

# UK Gender Pay Report 2018:

B&Q plc

B&Q

B&Q is part of the Kingfisher Group and we are committed to being a fair and diverse employer. We employ c.23,500 people in the UK and ROI, aged from 16 to 90 and last year recognised over 2,000 colleagues who reached a length of service milestone between 5 and 45 years. We welcome the greater transparency on this issue driven by the new gender pay regulations. We are focused on enabling all employees, regardless of gender, race, background or any other characteristics, to reach their full potential and believe that having a diverse workforce, with fair representation is strategically important and generates value for all our stakeholders. We are continuing to make progress and have included some of our current and future initiatives below.

We have reward practices which remove any bias and are proud of having a median pay gap which is well below both the overall and retail sector benchmarks.

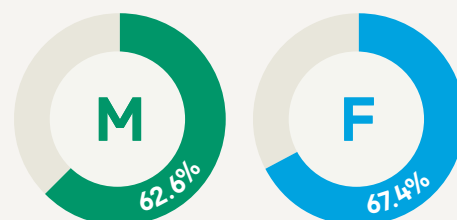
This report sets out our gender pay report for B&Q for 2018, prepared in line with the UK Government's methodology. In addition to setting out the key gender pay figures this report provides context as to the significance of the figures and the actions we are taking to improve them.

The table below shows B&Q's median and mean hourly gender pay gap (as at 5th April 2018) and bonus gap (for the 12 months to 5th April 2018).

Bonus and pay gap	Median	Mean
Hourly pay	2.6%	9.8%
Bonus	-103.3%	36.7%

## Proportion of employees receiving a bonus:

This diagram shows that broadly the same proportion of men and women received a bonus.



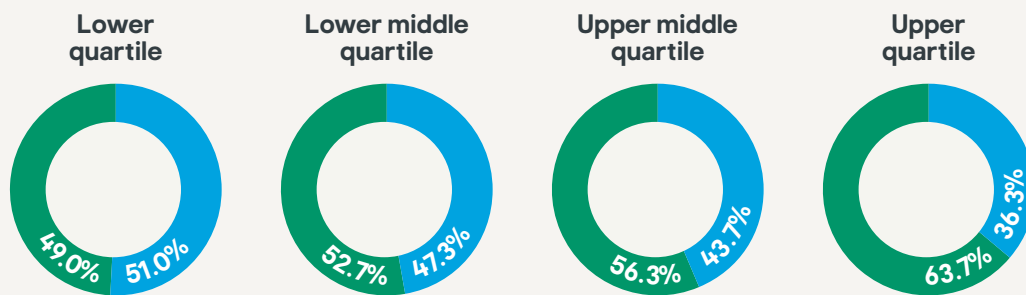
The above figures show the difference between average hourly and bonus pay levels for women at B&Q compared to men. For the pay gaps, a positive % indicates the extent to which women earn, on average, less per hour and a negative % indicates how much women earn more per hour than their male counterparts. The calculations above include all elements of pay as defined in the regulations. The mean pay and bonus figures are affected by the higher pay for our senior management, many of whom are male. In contrast, the median gap reduces the impact of this and is therefore

much lower at 2.6% and considerably below the national average and similar to last year. Similarly, the median bonus gap is negative (the median woman is paid more than the median man), whilst the mean bonus gap is positive. The calculations required for the bonus gap do not take into account that part time workers or individuals that joined during the year have a lower apportioned bonus opportunity. We are confident that we pay people fairly, irrespective of their gender. The proportion of women receiving a bonus in our organisation is broadly the same as that of men.

## Pay quartiles:

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

**M** Male **F** Female



This analysis shows that our gender pay gap is driven by a lower level of female representation in senior roles within the Company.

## Our planned approach to improve our gender pay gap

We will continue to remove barriers which prevent females reaching senior roles and store management positions. We have updated legacy practices to ensure that our reward structures are fair, consistent and free from bias on any grounds. As outlined last year, B&Q and the wider Kingfisher Group have taken several steps already to address the diversity of our workforce. As part of our continued efforts, we are currently in the process of:

- Continuing to review our recruitment processes and colleague experience to promote fairer hiring practices;
- Looking at more than just gender. We are working to ensure we have fair representation across different ethnicities and other characteristics.

Across our business we have robust and strong reward processes, maintaining these will support us in ensuring we are fair to all. Kingfisher and B&Q are committed to fairness across all aspects of our business. Since our

first gender pay gap report last year we have also reviewed the gender pay gap using a simplified methodology across all our geographies, and this data will be used across the business when reviewing pay to ensure our reward is fair for all of our colleagues (i.e. not just those covered by the reporting regulation in the UK).

Kingfisher and B&Q are considering new and different ways to achieve our diversity goals. It is a key priority for us that our colleagues have a good experience working at Kingfisher and we have trialed a number of initiatives to improve how we hire people and how they can progress in their career at Kingfisher, and are moving to implement these where appropriate. These include changing how we write job adverts; introducing programmes to help women returning to work; reviewing benefits for parents and making more senior jobs open to flexible working and reduced hours. We have piloted and launched talent programs to help leaders understand the importance and benefits of building inclusive teams, and understand the concept of unconscious bias.

The information contained herein is confirmed as accurate by Karen Witts, Chief Financial Officer, Kingfisher plc.