

halfords
for life's journeys

Gender Pay Gap Report

for Halfords plc

2020

Gender Pay Gap Report 2020

About this report

This report sets out our gender pay gap statistics as at the snapshot date of 5th April 2020. Since April 2017, all companies with more than 250 colleagues are required to provide these statistics. This report illustrates our gender pay position and also outlines the initiatives we have in place to encourage gender diversity across the Group.

This report is split into 3 sections:

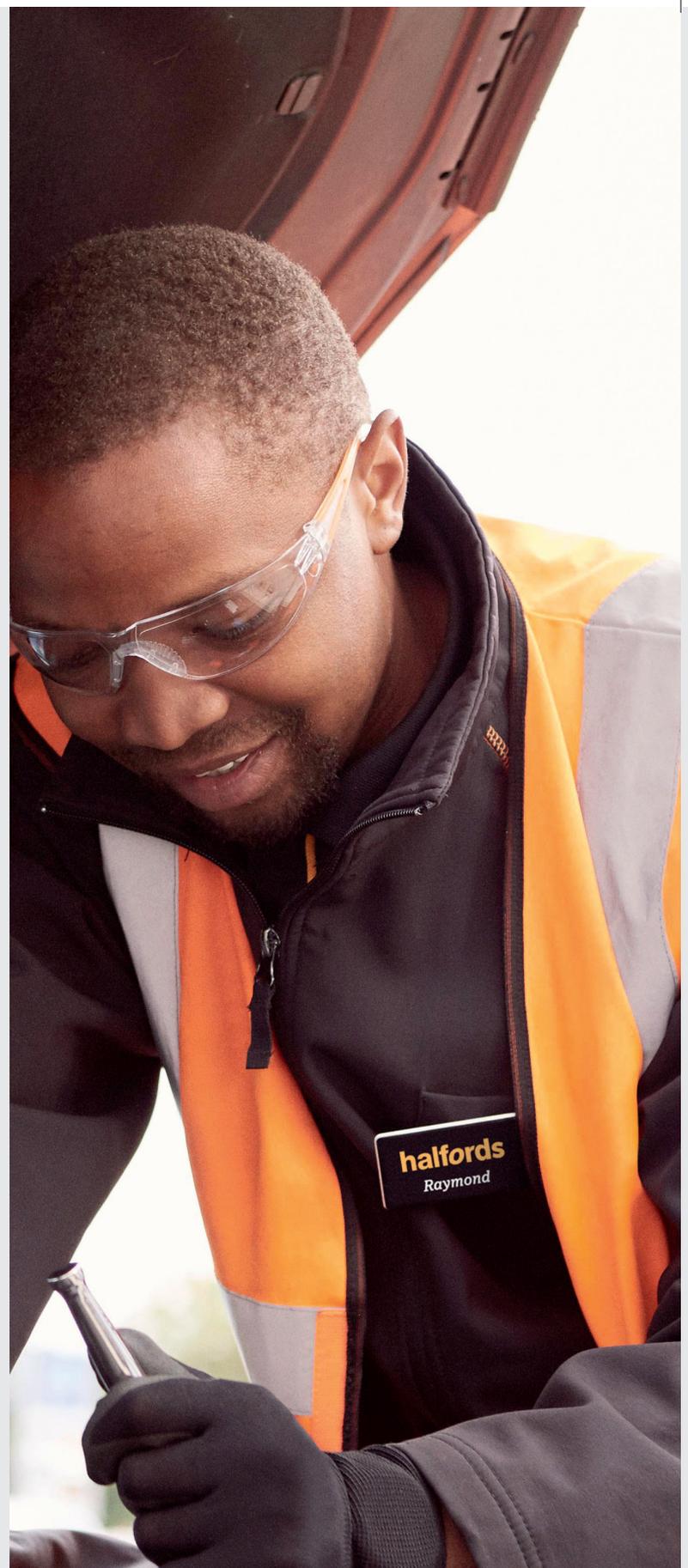
1. Our Group statistics

2. Gender pay gap across our businesses

3. Closing the gap

Understanding Gender Pay

The gender pay gap measures the difference between the average pay for men and women across all roles and levels. This differs to equal pay which compares the pay men and women receive for doing the same or similar roles.



I can confirm that the data outlined in this report has been prepared in accordance with the Equality Act 2010 (Gender Pay Gap Information) Regulations 2017.

Michelle Burton,
Group People Director

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Our Group statistics

Outlined below are our Group results for 2020. These figures include all eligible colleagues employed by Halfords Ltd, Halfords Autocentres Ltd and Performance Cycling Ltd. Our median Gender Pay Gap is below the national median of 15.5%*.

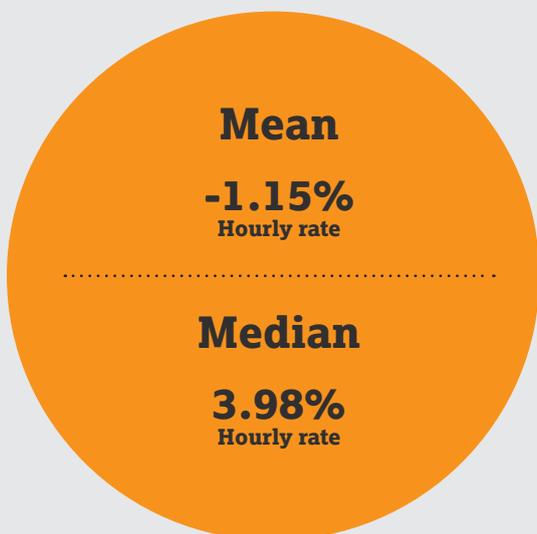
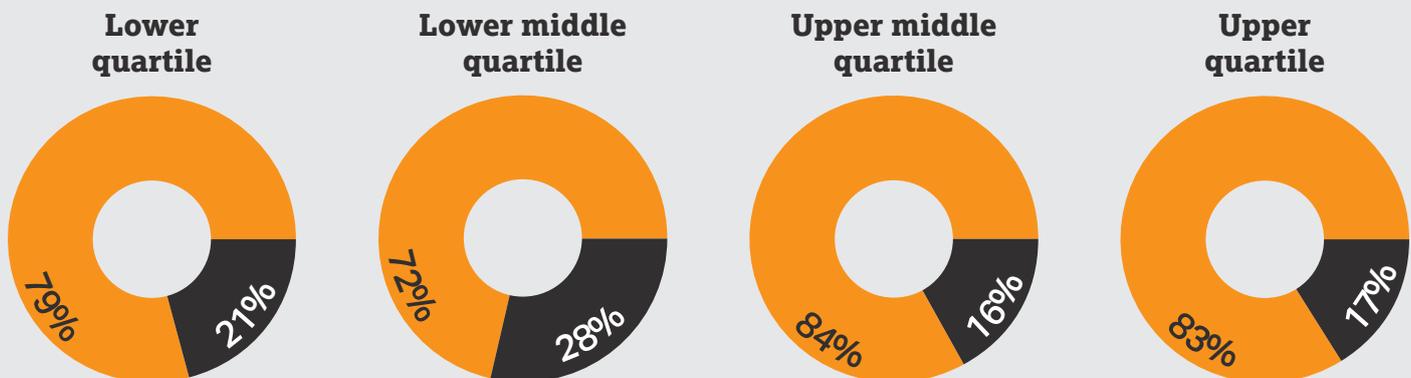
In April 2020 we had more men than women across the Group, with more men than women in management roles. Halfords Ltd Retail Management bonus scheme paid out at a similar level to the previous year, however the predominantly male populated Halfords Autocentres Ltd bonuses paid out to a higher degree which has resulted in more male colleagues earning bonuses. Another factor for the increase in bonus gap is more incentive based schemes have been run in Halfords Ltd Retail locations meaning that more colleagues earned smaller bonuses and the FY20 Halfords Ltd Support Centre bonus was only paid to more junior colleagues, causing the average bonus payments to be reasonably low this year for areas of the group that have more female workers.

McConechy's FY20 bonus payments were vastly different from the year before, with more female technicians earning higher bonuses than previously which has brought the average and median payments up ahead of their male counterparts.

Our focus remains on two areas, firstly improving the gender balance across the Group and secondly building awareness of our career progression opportunities both internally and externally.

Pay Quartiles

These charts show the proportion of males and females across Halfords in four equally sized groups, sorted by level of pay.



2020

Percentage of men and women who received a bonus.

Men	83.82%
Women	83.12%

Bonus Gap

Mean	62.21%
Median	56.40%

*Source: Office for National Statistics, October 2020

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halfords <i>for life's journeys</i>		halfords autocentre		halfords McCONECHY'S		PERFORMANCE CYCLING	
Hourly rate		Hourly rate		Hourly rate		Hourly rate	
Mean	-3.00%	Mean	7.17%	Mean	2.13%	Mean	0.00%
Median	1.47%	Median	14.06%	Median	4.38%	Median	2.65%
Bonus Pay		Bonus Pay		Bonus Pay		Bonus Pay	
Mean	13.63%	Mean	45.77%	Mean	27.74%	Mean	87.58%
Median	2.73%	Median	62.17%	Median	-54.21%	Median	48.72%
% Who received a bonus		% Who received a bonus		% Who received a bonus		% Who received a bonus	
Male	85.37%	Male	85.37%	Male	51.99%	Male	34.94%
Female	85.50%	Female	85.50%	Female	41.18%	Female	15.79%
Lower Quartile		Lower Quartile		Lower Quartile		Lower Quartile	
Male	78.83%	Male	90.00%	Male	89.47%	Male	84.31%
Female	21.17%	Female	10.00%	Female	10.53%	Female	15.69%
Lower Middle Quartile		Lower Middle Quartile		Lower Middle Quartile		Lower Middle Quartile	
Male	65.54%	Male	94.51%	Male	86.67%	Male	78.00%
Female	34.46%	Female	5.49%	Female	13.33%	Female	22.00%
Upper Middle Quartile		Upper Middle Quartile		Upper Middle Quartile		Upper Middle Quartile	
Male	76.62%	Male	96.86%	Male	92.00%	Male	84.00%
Female	23.38%	Female	3.14%	Female	8.00%	Female	16.00%
Upper Quartile		Upper Quartile		Upper Quartile		Upper Quartile	
Male	74.37%	Male	95.88%	Male	94.74%	Male	80.39%
Female	25.63%	Female	4.12%	Female	5.26%	Female	19.61%

Closing the gap

We are committed to ensuring that our working environment is as inclusive and diverse as possible and recognise that there are further opportunities to reduce the gender pay gap. As outlined last year, we have taken several steps to reduce the gap and will continue to encourage gender diversity across the Group. Some of our initiatives are outlined below.

Recruitment and Selection

During our recruitment process, our in-house recruitment teams endeavour to put forward a gender balanced candidate pool to hiring line managers.

We are continuing to partner with schools and colleges to engage with future potential colleagues as they are forming their decisions about their careers and get early engagement with our brands and opportunities. We are specifically focused on raising awareness among female students by showcasing the diverse and engaging work that our female colleagues perform in their roles. We believe this initiative will support us to build a talent pipeline for our Technicians in both automotive and cycling and create a more gender balanced workforce.

We have reviewed all recruitment collateral to include more female representation and bring to life some of the roles that our female colleagues do. This year we will be refreshing our careers website, which will enable us to celebrate the important role that female colleagues play in our business.

Diversity training

Due to the impact of COVID-19 we have had to adjust the way we deliver training to our colleagues and so during FY21 we have delivered virtual 'Values' sessions to all colleagues right across the Group using our online Learning platform. These sessions launched the new One Halfords Family Values, with a clear focus on shaping an inclusive Group culture, treating colleagues and teams equally, promoting fairness and driving collaboration across all functions and departments.

In addition, we have a full calendar of training and development planned for FY22. This includes, but is not limited to, leadership development for our newly appointed Duty Managers and Specialist colleagues within retail, as well as Customer First training for over 6500 retail colleagues. We have a new suite of leadership and business skills development for Support Centre colleagues, including our Distribution Centres and Performance Cycling and will continue to deliver a management development

programme across Halfords Autocentres Ltd, covering Autocentres, McConechy's and our Halfords Mobile Expert teams.

In 2021 we continued to partner with The Employers Network for Equality & Inclusion (ENEI) which gives us insight into best practices and access to the latest developments in this space.

This year we intend to establish a UK Women of Halfords business group to support our female colleagues with personal development, career advancement, and create a working environment where all colleagues thrive.

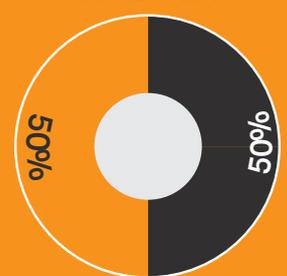
Career development

Our career development programmes, such as Aspire, were put on hold in FY21 due to the pandemic. We are now in the process of reviewing our management training, diversity and inclusion being a key topic, following the restructure of our management teams in our Retail stores.

We have continued to grow our Group career path which enables colleagues to progress into other parts of our business. This includes development for colleagues to move into more technical roles which have historically been predominantly filled by our male colleagues. Despite challenging circumstances in FY21 to date 41 colleagues have been promoted into more technical roles across the group, with 15% of these being women.

The number of women in senior roles has continued to steadily increase year on year and we continue to review the number of women who are appointed into and promoted into more senior roles. At Board level we have a 50:50 gender split.

Women on the Board



Reward

Across our businesses we have strong reward practices and processes to ensure that we are fair to all. In our Support Centres and for management roles, we have an established job evaluation process which ensures that we remove gender bias. In the operational areas of our business, we have spot rates.

In FY21 we implemented our first performance and market related pay review, enabling us to address any identified pay anomalies. This approach, which will continue to be adopted going forwards, is key to enabling us to address any pay equality issues across the group.

Halfords is a diverse and inclusive place to work and we are confident that these actions will continue to support us in maintaining this.