

UK Gender Pay Report 2017: Kingfisher plc

Kingfisher is committed to being a fair and diverse employer and we welcome the greater transparency on this issue driven by the new gender pay regulations. We are proud of our strong female representation at senior levels, but we recognize that there is more work to be done. 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.

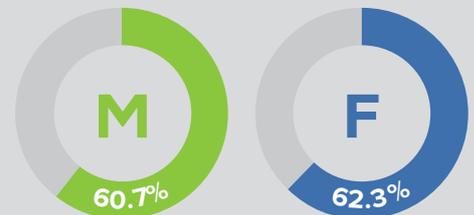
This report sets out our gender pay report for Kingfisher for 2017, prepared in line with the UK Government's methodology which requires reporting by each UK entity with over 250 employees. Kingfisher Group has four such entities. In addition, we are voluntarily disclosing the gender pay gaps for the whole UK Kingfisher Group. 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 2017) and bonus gap (for the 12 months to 5th April 2017).

Bonus and pay gap	Median	Mean
Hourly pay	2.5%	9.6%
Bonus	-0.1%	33.2%

Proportion of employees receiving a bonus:

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



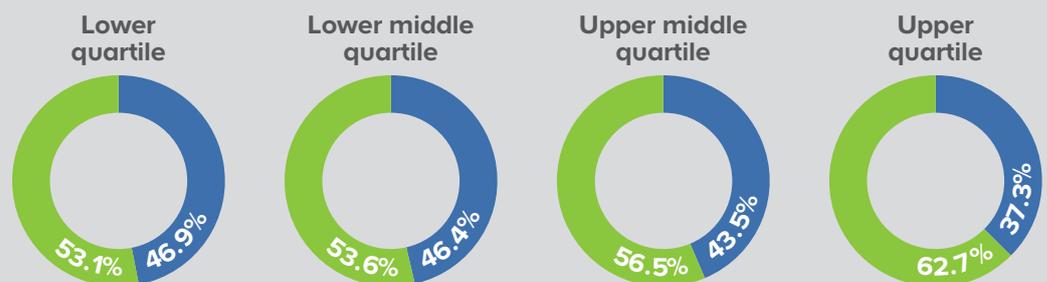
The above figures show the difference between average hourly and bonus pay levels for women at Kingfisher compared to men. For the pay gaps, a positive % indicates the extent to which women earn, on average, less per hour and a negative % indicates how much women earn more per hour than their male counterparts. 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 2.5% and considerably below the national average. 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

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. 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 is 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.

Set out below are the gender pay figures for each of Kingfisher Group's four 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 and Kingfisher Information Technology Service (UK) Limited are smaller entities within the Group. The former employs primarily individuals in our corporate head office and the latter 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

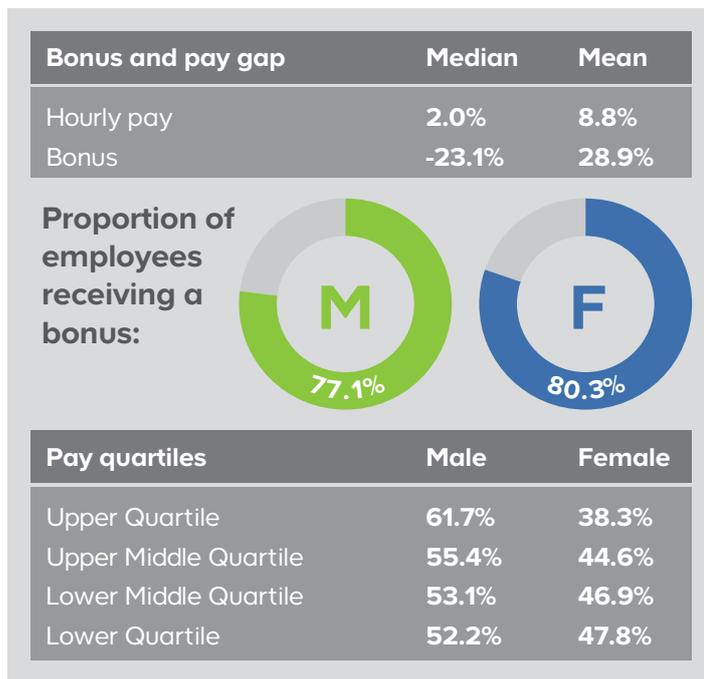
<https://www.diy.com/genderpayreport2017>

Screwfix gender pay report

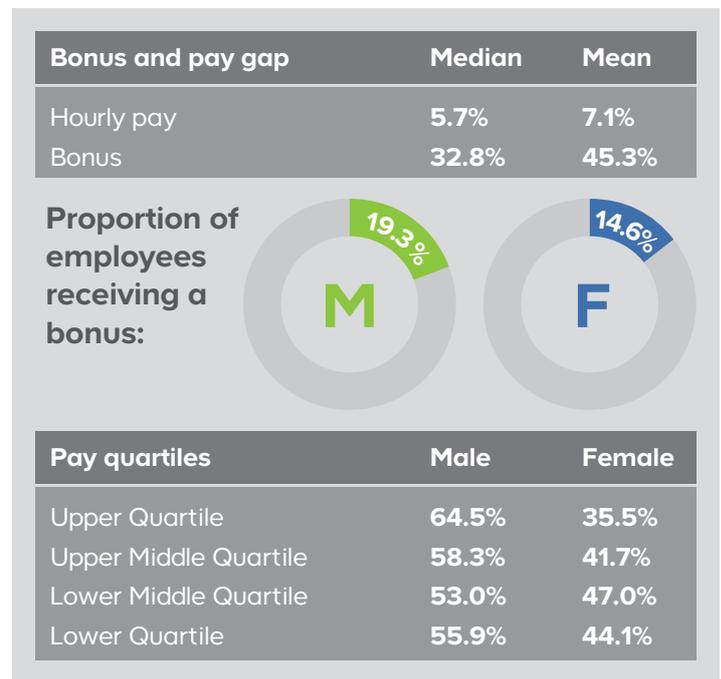
<https://www.screwfix.com/gender-pay-report>

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

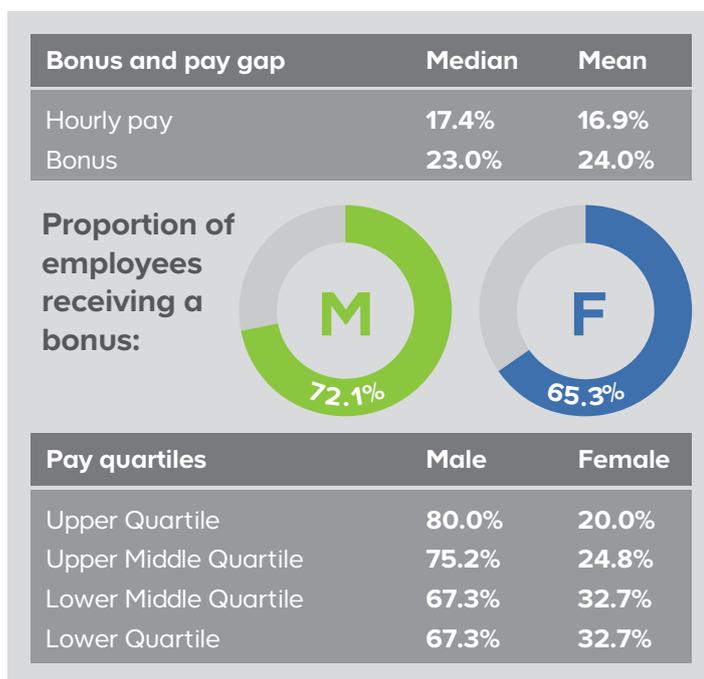
B&Q plc



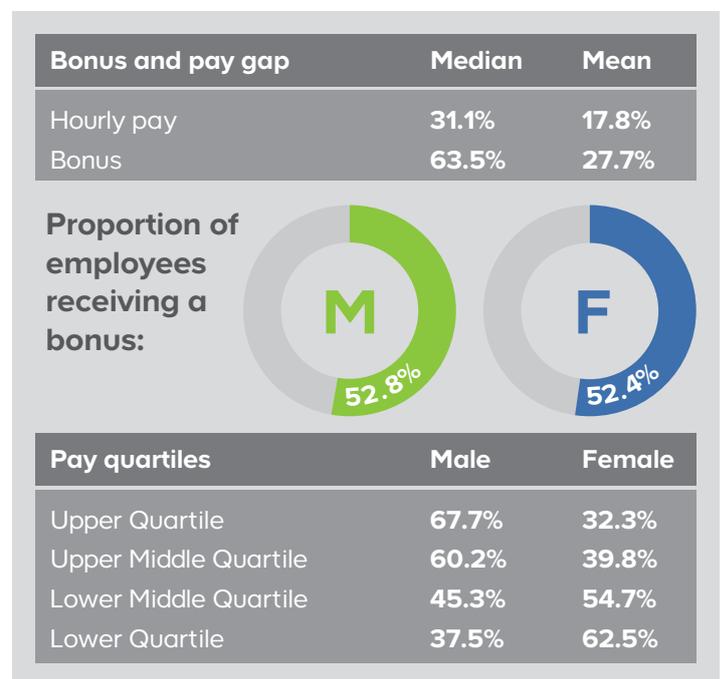
Screwfix Direct Limited



Kingfisher Information Technology Services (UK) Limited (KITS)



Kingfisher Corporate¹



¹ The name of the legal employing entity is Kingfisher plc