

UK Gender Pay Report 2017: Screwfix Direct Limited

Screwfix is part of the Kingfisher Group and we are committed to being a fair and diverse employer. 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.

This report sets out our gender pay figures for Screwfix for 2017, 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 Screwfix's median and mean hourly gender pay gap (as at 5th April 2017) and bonus gap (for the 12 months to 5th April 2017).

Bonus and pay gap	Median	Mean
Hourly pay	5.7%	7.1%
Bonus	32.8%	45.3%

Proportion of employees receiving a bonus:

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



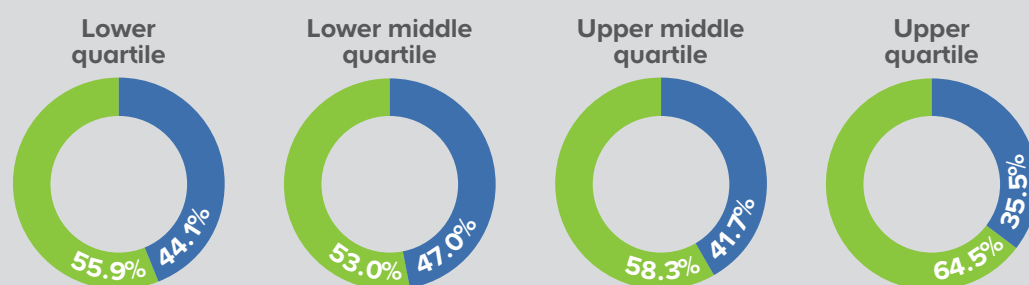
The above figures show the difference between average hourly and bonus pay levels for women at Screwfix compared to men. For the pay gaps, a positive % indicates the extent to which women earn, on average, less per hour and a negative % indicates how much women earn more per hour than their male counterparts. 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. The median pay gap reduces the impact of this and at 5.7% is considerably below the national average.

The mean bonus gap of 45.3% is due to the fact that only a small proportion of individuals are eligible to receive a bonus, as shown above, and therefore outliers have a greater impact on the numbers. Bonuses paid to junior support staff (primarily female) have a downward impact on the average female bonus which leads to the higher gap shown above.

Pay quartiles:

These charts show the proportion of males and females across Screwfix 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

Screwfix 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 Screwfix are committed to fairness across all aspects of our business. We will be working on the opportunities arising from gender pay reporting across our whole business, not just in the UK and are considering ways to analyse our gender pay gap across the Group internationally. We also aim to investigate the pay gaps for different ethnicities and other characteristics. This ongoing analysis will ensure we are pro-actively managing our pay fairly and equitably.

Kingfisher and Screwfix are considering new and different ways to achieve our diversity goals. Our colleague experience is a key priority for us and we're trialling a number of initiatives to improve how we hire people and how they can progress in their career at Kingfisher. 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. As part of our leadership development programmes we will 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.