

2018

# 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 2018.

## 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 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 9.86% increase in the number of females in the upper and upper middle pay bands between 2017 and 2018. In particular, we are working hard to support more women with career development into senior roles through our management development training programmes, and 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 2018 we grew our workforce and increased the overall number of women. This demonstrates the 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 we have a higher number of men in management positions. However, in 2018 the number of women in management positions increased at a greater percentage than the number of men (9.86% increase for females vs. a 3.78% increase for men). The impact of the higher number of men in management positions can be seen mainly in relation to the mean bonus (as higher bonuses are paid in financial terms to managers, who are 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.

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 men and women being paid **£11.86** and **£11.51** respectively, the difference being **2.95%** for 2018. This is an improvement on the **3.4%** difference measured in favour of the male workforce in 2017 and is significantly influenced by the annual salary within the Buildbase business applying to roles of Branch Managers and below, which saw senior employees – a male dominated group - being excluded from the increase and pay remaining static.

The mean hourly rate of pay has increased across both the male and female populations.

Mean Hourly Rate of Pay	2017	2018
Difference	3.4%	2.95%

### Median Hourly Pay

The median gap for 2018 has decreased to **-0.35%** in favour of the female workforce from **0.63%** measured in 2017. Following the pattern with the mean pay gap, the median hourly rate of pay has increased across both the male and female populations. This is again influenced by the approach taken by Buildbase to its annual salary review.

Median Hourly Rate of Pay	2017	2018
Difference	0.63%	-0.35%

### Mean Bonus Pay

We saw a slight increase in the difference in mean bonus pay between men and women between 2017 to 2018. This is due to the fact that there were higher bonus payments in 2018, and more males than females in managerial roles, which attract a higher rate of bonus pay. Within the upper quartile group for pay 15% are women and 85% are men.

Median Hourly Rate of Pay	2017	2018
Difference	22.94%	23.09%

### Median Bonus Pay

We saw a large improvement in the median bonus pay, with a swing from **18.73%** difference to **8.00%** difference in 2018. This was due to the overall increase in the number of Colleagues receiving a bonus and the impact of the gender mix across roles at different levels. As there were more men in lower paid roles, within the lower pay quartile 83% are men, this balanced out the impact of the senior males receiving bonus. With fewer women in lower paid roles, this did not have the same effect as in balancing out the bonus pay of the higher paid females.

Median Bonus Pay	2017	2018
Difference	18.73%	8.00%

### Staff in Receipt of Bonus

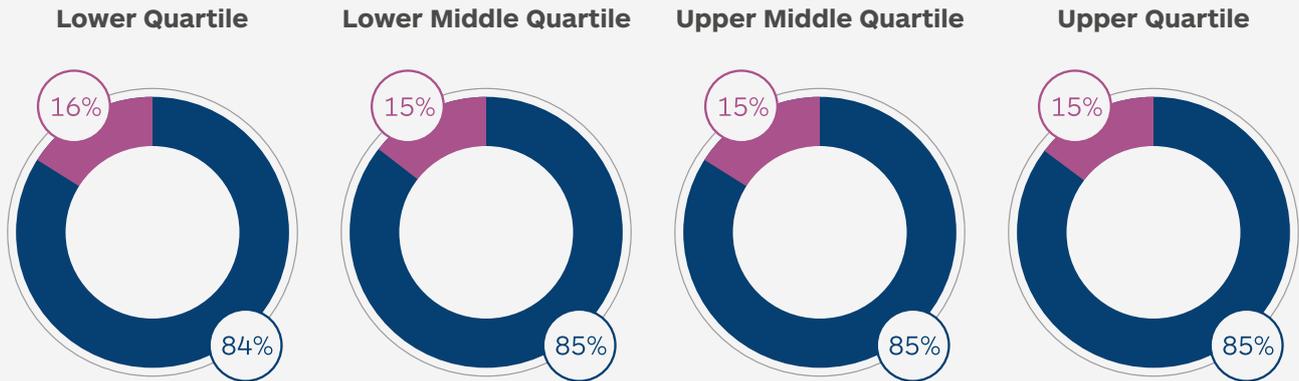
We saw increased proportions of staff receiving bonuses across both populations, due to an increased number of branches achieving performance targets.

Staff who Received Bonus	2017	2018
Male	63.37%	71.42%
Female	67.26%	72.42%

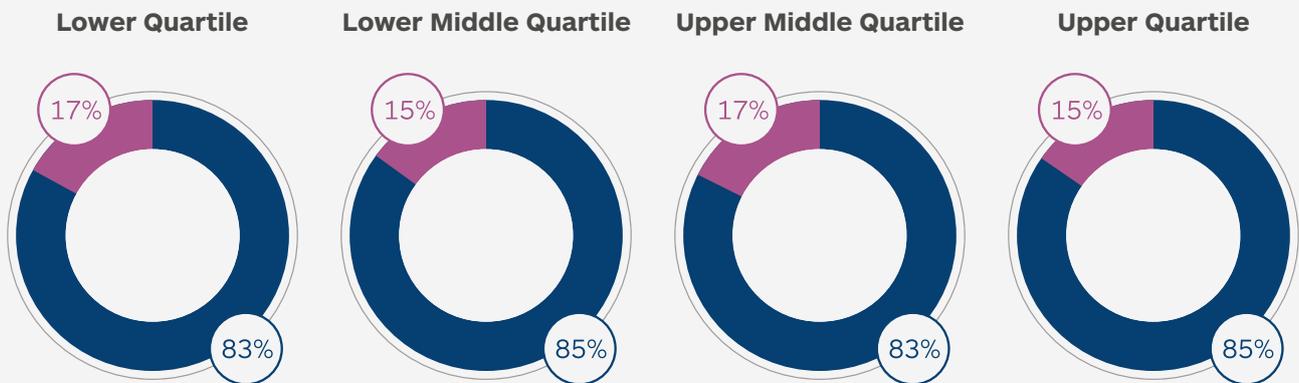
## Salary Quartiles

The charts below show the proportion of males and females in each pay quartile. Overall the numbers of men and women in the upper quartile and lower middle quartiles remained static. However, we have been actively recruiting women into apprentice roles as shown by the increase in females in the lower quartiles and have successfully promoted females into more senior positions in the upper middle quartile.

### 2017



### 2018



Female
  Male