

UK Gender Pay Report 2020: Kingfisher plc



Kingfisher is committed to being a fair and inclusive employer and we welcome the greater transparency on this issue driven by the gender pay regulations. We are focused on enabling all colleagues, 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.

This report sets out our gender pay report for Kingfisher for 2020, 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.

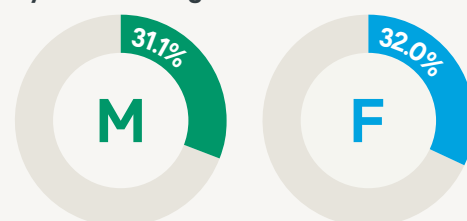
To ensure alignment with UK regulations, we have not included any colleagues who were on furlough as at 5 April 2020 in our hourly pay gap and pay quartile analysis. This is because these colleagues received less than their normal pay. As this equates to c.36% of the UK workforce, we also undertook further analysis in which these colleagues were included. This analysis confirmed that their inclusion would not have changed the findings of this report. We are again voluntarily disclosing the gender pay gaps for the whole of Kingfisher in the UK. Given that we are working towards the same diversity and inclusion goals, we feel it is important for us to consider the results as a whole.

The table below shows Kingfisher UK's¹ median and mean hourly gender pay gap² (as at 5 April 2020) and bonus gap (for the 12 months to 5 April 2020).

Bonus and pay gap	Median	Mean
Hourly pay	2.0%	10.1%
Bonus	50.0%	46.5%

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 hourly pay gap is a result of the higher pay offered to our senior management, a higher percentage of whom are male. As senior management only make up a small proportion of the overall colleague population, the median hourly pay gap is significantly lower at 2%. This is also below the national average.

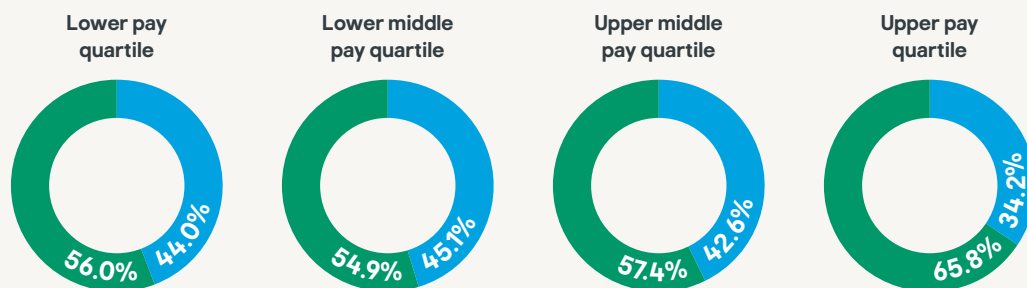
The mean and median bonus gaps and the pay quartiles figures shown below are also a result of higher pay and bonus opportunities offered to senior management. As shown in the charts above, the proportion of women receiving a bonus in our organisation is broadly the same as that of men.

We are confident that the differences in our gender pay gap figures are driven by lower female representatives in senior roles and not by our reward policies. We also undertake regular checks to ensure no gender bias is applied across the same roles at the same grade.

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



Our planned approach to improve our gender pay gap

As outlined in previous years to improve our gender pay gap we are focused on improving our female representation in senior leadership. We continue to take steps to address this through:

- Talent processes and practices that make sure we have inclusive job adverts, balanced recruitment shortlists and succession plans that reflect the representation we want to achieve.
- Leadership development that supports our leaders to have a greater awareness of bias, the value of building diverse teams and how to be inclusive leaders.
- Colleague led network groups and listening initiatives that help us to understand the lived experience of our diverse colleagues, including gender.
- External partnerships including the 30 percent club where we have a number of mentors and mentees participating, to support the progression of women in leadership.

This year, as part of launching our new 'Powered by Kingfisher' strategy, we have created a comprehensive and holistic inclusion plan that is sponsored by the Group Executive and has led to several planned initiatives that will come to fruition over the coming months:

- Each banner has a three-year inclusion plan directly linked to our overall strategy.
- Appointment of a new Group Head of Inclusion and Diversity to drive the agenda for the group at pace and offer best practice expertise.
- Formation of a group wide Inclusion Advisory Board that will shape, guide and champion the inclusion plans across the organisation.
- Commitment to representation targets that will form part of bonus payments for leaders.
- Our annual engagement survey will be refreshed to incorporate inclusion and give us insight into how we can further improve.

¹ The figures shown here are an aggregate of the 5 UK entities.

² In line with regulations, an hourly pay figure had to be calculated for each applicable employee regardless of if they are paid hourly or not.

Set out below are the gender pay figures for each of Kingfisher Group's five 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 Services (UK) Limited are smaller entities within the Group. The first employs primarily individuals in our corporate head office, the second in our Offer & Sourcing and Supply & Logistics 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 on their respective websites.

B&Q gender pay report

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

Screwfix gender pay report

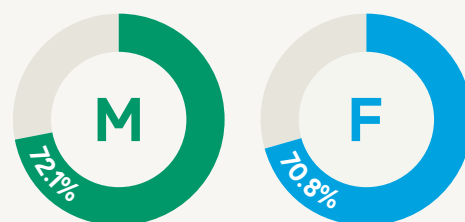
<https://www.screwfix.com/gender-pay-report>

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

Kingfisher International Products Limited

Bonus and pay gap	Median	Mean
Hourly pay	34.8%	20.3%
Bonus	30.6%	29.9%

Proportion of employees receiving a bonus:

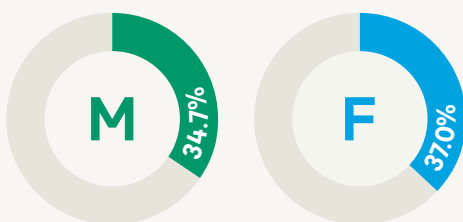


Pay quartiles	Male	Female
Upper Quartile	69.8%	30.2%
Upper Middle Quartile	67.4%	32.6%
Lower Middle Quartile	39.5%	60.5%
Lower Quartile	42.9%	57.1%

B&Q Limited

Bonus and pay gap	Median	Mean
Hourly pay	1.1%	9.5%
Bonus	0.0%	53.6%

Proportion of employees receiving a bonus:

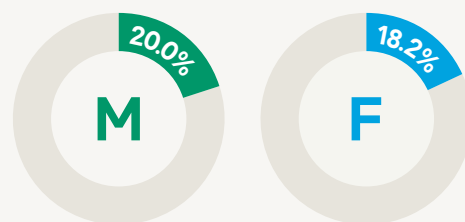


Pay quartiles	Male	Female
Upper Quartile	62.1%	37.9%
Upper Middle Quartile	56.4%	43.6%
Lower Middle Quartile	51.9%	48.1%
Lower Quartile	54.4%	45.6%

Screwfix Direct Limited

Bonus and pay gap	Median	Mean
Hourly pay	0.7%	6.1%
Bonus	53.8%	46.8%

Proportion of employees receiving a bonus:

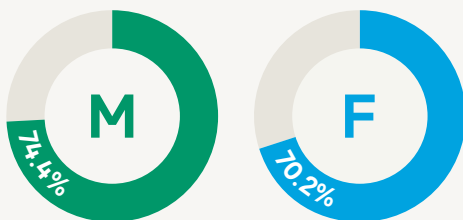


Pay quartiles	Male	Female
Upper Quartile	68.0%	32.0%
Upper Middle Quartile	59.3%	40.7%
Lower Middle Quartile	58.8%	41.2%
Lower Quartile	58.2%	41.8%

Kingfisher Information Technology Services (UK) Limited (KITS)

Bonus and pay gap	Median	Mean
Hourly pay	6.7%	9.7%
Bonus	23.8%	30.4%

Proportion of employees receiving a bonus:

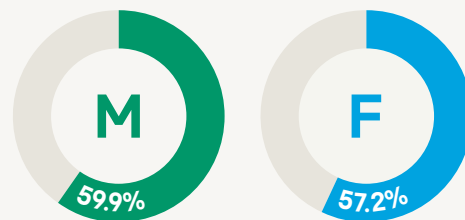


Pay quartiles	Male	Female
Upper Quartile	83.7%	16.3%
Upper Middle Quartile	74.0%	26.0%
Lower Middle Quartile	68.9%	31.1%
Lower Quartile	74.8%	25.2%

Kingfisher Corporate³

Bonus and pay gap	Median	Mean
Hourly pay	42.4%	33.3%
Bonus	51.0%	41.4%

Proportion of employees receiving a bonus:



Pay quartiles	Male	Female
Upper Quartile	69.2%	30.8%
Upper Middle Quartile	55.3%	44.7%
Lower Middle Quartile	36.8%	63.2%
Lower Quartile	31.6%	68.4%

³ The name of the legal employing entity is Kingfisher plc.