

2017

GENDER

Pay Gap Report

Grafton Merchants GB Limited (GMGB) 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 2017.

Pay & Bonus Gap

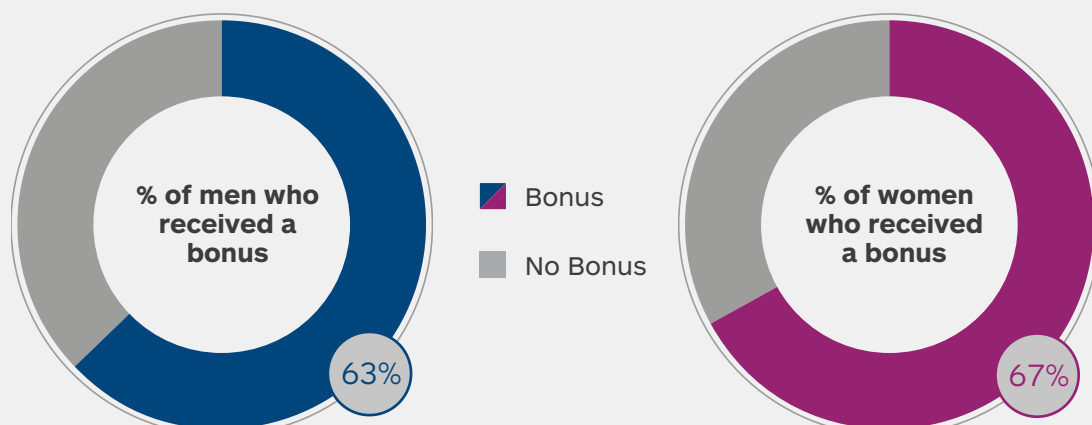
The table below shows the overall mean and median gender pay gap based on hourly rates of pay at the snapshot date of 5 April 2017. It also captures the mean and median difference between bonuses paid to men and women in the year up to 5 April 2017.

	Mean	Median
Hourly fixed pay	3.4%	0.63%
Bonus paid	22.94%	18.73%

These figures show that the median pay for women was 0.63% lower than that for men and the median bonus paid to men was 18.73% higher than that paid to women.

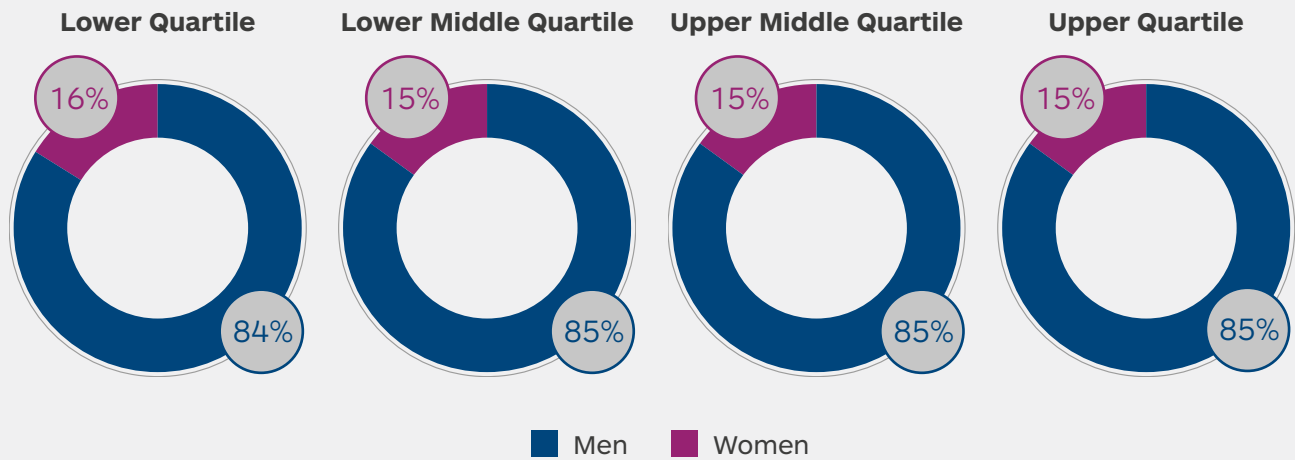
Proportion of colleagues who received bonus pay

The charts below show the percentage of the total relevant population of men and women who received a bonus during the year to 5 April 2017.



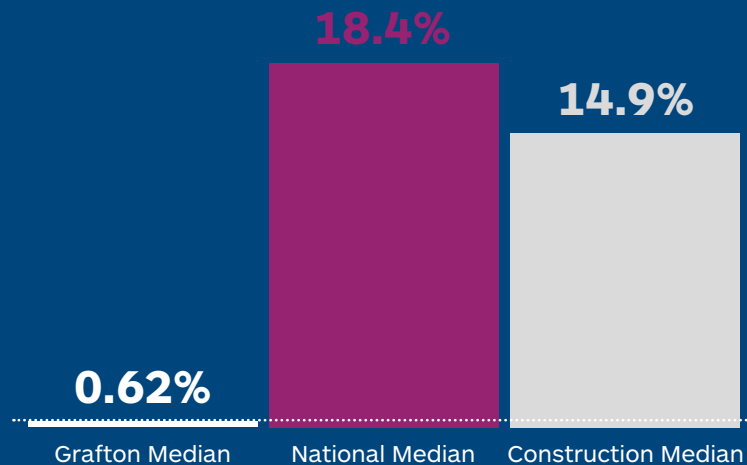
Salary Quartiles

The charts below show the proportion of males and females in each pay quartile



Commentary

At 0.63%, our median gender pay gap is significantly lower than both the UK national median pay gap of 18.4% and the construction industry median gap of 14.9%.



This is partly due to the fact that we have more women employed across our business in professional support and administration roles, which are paid at higher hourly rates compared with roles such as drivers and branch staff, which are typically male dominated.

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.

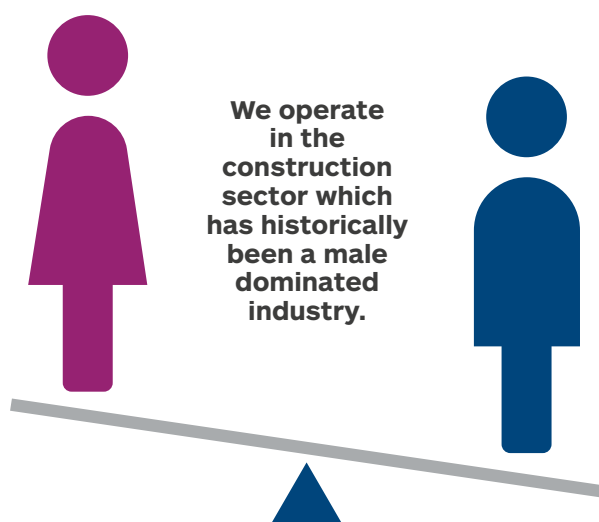
Our Approach

Our approach to employee reward is gender neutral by design. So, we are confident that that any gaps between male and female pay and bonus are driven by the structure of our workforce.

Our gender pay data is influenced by the fact that we have a higher proportion of men in management positions, which is perceptible throughout the construction industry. The impact of this can be seen mainly in relation to the mean and median bonus paid, as higher bonuses are paid in financial terms to managers who are themselves predominantly male.

However, the percentage of women paid a bonus was higher overall than that for men, reflecting our gender neutral approach to rewarding our colleagues. The results also show an even distribution of male and female employees across all pay bands.

We have fewer women in senior roles, and the majority of these are based in our central functions where over the last few years bonus schemes have paid out at lower levels than our frontline colleagues. In addition a large number of women work in support roles with a fixed bonus that has a capped maximum. We also have fewer women in our sales and branch management roles where bonus is a core part of remuneration. When structural factors such as these are removed differences in reward can be largely explained by individual performance, experience and skill sets.



At Grafton Group we promote equality, and we aim to be a welcoming, inclusive, diverse and safe place to work for everyone.

In particular, we are working hard to support more women with career development into senior roles and to encourage more female apprentices. We actively support initiatives across our businesses on International Women's Day in March to highlight the career opportunities we have for women in the Group.

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