

UK Gender Pay Report 2018:

Kingfisher plc



Kingfisher is committed to being a fair and diverse employer and we welcome the greater transparency on this issue driven by the 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.

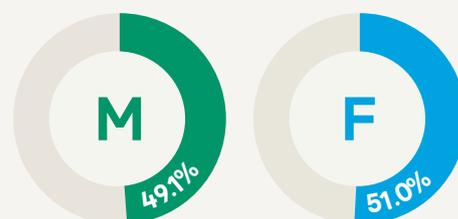
This report sets out our gender pay report for Kingfisher for 2018, prepared in line with the UK Government's methodology which requires reporting by each UK entity with over 250 employees. Kingfisher Group has five such entities (including Kingfisher International Products Limited, for which we are reporting for the first time). In addition, we are again voluntarily disclosing the gender pay gaps for the whole of Kingfisher in the UK. As we are working towards the same diversity and inclusion goals, we feel it is important for us to consider the results as a whole. 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 Kingfisher Group's median and mean hourly gender pay gap (as at 5th April 2018) and bonus gap (for the 12 months to 5th April 2018).

Bonus and pay gap	Median	Mean
Hourly pay	3.3%	8.8%
Bonus	-11.5%	40.3%

Proportion of employees receiving a bonus:

This diagram 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 Kingfisher 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.

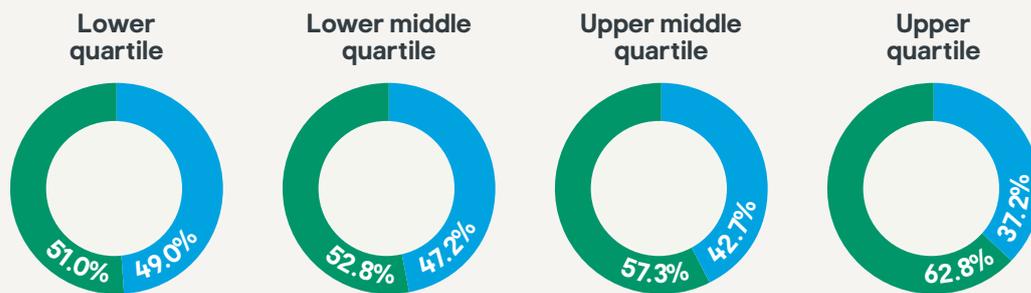
In contrast, the median gap reduces the impact of this and is therefore much lower at 3.3% and considerably below the national average and similar to last year.

We are confident that we have the right reward processes in place to enable us to pay people fairly, irrespective of gender. The proportion of women receiving a bonus in our organisation is broadly the same as that of men.

Pay quartiles:

These charts show the proportion of males and females across Kingfisher 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

As outlined last year, we 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 is committed to fairness across all aspects of our business. Since our first gender pay gap report last year we have also reviewed the gender pay gap using a simplified methodology across all our geographies, and this data will be used across the business when reviewing pay to ensure our reward is fair for all of our colleagues (i.e. not just those covered by the reporting regulation in the UK).

Kingfisher is considering new and different ways to achieve our diversity goals. It is a key priority for us that our colleagues have a good experience working at Kingfisher and we have trialled a number of initiatives to improve how we hire people and how they can progress in their career at Kingfisher, and are moving to implement these where appropriate. These include changing how we write job adverts and making more senior jobs open to flexible working and reduced hours. We have piloted and launched talent programs to help leaders understand the importance and benefits of building inclusive teams, and understand the concept of unconscious bias.

Set out below are the gender pay figures for each of Kingfisher Group's entities. The figures below follow the aforementioned methodology required by the UK Government. B&Q and Screwfix are our two UK retail operations. Kingfisher Corporate, Kingfisher International Products Limited and Kingfisher Information Technology Service (UK) Limited are smaller entities within the Group. The first employs primarily individuals in our corporate head office, the second in our Offer & Sourcing business and the third employs individuals in our IT services business.

The gender pay gap within these entities is driven by differences in roles and representation across the business in line with the Group figures above.

As Kingfisher's largest entities, the figures for B&Q and Screwfix are discussed in more detail:

B&Q gender pay report

<https://www.diy.com/genderpayreport2018>

Screwfix gender pay report

<https://www.screwfix.com/gender-pay-report>

The information contained herein is confirmed as accurate by Karen Witts, Chief Financial Officer, Kingfisher plc.

Kingfisher International Products Limited

Bonus and pay gap	Median	Mean
Hourly pay	25.7%	18.5%
Bonus	25.2%	-66.5%

Proportion of employees receiving a bonus:



Pay quartiles	Male	Female
Upper Quartile	64.8%	35.2%
Upper Middle Quartile	55.1%	44.9%
Lower Middle Quartile	42.5%	57.5%
Lower Quartile	39.8%	60.2%

B&Q plc

Bonus and pay gap	Median	Mean
Hourly pay	2.6%	9.8%
Bonus	-103.3%	36.7%

Proportion of employees receiving a bonus:



Pay quartiles	Male	Female
Upper Quartile	63.7%	36.3%
Upper Middle Quartile	56.3%	43.7%
Lower Middle Quartile	52.7%	47.3%
Lower Quartile	49.0%	51.0%

Screwfix Direct Limited

Bonus and pay gap	Median	Mean
Hourly pay	1.6%	3.9%
Bonus	53.0%	46.7%

Proportion of employees receiving a bonus:



Pay quartiles	Male	Female
Upper Quartile	60.6%	39.4%
Upper Middle Quartile	56.2%	43.8%
Lower Middle Quartile	55.3%	44.7%
Lower Quartile	54.6%	45.4%

Kingfisher Information Technology Services (UK) Limited (KITS)

Bonus and pay gap	Median	Mean
Hourly pay	9.5%	13.8%
Bonus	28.6%	30.9%

Proportion of employees receiving a bonus:



Pay quartiles	Male	Female
Upper Quartile	82.8%	17.2%
Upper Middle Quartile	69.7%	30.3%
Lower Middle Quartile	68.0%	32.0%
Lower Quartile	70.5%	29.5%

Kingfisher Corporate¹

Bonus and pay gap	Median	Mean
Hourly pay	36.1%	17.9%
Bonus	69.2%	38.0%

Proportion of employees receiving a bonus:



Pay quartiles	Male	Female
Upper Quartile	60.3%	39.7%
Upper Middle Quartile	59.6%	40.4%
Lower Middle Quartile	39.5%	60.5%
Lower Quartile	33.6%	66.4%

¹ The name of the legal employing entity is Kingfisher plc