apprenticeships**



**2023 Promotions**

### 3 Understanding our Gender Pay Gap (GPG)

Whilst we promote equal access to opportunities for all at Johnstons, our gender pay gap continues to be driven by the composition of our workforce. Approximately two-thirds of our overall workforce are female but there has been a tendency in the textiles industry for some jobs to attract female candidates, whilst others attract mostly male candidates. The issue being that the roles which mostly attract male candidates tend to sit in the upper quartiles, and those that attract women sit in the lower quartiles.

UK Pay Quartile	2023 (1071)		2022 (915)	
	Men	Women	Men	Women
Upper Quartile	61.4% (164)	38.6% (103)	62.3% (142)	37.7% (86)
Upper Middle Quartile	48.9% (131)	51.1% (137)	33.6% (77)	66.4% (152)
Lower Middle Quartile	23.9% (64)	76.1% (204)	24.9% (57)	75.1% (172)
Lower Quartile	19.0% (51)	81.0% (217)	23.1% (53)	76.9% (176)

#### MEDIAN PAY GAP

**12.9%**

2022: 10%

#### MEAN PAY GAP

**16.2%**

2022: 20.2%

Nevertheless, we are pleased to see continued improvements in the majority of the key GPG measures, particularly in the year end 5 April 2023 where the mean hourly pay gap reduced by 4% compared to 2022 figures. This reflects that we have seen an increase in appointment and promotion of women into supervisory and management positions, with the percentage of women in the upper quartile increasing by 0.9%.

### 4 Understanding our Gender Bonus Gap

Our gender bonus gap data captures bonus pay as defined in the reporting requirements over a 12-month period up until 5 April 2023.

#### MEDIAN BONUS GAP

**5.3%**

2022: 57.1%

#### MEN RECEIVING A BONUS

**86.7%**

2022: 5.4%

#### MEAN BONUS GAP

**34.8%**

2022: 88%

#### WOMEN RECEIVING A BONUS

**85.9%**

2022: 2.4%

The large increase between 2022 and 2023 figures is due to the payment of the company 225 year anniversary bonus and a cost of living bonus paid to all employees throughout tax year 2022/23.

## 5 Closing the Gap

The GPG is a complex issue and disparities can be caused by several internal and external contributory factors, so last year we identified some initiatives to further narrow our GPG.

### Improving Pay Transparency

Failing to list salary details on job advertisements and asking a candidate's salary history are two processes that uphold inequality and slow down the pace of change, especially for those who have traditionally been underpaid, such as women. We now publish the minimum salary on all job advertisements and we refrain from asking candidates for their salary history during the recruitment process. In doing so, we can remunerate all employees fairly, regardless of any gender bias, and ensure past pay discrimination does not follow women through their careers.

### Gender-Balanced Diversity Monitoring

Typically, roles in the textiles industry have seen gender norms attached to them and, in most instances, the male dominated roles tend to be the highest paid. In the interest of breaking down these gender norms, we analyse the gender and ethnicity of our new hires. We aim to identify whether candidates from underrepresented groups are applying, being interviewed, and being appointed, however, our current recruitment system does not have this reporting capability. We are actively looking to rectify this.

### Encouraging Flexible Working/Job Sharing

Requiring all employees to work full-time specified hours each week can contribute towards an internal gender pay gap where this method of working is not suitable for a particular gender such as women who, traditionally, have more child caring responsibilities than men. As such, our management team is encouraged to consider whether a role can be worked flexibly or is eligible for job sharing, and where available, this will be outlined on job advertisements.



**Chris Gaffney**  
Chief Executive