

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 2020.

Our Approach

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 continues to be 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 and promoted more women into senior roles, with over 50% of female colleagues in the upper and upper middle pay bands in 2020.

We operate in the construction sector which has historically been a male dominated industry. When looking at the number of Relevant Employees, female colleagues made up 17.58% of the work force in 2020, an increase from 17.01% in 2019. Our continued commitment to shift the gender balance has been reflected in the year on year increases we have published since the introduction of Gender Pay Reporting.

We are committed to giving equal opportunities to our current and future workforce regardless of gender. This applies to both management positions and to roles that have historically been occupied by male colleagues. In 2020 as well as an increase in female colleagues in management positions, rising to 9%, we have also seen an increase in the number of women who are employed in driving roles, which have traditionally been occupied by males.

As a result of our continued assessment of our internal processes we have implemented several initiatives to support our approach in this area. These include internal training to change the mindset of construction being a male dominated industry and a review of how and where we advertise to make roles more appealing and accessible to candidates of both genders. We continue to recruit and invest in both male and female apprentices as a source of growing our own talent.

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

Mean Hourly Pay

The mean hourly rate of pay has increased for both the male and female populations to **£12.20** and **£11.67** respectively. The mean gender pay gap has now widened with the difference being **4.38%** for 2020. The major influencing factor in this movement was a senior female leaving the business in 2019, which had a significant impact on the Mean Hourly rate for female colleagues in 2020.

To provide a 'like for like' comparison, if the senior female colleague is excluded from the 2019 calculations, the 2019 mean hourly pay difference is 4.82% instead of 3.38%, and therefore the 2020 difference of 4.38% showed a narrowing in the mean hourly pay difference between males and females.

Mean Hourly Rate of Pay	2020	2019
Difference	4.38%	3.38%

Median Hourly Pay

The median gap for 2020 has decreased to **-0.37%** from **0.02%** measured in 2019. This continues the trend from the previous year. Female colleagues now have a higher median than their male counterparts.

Median Hourly Rate of Pay	2020	2019
Difference	-0.37%	0.02%

Mean Bonus Pay

We saw an increase in the difference in mean bonus pay between men and women between 2019 to 2020. As with the Mean Hourly Pay this has been affected by the senior female leaving the business, which had a significant impact on the 2020 Mean Bonus Pay for the female colleagues. Using a similar approach to that used for the Mean Hourly Rate, the 'like for like' comparison results in a smaller difference of 2.94 percentage points in favour of male colleagues.

Mean Bonus Pay	2020	2019
Difference	31.92%	20.09%

Median Bonus Pay

We saw an improvement in the median bonus pay, with a swing from a **14.17%** difference in 2019 to an **8.97%** difference in 2020. As with the Median Hourly pay this has continued the trend from the previous year.

Median Bonus Pay	2020	2019
Difference	8.97%	14.17%

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.

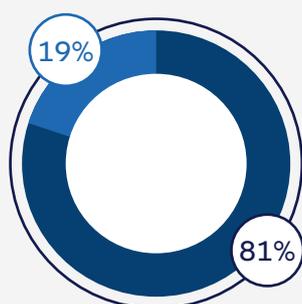
Staff who Received Bonus	2020	2019
Male	57.7%	61.72%
Female	58.8%	71.05%

Salary Quartiles

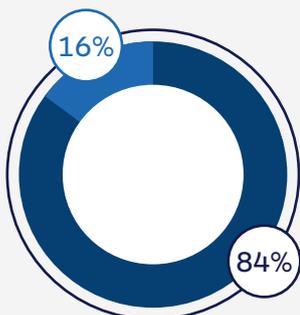
The charts below show the proportion of male and female colleagues in each pay quartile. Whilst the upper quartile has remained static, we have seen positive movements in terms of our female colleagues in the lower, lower middle and upper middle quartiles.

2020

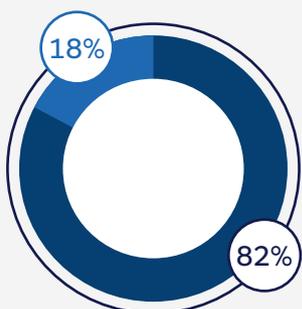
Lower Quartile



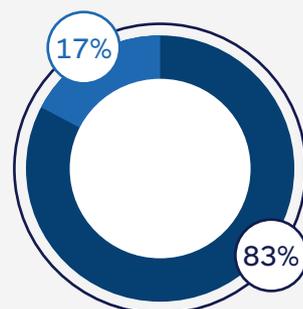
Lower Middle Quartile



Upper Middle Quartile

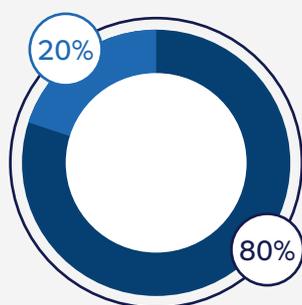


Upper Quartile

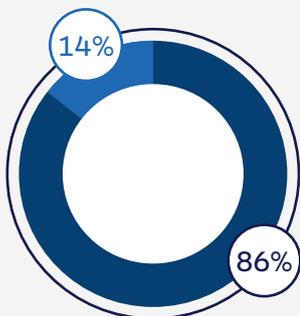


2019

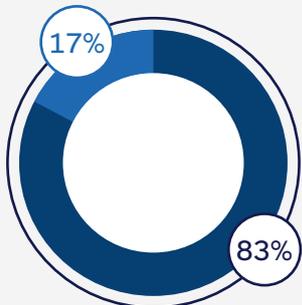
Lower Quartile



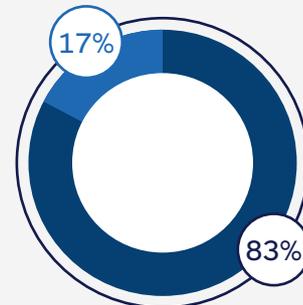
Lower Middle Quartile



Upper Middle Quartile



Upper Quartile



 Female  Male