



Johnsons Textile Services Limited

Gender Pay Gap Report 2019/20

BACKGROUND

Under legislation that came into force in April 2017, all companies with 250 or more employees must publish and report specific figures about their gender pay gap. The legislation therefore applies to Johnsons Textile Services Limited (the “Company”), a wholly owned subsidiary of Johnson Service Group PLC (the “Group”), which for the period under review employed greater than 99% of employees within the Group.

Employers must publish the gap in pay between full-pay men and women on both a mean basis (average hourly salary) and a median basis (pay per hour based on the person ‘in the middle’ of the distribution of pay). In relation to bonus pay, employers are required to disclose both a mean and median basis for average bonus pay received in the financial year 2019/20. Furthermore, the percentage of employees receiving bonuses by gender must be disclosed. In addition, employers are required to disclose the distribution of gender by pay quartile – in other words, splitting the workforce into four groups based on their pay and showing the proportion of men and women in each group.

GENDER PAY GAP

The Company provides the following information in respect of its Gender Pay Gap:

Difference in the hourly rate of pay (mean)	8.3%
Difference in the hourly rate of pay (median)	12.3%

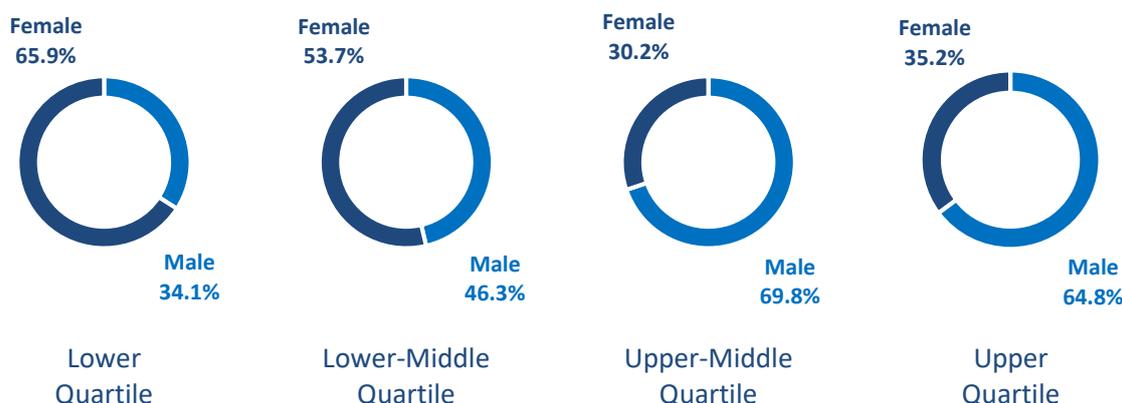
GENDER BONUS GAP

The Company provides the following information in respect of its Gender Bonus Gap:

Difference in bonus pay (mean)	2.2%
Difference in bonus pay (median)	51.5%
Percentage of male employees who receive bonus pay	29.3%
Percentage of female employees who receive bonus pay	23.9%

DISTRIBUTION OF MALE AND FEMALE EMPLOYEES BY QUARTILE

The proportions of male and female full-pay relevant employees in the lower, lower-middle, upper-middle and upper quartile bands were as follows:



IMPACT OF COVID-19

Only full-pay relevant employees, defined as any employee who is employed on the snapshot date and who is paid their usual full basic pay, are included within the hourly rate of pay Gender Pay Gap calculations and the Distribution of Male and Female Employees by Quartile.

As at the snapshot date, 5 April 2020, a significant proportion of our employees, particularly those employed within our Hotel, Restaurant and Catering (HORECA) division, were on furlough and, as a result, receiving 80% of their normal earnings. In addition, the majority of other employees in management, administrative and support roles who had not been furloughed had voluntarily agreed to a temporary salary reduction of either 10% or 20% with effect from 1 April 2020. As such, a significant number of employees did not receive their usual full basic pay as at the snapshot date and were therefore not considered full-pay relevant employees for the purposes of the GPG Calculations, a decrease of 3,645 employees in comparison to the 2019 GPG Calculations.

FURTHER EXPLANATORY COMMENTARY

Despite the impact of COVID-19, the results do show that, as in previous years, there is a gender gap. Whilst the agreed salary reductions reduced the impact of there currently being fewer females than males in senior and leadership roles on our gender pay gap, it continued to have a material impact on our gender bonus gap, which is based on the number of employees employed at the snapshot date, irrespective of whether they received their usual full basic pay. Both gender pay gap and bonus gap are also significantly influenced by two industry related factors:

- 1) Laundries operate large transport fleets and hence employ a significant number of drivers. The role generally commands a higher pay scale and is predominantly populated by males.
- 2) Laundry operations are very labour intensive with such roles being predominantly in the lower quartiles. A higher proportion of these roles are currently performed by females.

We continue to take action to address the gap and to make sure our employment policies and practices are fair. This includes actively reviewing decisions around annual pay, bonus pay and promotion opportunities and the Company will continue to endeavor to provide a training and development platform for all individuals to grow, both personally and in their work role, irrespective of gender.

DECLARATION

We confirm that our data is accurate and has been calculated according to the requirements of the Equality Act 2010 (Gender Pay Gap Information) Regulations 2017.

Peter Egan

Director, Johnsons Textile Services Limited

31 March 2021