

# 2020

# GENDER

## Pay Gap Report

Grafton Merchants GB (GMGB) Limited is a subsidiary of Grafton Group plc and is a provider of building materials and related products to trade customers.

This gender pay gap report is based on data as at 5 April 2019.

### Our Approach

During the reporting period the overall headcount for Grafton Merchants GB (GMGB) Ltd has reduced as several businesses are now separate legal entities within the Group and one business - Plumbase Ltd - was sold. On this basis adjusted results for 2018 have also been provided in order to give a "like for like" comparison.

The "Gender Pay Gap" is an average figure and is distinct from "Equal Pay" which looks at the individual level and is about ensuring that men and women are paid the same for carrying out the same work, or work of equal value. The evaluation of our gender pay data indicates that the difference in average pay is due to proportionately more men being in senior, higher paid roles.

We constantly review ways in which we can address the issues of Gender Pay and have successfully recruited more women into senior roles, with a 7.69% increase in the number of female colleagues in the upper and upper middle pay bands between 2018 Adjusted and 2019. In particular, we are working hard to support more female colleagues with career development into senior roles through our management development training programmes and continuing with initiatives such as "Women in Buildbase" which brings together senior females from across a number of businesses.

We operate in the construction sector which has historically been a male dominated industry. In 2019, female colleagues made up 17.01% of the workforce, an increase of 2.14%. Although not a large number, it demonstrates the continued commitment we are making to shift the gender balance in this traditionally male dominated industry.

Typical of the construction industry, our gender pay data is influenced by the fact that historically we have a higher number of male colleagues in management positions. However, in 2019 the number of female colleagues holding management positions increased from 6.87% to 8.64%. During this time the overall management population increased with women appointed to 50% of these roles. This demonstrates an equal approach to recruitment into senior positions and supports our commitment to giving equal opportunities to our current and future workforce regardless of gender.

As a subsidiary of Grafton Group plc, we adhere to the Grafton Group Equality, Inclusion and Diversity policy, the aim of which is to promote equality and diversity across all areas of our business. We are committed to proactively challenging the underlying reasons for the gap and working across our business to address it.

## Gender Pay Analysis GMGB

### Mean Hourly Pay

The mean gender pay gap has now narrowed with male and female colleagues being paid **£11.94** and **£11.54** respectively, the difference being **3.38%** for 2019. This is an improvement on the **4.43%** difference measured in 2018 Adjusted. The mean hourly rate of pay has decreased for the male population and increased for females. The major influencing factor was the reduction in senior roles where male colleagues currently represent a greater proportion of that segment.

Mean Hourly Rate of Pay	2019	2018 Adjusted*	2018
Difference	3.4%	4.43%	2.95%

### Median Hourly Pay

The median gap for 2019 has decreased to **0.02%** from **0.8%** measured in 2018 Adjusted. The median hourly rate of pay has followed the pattern with the mean hourly pay gap with the change being driven by an increase in higher paid female colleagues and a reduction in the higher paid male colleagues.

Median Hourly Rate of Pay	2019	2018 Adjusted*	2018
Difference	0.02%	0.8%	-0.35%

### Mean Bonus Pay

We saw a decrease in the difference in mean bonus pay between men and women between 2018 Adjusted to 2019. Overall there were lower bonus payments in 2019, which was influenced by a reduction in the number of senior roles which attract a higher rate of bonus pay. Within the upper quartile group for pay 17% are women and 83% are men.

Median Hourly Rate of Pay	2019	2018 Adjusted*	2018
Difference	20.09%	28.68%	23.09%

### Median Bonus Pay

We saw an improvement in the median bonus pay, with a swing from a **16.90%** difference to **14.17%** difference in 2019. This is as a result of an overall reduction in the number of senior roles, which attract higher bonus payments. Within the upper quartile group for pay 17% are women and 83% are men.

Median Bonus Pay	2019	2018 Adjusted*	2018
Difference	14.17%	16.90%	8.00%

### Staff in Receipt of Bonus

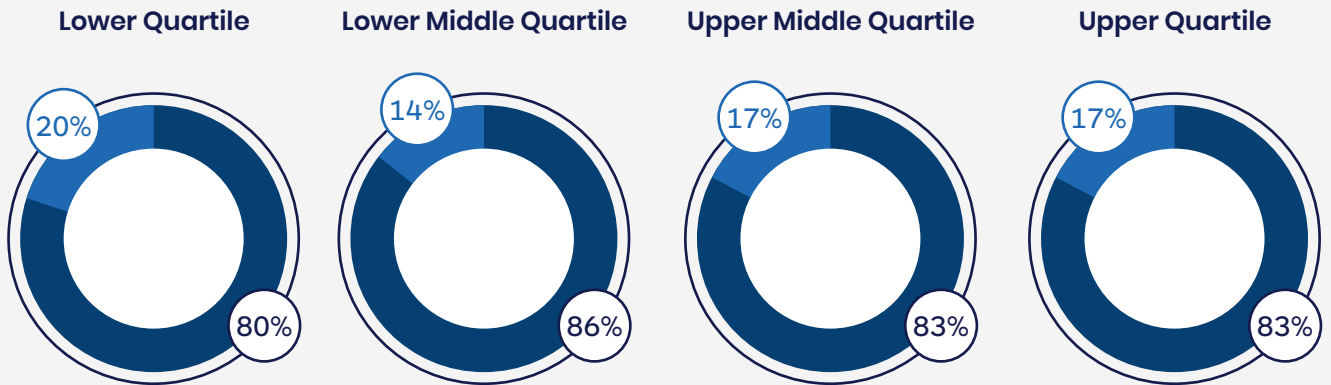
We saw decreased proportions of staff receiving bonuses across both genders, due to a decreased number of branches achieving performance targets. Due to the higher proportion of male colleagues in the branch network this has had less impact on the female colleagues in receipt of bonus, who are proportionately higher in number in support and Head Office roles.

Staff who Received Bonus	2019	2018 Adjusted*	2018
Male	61.72%	71.82%	71.42%
Female	71.05%	76.24%	72.42%

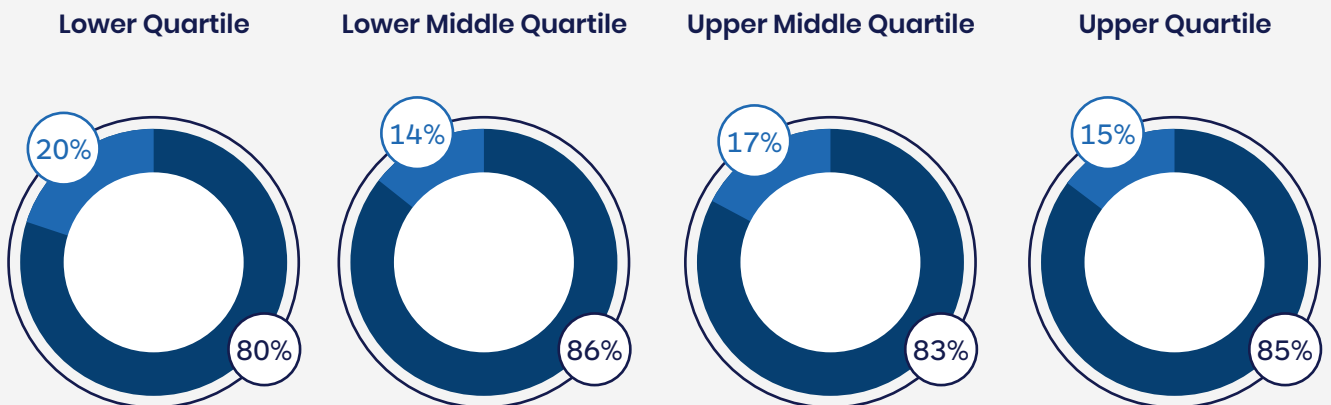
## Salary Quartiles

The charts below show the proportion of male and female colleagues in each pay quartile. Overall the number of men and women have remained static in the lower, lower middle and upper middle quartiles. However, we have had a shift in the upper quartile as we have recruited more females into management positions.

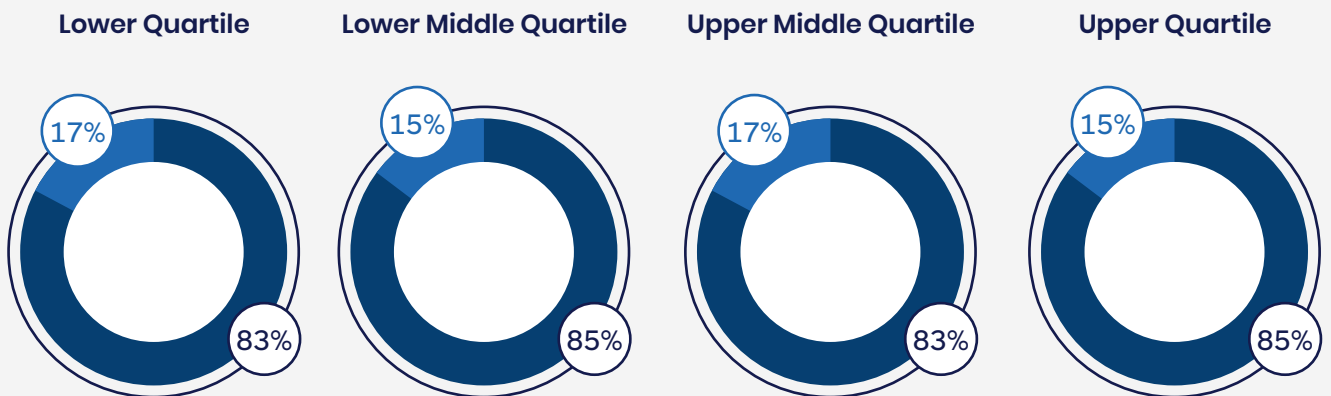
### 2019



### 2018 Adjusted



### 2018



■ Female
 ■ Male

\*Adjusted figures have been displayed to reflect the change in the population of Grafton Merchants GB (GMGB) Limited during 2018.