

# Gender Pay Gap Report for Year Ending 5<sup>th</sup> April 2022

## 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.

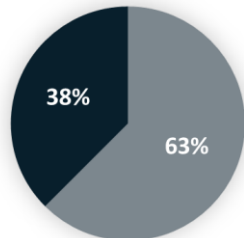
Since 2017, the UK Government has required public and private sector employers with 250 or more employees to publish key data on the gender pay gap in their UK businesses. In this report, we provide a snapshot of our UK gender pay gap data comparing trends with previous years. This report also recognises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

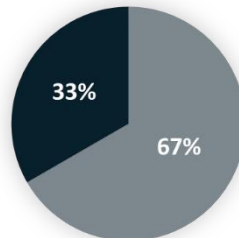
We confirm the information in this report is accurate and published in accordance with the UK gender pay gap reporting guidelines and regulations.

## 2 Gender Diversity at Johnstons

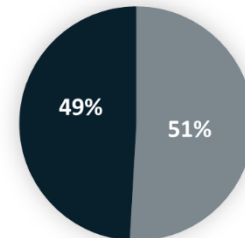
■ Women ■ Men



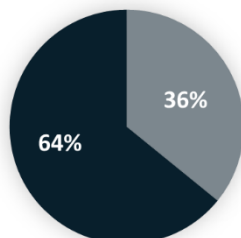
**Board of Directors**



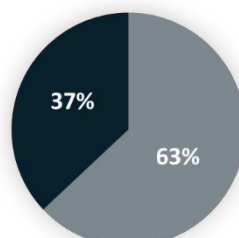
**Senior Leadership Team**



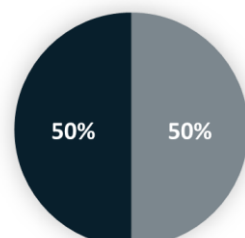
**Managers**



**Employees**



**Modern Apprenticeships**



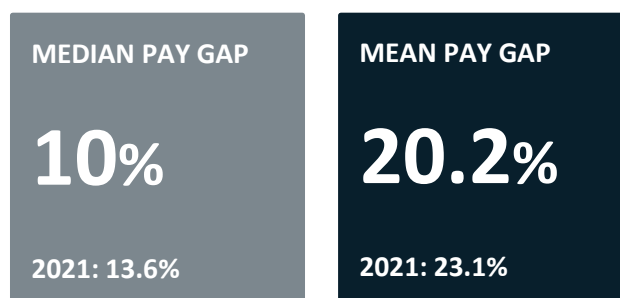
**2022 Promotions**

## 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.

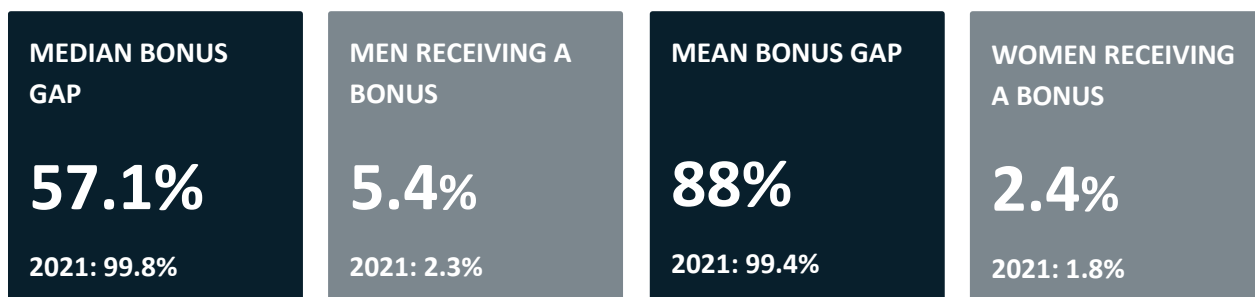
UK Pay Quartile	2022		2021	
	Men	Women	Men	Women
Upper Quartile	62.3%	37.7%	63.1%	36.9%
Upper Middle Quartile	33.6%	66.4%	38.8%	61.3%
Lower Middle Quartile	24.9%	75.1%	30.6%	69.4%
Lower Quartile	23.1%	76.9%	16.8%	83.2%



Nevertheless, we are pleased to see continued improvements in the majority of the key GPG measures, particularly in the year end 5 April 2022 where the mean hourly pay gap reduced by 13.4% and the median improved by 30.5% compared to 2021 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 and upper middle quartiles increasing by 2.1% and 8% respectively.

#### 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 2022.



In this reporting period there have been improvements in our gender bonus gap as the median bonus gap decreased by 54.4% while the mean bonus gap improved by 12.2%.

#### 5 Closing the Gap

The GPG is a complex issue and disparities can be caused by several internal and external contributory factors, so looking forward we have identified some initiatives that will 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. As such, we will ensure all job advertisements have a minimum salary listed and 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 will monitor the recruitment and selection process to identify whether candidates from underrepresented groups are applying, being interviewed, and being appointed. The aim is to ensure that job advertisements do not discourage individuals of a particular gender from applying.

#### 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