



B&Q

2022 UK Gender Pay Gap Report



B&Q

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Welcome to the B&Q UK Gender Pay Gap Report 2022

At B&Q, we believe in the value of equity, diversity & inclusion. It's a key part of our business plan and we've made significant progress in developing a more inclusive culture. There's more to do to ensure we're always meeting the needs of our colleagues and customers, but it's a strong start.

With a network of more than 300 stores and over 25,000 colleagues making up our workforce, we have a responsibility and an opportunity to make sure every store and our head office is reflective of the communities that we serve.

We're dedicated to making improvements and whilst this report focuses on gender, our diversity & inclusion strategy considers the many elements of inclusion with a plan of activity that spans beyond 2022 – setting us up for success with everything we're looking to achieve.

This report outlines our gender pay gap for the UK, and details the actions we believe will help us progress towards reducing our gender pay gap and embedding a truly inclusive culture.

The information contained herein is confirmed as accurate by Kate Seljeflot (Chief People Officer, Kingfisher)

The B&Q UK gender pay gap for the 12 month period ending 5th April 2022, in line with the Equality Act 2010 Regulations 2017.



We want B&Q to be a place where everyone feels that they can belong

Although our overall ambition is simple, it's very powerful. Our leaders make the biggest difference in creating a truly inclusive environment so we're helping them to be the best they can, and in turn, they're supporting our colleagues to be comfortable in being themselves.

When it comes to gender diversity, we're proud of the improvements made in the period up to April 2022, but we also know there's still more work to do. Our median hourly gender pay gap decreased from 1.2% to 0.7% in 2022 and our mean hourly pay gap decreased from 7.3% to 7.0% which is below the Office for National Statistics (ONS) figure for businesses in the UK of 14.9%.

To make sure we're continually making progress, our focus will remain on a range of diversity and inclusion activities across 2022 and beyond. From continuing to educate our leaders and colleagues, embedding our five colleague networks & inclusion councils, and our reverse mentoring programme, it's safe to say we have a fair amount of initiatives either already in place or happening across this year.

Our goal is to have better diversity in senior leadership and management positions. We will do this by:

- ✓ improving retention of women
- ✓ having a gender balanced shortlist for promotions
- ✓ ensuring there is no bias (conscious or unconscious) within our recruitment process
- ✓ investing in building a long-term pipeline of diverse talent
- ✓ building understanding of allyship and empowering colleagues to build an inclusive culture as active allies
- ✓ using data and insight to drive decisions, shape our plans and measure our progress



What is the gender pay gap?

The gender pay gap is not the same as equal pay:

Gender Pay compares average pay (both mean average and median average, for hourly pay and bonus pay) for men and women. Gender pay is therefore impacted by the number of men and women at different levels of seniority throughout the organisation.

Equal pay is determined by assessing whether men and women are paid equally for doing the same work or work of equal value.

At B&Q, we have policies and processes in place to ensure that our male and female colleagues are paid the same for work of equal value.

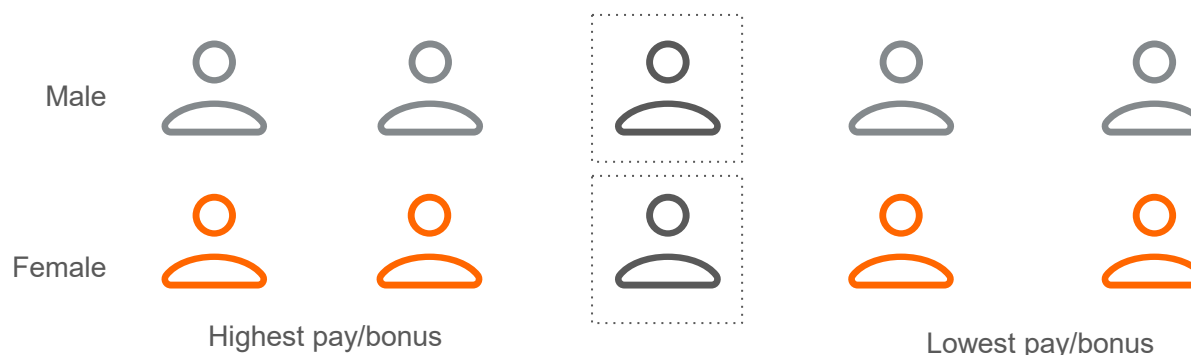
How the mean pay gap is calculated

The mean pay gap is the difference between average male and female pay.



How the median pay gap is calculated

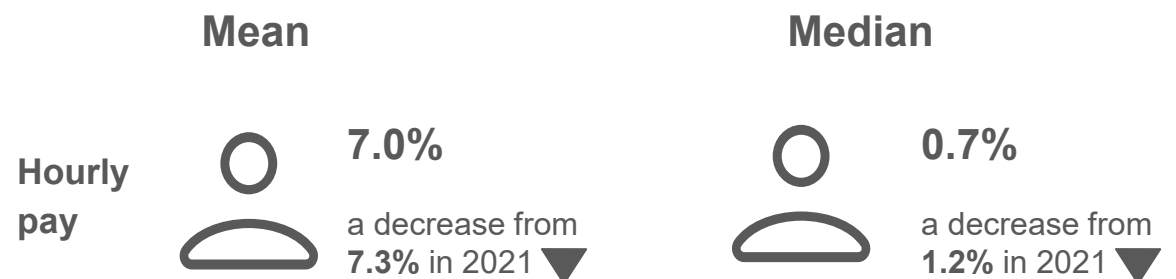
The median pay gap looks at the middle point of the population for male and female pay. The difference between the male middle point and female middle point is compared.



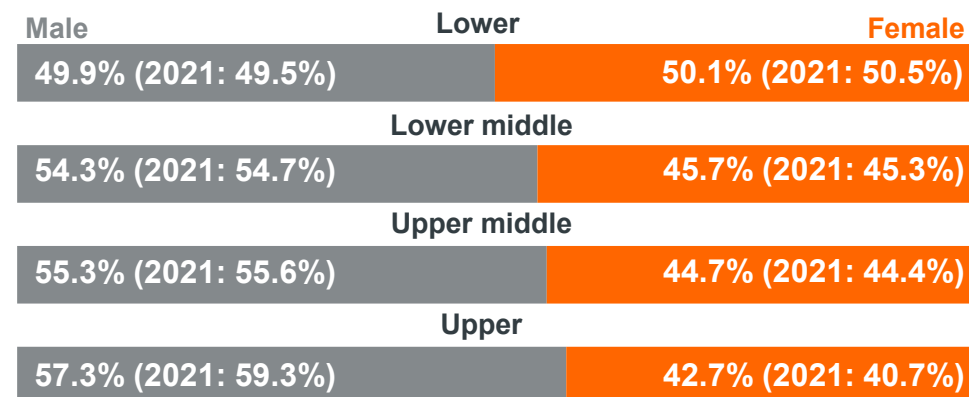
Note: The hour pay gap is calculated using pay during April 2022. The bonus gap is calculated using actual bonuses paid to colleagues for the 12 months to 5 April 2022.

Our 2022 Gender Pay Gap

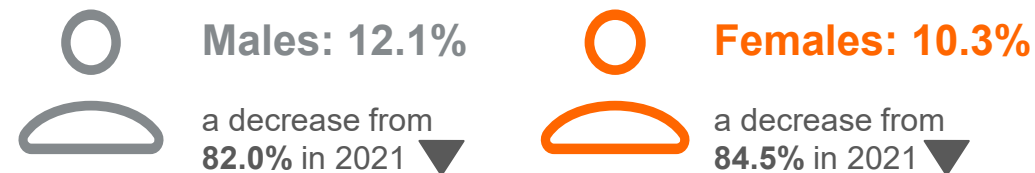
B&Q's mean and median hourly gender pay gap and bonus pay gaps (for the 12 months to 5 April 2022).



Proportion of female and males by pay quartile



Proportion of colleagues receiving a bonus



Our 2022 Gender Pay Gap Explained

We are encouraged to see modest improvements coming through in our gender pay gap figures as a result of the actions we have been taking. We are pleased that there has been improvement in our hourly pay gaps. We give more details below about why our pay gap continues to exist and why it has changed since 2021.

Why we have a pay gap?

We have more senior leaders that are male, as demonstrated by our top pay quartile, which is why we have a pay gap. As our senior leader roles attract higher salary and bonuses overall.

We continue to work towards our gender balance targets and improving gender representation throughout B&Q and in our senior leadership teams.

Why our pay gap has changed since 2021?

We have continued to improve representation of females in higher paid roles, which has resulted in hourly pay gaps reducing and more females in the top pay quartiles.

Our bonus pay gaps have increased this year. This is because of significant changes in the number of colleagues receiving a bonus (see box below), which has impacted both the average bonus payment made to males and females, as well as the distribution of employees that received a bonus. This year bonuses were primarily received only by our senior leaders who are proportionately more male than the whole of B&Q UK, which led to our bonus gap increasing. Future bonus pay gaps should decrease as we improve female representation in senior leader roles.

Note: The overall percentage of our colleagues receiving a bonus decreased in 2022. We paid our retail colleagues pandemic related bonuses in 2021 to thank them for being essential workers throughout lockdown. As these thank you bonuses were related to the pandemic they were not paid in 2022.

About B&Q Limited UK

c.25,000

Colleagues in B&Q UK

Over **300** store locations

95%

of UK colleagues work within stores

46%

of B&Q UK are female

Numbers are based on relevant employees as per the 2022 Gender Pay Gap calculation

Our action plan to become a more inclusive company and reduce our gender pay gap

Achieving greater diversity throughout B&Q, including gender diversity, rests heavily on being able to attract and retain diverse talent.

2022 Progress

1

Raising awareness

We've continued to share weekly D&I related information with our leaders and colleagues – with more than 100 editions shared and great readership – playing into our curiosity value. Our Black History Month campaign was really well received by colleagues setting us up to focus on more cultural events to increase awareness.

2

Building cultural intelligence:

Our Top500 leaders have attended their second instalment of Inclusive Leadership education facilitated by Green Park. That's 1200 learning hours on just these workshops and focusing on 'Becoming an active ally'.

3

Increasing reverse mentoring opportunities

Following a successful trial in 2021, the next phase of our Reverse mentoring programme launched supported by Ethnic Minority colleagues sharing their lived experience with senior leaders. With more than 40 partnerships created overall, it's proving to be an incredibly valuable programme.

4

Amplifying colleague voice

Our five colleague networks have established themselves across B&Q with strong representation. So far they've been instrumental in supporting with policy improvements as well as highlighting hot topics and helping to apply a D&I lens to all that we do.

5

Gaining insight through 'Power of You':

Since launching our colleague activation campaign in October 2022, 31% of colleagues have chosen to share their personal demographic data. As we seek more completions, we're committed to making sure colleagues are clear on what we're doing and why we're doing it - so they can make an informed decision on whether to take part.

2023/24 Priorities

Cultural check ins to take place every quarter:

Regular time with our Top 500 leaders, understanding challenges, sentiment and where we're making progress or need to focus

Ongoing inclusive education throughout the year:

Annual inclusive leadership training for Top500 leaders and year-round campaigns focusing on key inclusion events

Launching programmes and initiatives:

Rolling out allyship training to all colleagues and targeting development opportunities for under-represented groups

Embed our colleague networks and strengthen the inclusion

council: to create more change from within, amplify colleague voice and advance the overall D&I agenda

Tracking and validating our progress:

Launching our first workforce insight report along with reassessing where we're at through a follow up cultural review