

EST 1898

T·M·LEWIN
JERMYN ST. LONDON



GENDER PAY GAP REPORT 2018.



At T.M.Lewin we recognise that people are at the heart of our brand. Our ambition is to be the number one Employer of Choice in our industry, and to be the career destination for anyone passionate about fashion and menswear. We are extremely proud to have been nominated as a finalist in the 2019 Retail Week Awards for 'Best Place to Work', which is testament to the improvements we are making to our business.

I am pleased to share with you that we have seen improvements in our gender pay gap since last year. However, we still have a gap and recognise that the initiatives we have introduced over the last year will take time to address the underlying causes. Since last year's report, we have improved several of our company policies including; Flexible Working, Maternity, Paternity and Shared Parental Leave Policy and continue to hold our employee driven forum 'Be Heard'. We are confident that these changes will continue to help us make T.M.Lewin an inclusive and fair place to work.

We are wholly committed to being an equal pay employer and our analysis continues to show that we pay men and women equally for doing the same job.

Over the next year we will be introducing new initiatives to help close the gap, including greater transparency of pay grades, equal opportunities training and a return to work programme to support our female returners as we continue to promote a diverse and inclusive work force, with equal opportunities for all.

Sven Gaede, *Chief Executive Officer.*

INTRODUCTION...

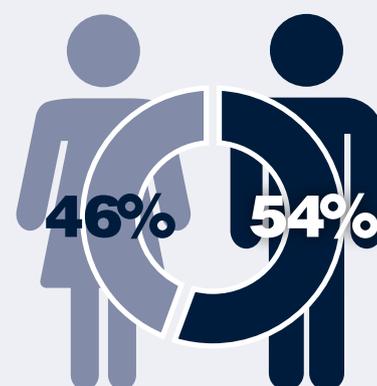
Under regulations that came into effect in April 2017, UK employers with 250 employees or more are required to publish information on their gender pay gap.

We have prepared this report in-line with the methodology under the Equality Act 2010 (Gender Pay Gap Information) Regulations 2017 and welcome the opportunity to set out our mean and median gender pay and bonus gap for 2018.

This report has given us the opportunity to not only evaluate where we currently sit and compare with the last year's results, but also review how the work we have done, and plan to do, can further support equal opportunities for all.

We employ around 800 people across the UK and in 2018, the point at which our gender pay gap has been calculated, approximately 46% of our workforce were women and 54% were men.

44% of our workforce work part-time and 79% of our colleagues are store based working closely with our customers and together with our office-based colleagues delivering our Primary Purpose 'helping dress men in confidence'.



Gender Demographic

HOW THE GENDER PAY GAP IS CALCULATED...

MEAN.

The mean is the average value of a data set. To calculate the mean, we add together the hourly rates of pay for female colleagues, and then divide by the number of female colleagues. We repeat this for male colleagues. The mean gender pay gap is difference in the average hourly rate of pay for female colleagues and male colleagues. This is shown as a percentage.

MEDIAN.

The median is the middle value in a data set. To calculate the median, we sort female colleagues from lowest to highest by hourly rate of pay and select the middle colleague. We repeat this for male colleagues. The median gender pay gap is the difference in hourly rate of pay between the middle female colleague and the middle male colleague. This is shown as a percentage.

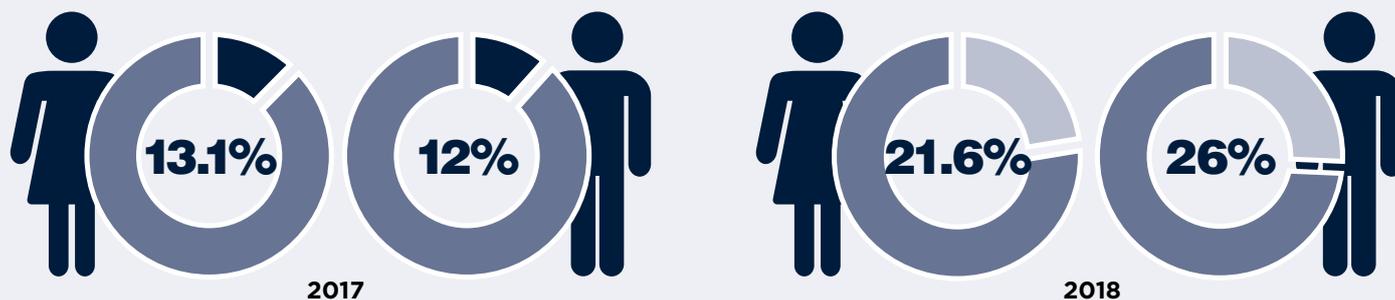
MEASURING OUR GAP...

The table below shows our median and mean gender pay gap (as at 5th April 2018) and how they compare with last year's results:

Gender Pay Gap	Median		Mean	
2018	3.1%	Reduced by 0.9%	19.7%	Reduced by 1.4%
2017	4.0%		21.1%	

Gender Bonus Pay Gap	Median		Mean	
2018	49.7%	Increased by 26.1%	25.7%	Reduced by 42%
2017	23.6%		67.7%	

The proportion of men and women receiving a bonus payment in the 12 months to 5th April 2018 was:



The below table shows the proportion of men and women who fall within each hourly pay quartile.

Gender population by pay quartile band

Upper Quartile (highest hourly pay)	Male 60.7%	Female 39.3%
Upper Middle Quartile	Male 54.5%	Female 45.5%
Lower Middle Quartile	Male 45.5%	Female 54.5%
Lower Quartile (lowest hourly pay)	Male 59.8%	Female 40.2%

LOOKING AT THE NUMBERS...

Our analysis shows our mean and median hourly gender pay gap is lower than the reported national average of 7.1% and 20.2% respectively (retail sale of clothing in specialised store).

As part of Gender pay reporting we are required to show the proportion of male and female colleagues in each quartile. As you can see from our hourly pay quartiles table, we have a higher percentage of women in Lower Middle Quartile, a fairly consistent distribution across our Upper Middle Quartile, and a higher percentage of men in our Lower and Upper Quartiles.

Even though there is a larger proportion of men to women in both Lower and Upper Quartiles, further analysis has shown that within the Upper Quartile more men occupy significantly higher paid positions (such as senior management roles) which ultimately drove the mean gap. We anticipate this will change significantly at the next reporting date, as currently (March 2019) the population of women in the upper quartile is 47%.

Our median gender pay gap for part-time employees, the vast majority of whom work in our shop locations, is -0.6% and our mean gender pay gap for this population is -2.2%. This further supports our commitment to be an equal pay employer.

Prior to 2018, our bonus scheme had not been widely utilised across the organisation, resulting in the relatively low participation rates and high mean gap shown in our 2017 calculations. This has changed in 2018 as we introduced Retail Sales Bonus Scheme, resulting in our participation rate doubling. Our mean bonus gap has significantly decreased because of more consistent awards being made across the organisation. However, our median bonus gap has risen. This is partially a result of the uneven take-up of the scheme and we anticipate this will change at the next reporting date. Similar to last year, we have also made a small number of discretionary, one-time payments to retain, attract or reward key talent throughout the year, which is further affecting our bonus gap.



WHAT WE HAVE DONE...

Although we continue to pay men and women equally for doing equivalent work, we recognise there is always more we can do. We continue to strive for equality and fairness for our employees, and believe we have already made and will continue to make a meaningful impact on our colleagues, their opportunities and our future gender pay gap calculations:

BONUS.

We have introduced a structured, performance-based bonus scheme that allows all colleagues to participate in our success.

POLICIES.

We have introduced Flexible working and reviewed our Maternity, Paternity and Shared Parental Leave policy to provide better support for our colleagues and promote equality.

INTERNATIONAL WOMEN'S DAY.

We understand the importance of International Women's Day, and have recognised this with internal events and communication.

WHAT WE CONTINUE TO DO...

We are committed to promoting an inclusive and diverse workforce. Over the last year we listened to our employees and acted on what they said. We continue to build on our current initiatives to further enhance the workplace for our female colleagues:

EMPLOYEE INSIGHTS.

Last year we successfully launched a voluntary disclosure insights survey to further understand our workforce and support our initiatives towards inclusivity.

BE HEARD.

We hold quarterly 'Be Heard' forums giving colleagues a platform to share ideas and feedback on the issues that matter most to them with the Management Team.

TALENT PROGRAMMES.

We continue to offer a number of talent programmes across the business, supporting female colleagues development into management roles.

WHAT WE WILL DO...

Although we continue to be proud of our work on diversity, we know that together, there is more we can do. We are committed to continue building on our work on creating and sustaining a diverse and inclusive work place, and providing equal opportunities for all our colleagues to fully develop their careers:

ROLE TRANSPARENCY.

We will introduce greater transparency with our Job Grading structure as we feel it is important our colleagues have a good visibility and understanding of company pay.

POLICIES.

Effective from March 2019 we have introduced a Career Break policy, which will allow colleagues to pursue their personal goals and interests outside of work and be certain they can come back to their role with T.M.Lewin.

RETURN TO WORK.

We will introduce additional training for female returners who are coming back into work after maternity leave or career break, to make sure our female colleagues feel supported from day one.

EQUAL OPPORTUNITIES.

We will provide specific training and support on unconscious bias, behaviours and equal opportunities to help our colleagues treat each other fairly and with respect.

DECLARATION.

I confirm that the T.M.Lewin gender pay gap calculations are accurate and meet the requirements of the Regulations. The calculations, data and assertions contained in this report have been made in line with the methodology contained in The Equality Act 2010 (Gender Pay Gap Information) Regulations.



Sven Gaede, *Chief Executive Officer.*

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