



# UK Gender Pay Report 2021: Screwfix

**We are committed to becoming truly representative of the communities in which we operate.**

## Welcome to the Screwfix Gender Pay Gap Report 2021.

At Screwfix we believe in the value of inclusion and diversity. It is central to our purpose and business strategy and is foundational to our 3 people priorities; Be Ourselves, Feel at our Best and Reach our Potential.

Having an agile, inclusive culture, led by trust is critical to our ability to meet the ever evolving needs of our customers. We have made significant strides towards this in the past year but recognise that we have more to do to become truly representative of the communities in which we operate and to meet the expectations of our colleagues and customers.

We are dedicated to continuing to make this change and whilst this report focuses on gender, our inclusion & diversity strategy considers diversity beyond this.

This report outlines our gender pay gap for the UK, and details of the actions we believe will help us progress towards reducing our gender pay gap and embedding a truly inclusive culture.

The information contained herein is confirmed as accurate by Kate Seljeflot.

### Our commitment

We treat everyone with fairness, dignity and respect irrespective of their age, educational and professional background, gender, gender re-assignment, marital status, race, ethnicity, religion and beliefs, and sexual orientation and recognise that in difference, there is strength.

We are proud of the progress we have made to gender diversity in the period up to April 2021 but recognise there is still more work to do. Our median hourly gender pay gap increased to 1.6% from 0.7% in 2020, and our mean hourly pay gap increased to 8.4% from 6.1% however this is significantly below the provisional Office for National Statistics (“ONS”) figure for median hourly pay gaps in businesses in the UK of 15.4%.

In order to continue our progress we will focus on a range of inclusion & diversity actions over the coming year including: increasing the number of women in senior management and leadership, continuing to partner with the *Us Inclusion Network* to grow our network of ambassadors and allies, investing in leadership development on inclusion and focussing policy development on the key topics that matter most to our colleagues.

Increasing women in senior positions is a particular key focus for us and our goal is to have 40% of management positions held by women by 2025. We will do this by improving retention of women, having diverse shortlists for promotions and participation in our “Trade Up” programmes, ensuring there is no bias (conscious or unconscious) within our recruitment process, and investing to build a long term pipeline of diverse talent. To achieve this and drive gender diversity at all levels we have built these goals into our incentive plans for executives and other senior leaders.

## Contents of this report

This report sets out our gender pay calculations for UK colleagues of Screwfix for 2021, prepared in line with the UK Equality Act 2010 Regulations 2017. The reporting covers the 12 month period ending 5th April 2021.

### Screwfix key facts\*

Screwfix is part of Kingfisher plc, the international home improvement company, with over 1,400 stores, supported by a team of over 80,000 colleagues, in 10 countries in Europe and Turkey

At Screwfix, the majority of our colleagues are customer facing and c.79.6% of our workforce are hourly paid.

**12,443**

Colleagues in Screwfix UK

**44.5%**

of colleagues are female

**55.5%**

of colleagues are male

**91%**

of colleagues work within our Branches

**9%**

of colleagues work in our Head Office and Contact Centre

\*Numbers in the table are based on relevant employees as per the 2021 Gender Pay Gap calculation.

## What is the gender pay gap?

The gender pay gap is not the same as equal pay analysis:

- **Equal pay** is determined by assessing whether men and women are paid equally for doing the same work or work of equal value. At Screwfix, we have policies and processes in place to ensure equal pay is the first consideration when determining pay for all colleagues.
- **Gender Pay** calculations specifically compare average pay (both mean average and median average, for hourly pay and bonus pay) for men and women and are therefore impacted by the number of men and women at different levels of seniority throughout the organisation.

## Calculating the gender pay gap

### How mean hourly pay is calculated

#### Female mean hourly pay

Sum of hourly pay of all females in Kingfisher



Total number of females in Kingfisher

#### Male mean hourly pay

Sum of hourly pay of all males in Kingfisher



Total number of males in Kingfisher

### How median hourly pay is calculated

Highest hourly pay

£

£

Median female hourly pay

£

Lowest hourly pay

£

£

The median employee is the middle employee when we rank all our employees' hourly pay from highest to lowest

Highest hourly pay

£

£

Median male hourly pay

£

Lowest hourly pay

£

£

### How the hourly pay gap is calculated

Male hourly pay - Female hourly pay



Male hourly pay

### How the bonus pay gap is calculated

The bonus gap is calculated using actual bonuses paid to colleagues for the 12 months to 5 April 2021.

The mean bonus, median bonus and overall gap is calculated using the same formula as hourly pay.

Note this calculation applies to both the mean and median hourly pay gap.

## Screwfix 2021 Gender Pay Gap

Screwfix mean and median hourly gender pay gap (as at 5 April 2021) and bonus pay gap (for the 12 months to 5 April 2021) is shown below.

**8.4%**

Mean hourly pay gap 2021  
- An increase from **6.1%** in 2020

**1.6%**

Median hourly pay gap 2021  
- An increase from **0.7%** in 2020

**38.4%**

Mean bonus pay gap 2021  
- A decrease from **46.8%** in 2020

**16.3%**

Median bonus pay gap 2021  
- A decrease from **53.8%** in 2020

### Proportion of female and males by pay quartile

These tables show the proportion of males and females across Screwfix in four equally sized groups, sorted by level of hourly pay in 2021. The figures for 2020 are shown underneath as a comparison.

|        | Lower pay quartile | Lower middle pay quartile | Upper middle pay quartile | Upper pay quartile |
|--------|--------------------|---------------------------|---------------------------|--------------------|
| Female | 50%<br>(2020: 42%) | 47%<br>(2020: 41%)        | 42%<br>(2020: 41%)        | 36%<br>(2020: 32%) |
| Male   | 50%<br>(2020: 58%) | 53%<br>(2020: 59%)        | 58%<br>(2020: 59%)        | 64%<br>(2020: 68%) |

### Proportion of employees receiving a bonus

This table shows the % of males and females who received a bonus during the 12 months to 5 April 2021.

|        | Percentage of employees receiving a bonus in 2021 |
|--------|---|
| Female | 88.3%<br>(2020: 18.2%)                            |
| Male   | 89.9%<br>(2020: 20.0%)                            |

## Understanding the numbers

### Hourly pay gap

Screwfix median hourly pay gap increased to 1.6% in 2021, this compares to 0.7% in 2020, and our mean hourly pay gap has increased to 8.4% in 2021, from 6.1% in 2020.

The median and mean hourly pay gaps are calculated using different methodologies (see page 2). The difference in the mean and median hourly pay gap figures is primarily driven by the number of higher paid males in Screwfix who have a greater impact on the mean vs the median hourly pay gap. Additional context is set out below.

Our 2021 median hourly pay gap is below the provisional ONS figure for businesses in the UK of 15.4%, and both our gaps are also in the lower quartile of gaps reported by other large employers in retail based on research published by Diversity in Retail.

Key influences and context for our 2021 hourly pay gaps include:

#### There are more men in the highest paid roles

Representation of women in senior leadership improved in 2021 - with more women in the "upper pay quartile" than 2020. However, there are still more men in our most senior roles.

Median and mean pay gaps have increased slightly due to two pay awards being made since April 2020 and the inclusion of part of the April 2021 bonus payout has meant a proportional increase to higher paid male hourly rates.

For salaried colleagues, the pay award (increase) was applied as a percentage of base salary. This has been the most significant driver in the increase in the gap. See our action plan on page 4 for how we are addressing this by seeking to improve the gender diversity in senior roles throughout the organisation.

#### We have a better gender balance in our branches

The majority of our colleagues work in our branches where we have improved representation of females (as can be seen when comparing representation by pay quartile to prior year). Additionally, the majority of our branch colleagues are on set hourly pay rates which reduces the risk of pay gaps for these populations.

### Bonus pay gap

Screwfix median bonus pay gap reduced to 16.3% in 2021 from 53.8% in 2020. Our mean bonus gap reduced to 38.4% in 2021 from 46.8% in 2020.

The median and mean bonus pay gaps are calculated using different methodologies (see page 2). The fall in the median bonus pay gap is driven by the greater number of colleagues both male and female receiving bonuses of similar values in 2021 vs 2020. Additional context is set out below.

Key influences and context for our 2021 bonus pay gaps include:

#### There are more men in the highest paid roles

As with hourly pay there are more men in senior leadership roles than women. As these individuals receive larger bonus payments, this contributes to the bonus pay gaps.

#### Special "thank you" bonuses were paid to our store staff

During 2021 special "thank you" bonus payments of similar values were made to our branch colleagues who were essential workers throughout the lockdown periods. These bonuses were a one-off event, to recognise the truly unprecedented working conditions of the pandemic. This also caused the percentage of employees receiving a bonus to increase significantly in 2021. We have the strongest gender balance in our branches, therefore these one-off bonus payments have positively impacted the mean and median bonus gaps.

## Our approach to improving our gender pay gap

Shown below are some of the key actions outlined in our 2020 Gender Pay Gap report (See Appendix for further initiatives). Achieving greater diversity throughout Screwfix, including gender diversity, rests heavily on being able to attract and retain diverse talent. This is why we are putting equal focus on building an inclusive culture where everyone feels they belong. This will in turn help us reduce our gender pay gap, however it is likely to take time and as such it is too early to see the full impact in our numbers.

1



**Action:** Review our recruitment processes to promote inclusive hiring practices

**Progress:** We evaluated all attraction content with a gender decoder to be more inclusive in the way we write job adverts and media content. We also reviewed all attraction channels and assessed the recruitment funnel for bias. In 2021, 38% of our applicants were female and 39.5% of all hires were female.

2



**Action:** Make progress against inclusion plans.

**Progress:** Over 1,000 hours of inclusive leadership training undertaken; launched the US Inclusion Network; delivered a robust calendar of educational and awareness building events; improved gender diversity in our talent pipeline with over 51% of applicants to 2022 "Trade up to ASM" programme being female.

3



**Action:** Working to ensure we have fair representation across different ethnicities and characteristics.

**Progress:** 75% of our colleagues have provided us with ethnicity data. We also introduced demographics into our engagement survey to assess our employee experience through the eyes of minority groups.

4



**Action:** Improve representation at Screwfix and drive change through a transparent approach.

**Progress:** We included representation targets as part of 2021/22 annual bonus, demonstrating the importance of diversity to our business.

5



**Action (from Kingfisher report):** Launch an inclusion Advisory Board in Kingfisher to deliver and accelerate inclusion & diversity plans.

**Progress:** Screwfix CEO John Mewett is Chair of the newly launched the 'Kingfisher Inclusion & Diversity Forum' which has representatives from senior leadership and colleague networks from every banner including Screwfix.

## Our priorities for 2022/23

We are proud of the progress made in this last year and we will continue to take steps to address inclusion & diversity through:

- Continuing work towards our 2025 targets to have 40% of management positions held by women;
- Investing in a further 4,000 hours of development on the topic of inclusion for our Branch Managers
- Ensuring gender diversity in all upcoming cohorts of our "Trade Up" apprenticeship programmes;
- Continuing to build a group of active allies with the support of the Us Inclusion Network and creating channels for colleagues to easily communicate with them;
- Taking the Us Inclusion Network to the next phase, reviewing ways of working to deliver maximum impact to life at Screwfix;
- Delivering awareness building events, campaigns and tools to all colleagues linked to a brand new inclusion calendar;
- Leveraging the new 'Kingfisher Inclusion & Diversity Forum' to accelerate the delivery and impact of our Screwfix inclusion & diversity plan;
- Further embedding good practices across Screwfix such as diverse shortlists



## Appendix

### Becoming a more inclusive company

In addition to our actions achieved and priorities set out on page 4 we are becoming a more inclusive company through the following initiatives and partnerships:

#### Communication with our colleagues

We were delighted that our colleagues rated their sense of Belonging at Screwfix an 8.3 out of 10 in our annual survey in summer 2021. We wanted to dive deeper into a conversation about our culture with colleagues.

We partnered with Greenpark to hold 10 listening sessions with colleagues from across Screwfix. We branded these sessions “Discuss” and worked with the Us Inclusion Network to reach colleagues far and wide with the opportunity to participate.

The output from these sessions has formed the basis of our diversity and inclusion plans for 2022 and onwards.

#### Learning & talent development

In 2021 we supported our colleagues with learning more about inclusion & diversity through:

- Investing in training on inclusion to build allyship in our leaders who are essential to shaping our culture. There was over 1,000 hours of leadership training attended. This training was delivered in partnership with Greenpark, who also conducted listening sessions across the organisation (see left)
- Non-mandatory inclusion & diversity e-learning launched for all colleagues

#### Us Inclusion Network

Our network provides a forum for colleagues to connect, share, learn and collaborate to improve working lives for everyone at Screwfix. It meets monthly and is sponsored by the Screwfix Board.

Made up of a diverse group of 20 ambassadors, the network champions a culture where all colleagues feel able to be their true selves, at their best and able to reach their potential, whatever that means for them.



#### Our external partners

We have strong relationships with our external partners which help us promote best practice.

The Kingfisher CEO and Chairman are members of the 30% Club which aims to increase representation for women on boards and executive committees. Additionally, a number of our key leaders are ambassadors for the Retail Trust's Be Inspired programme.

We participate in 3 committees for Diversity in Retail: HR Steering Group; Race & Ethnicity Committee; and Inclusion & Diversity Data Group through the Kingfisher I&D CoE

We are also members of the Business Disability Forum and work with Stonewall, the leading charity for lesbian, gay, bi and trans equality, and partnering with MIND to promote mental health.



#### Kingfisher Gender Pay Gap (in other entities)

Kingfisher Group has 4 other UK entities which report their Gender Pay Gap. Visit the Kingfisher PLC website to see a report detailing information at a group level. [insert link]

#### Kingfisher Gender Equality Index in France

In addition to our UK reporting requirements, we also publish our Gender Equality Index in France. This is a requirement for only two of our Corporate entities and we are proud that Kingfisher International Products Limited scored 88/100 and Kingfisher Information Technology Services (UK) Limited (KITS) scored 93/100 against the relevant criteria. See <https://www.kingfisher.com/en/investors/corporate-governance/the-gender-equality-index-2020-in-france.html> for further details.