



LORDS
GROUP TRADING

Gender Pay Gap Report

2023



Introduction

This report forms a part of the framework used by Lords to monitor its progress in one dimension of diversity, namely gender pay. This report contains Lords Group Trading PLC's statutory disclosure of its 2023 Gender Pay Gap. The report also documents the work we are undertaking to achieve pay fairness and enhance the diversity of our business. As a leading distributor of building materials, we recognise our role in leading change within an industry where women make up just 15% of the workforce.

Our Ambition

Lords is a diverse and inclusive organisation and we believe that our colleagues are critical to the ongoing success of the Group. Our group is focussed on being an inclusive, diverse, and equality driven employer and ensuring each of our 41 locations are reflective of their local communities. We are committed to a strategy of levelling-up of female talent, especially in senior management and leadership roles.

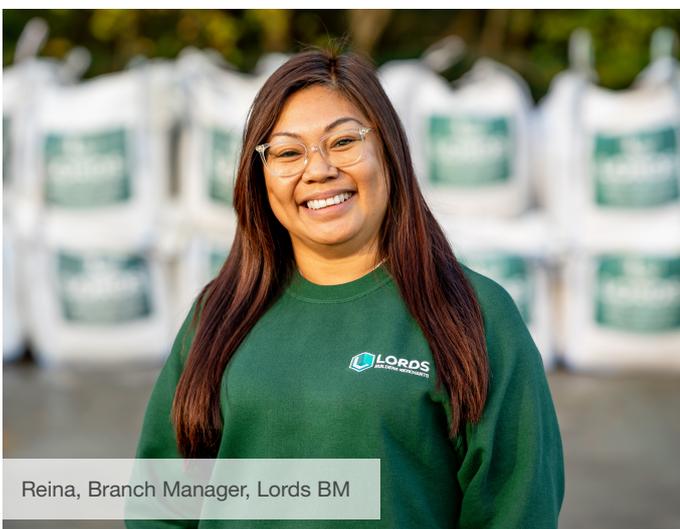
Comitting to Action

Our Gender Pay report for 2022 reflects some

progress verses 2021 which is reflective of our commitment to create an effective, diverse and rich environment. We continue to pursue equality in gender across our organisation and have appointed several senior female Directors over the year in Marketing, HR and Property. Our acquisitions in 2022 reduced our gender diversity as they were more male dominated businesses. This combined with the fact that females tend to work in the higher quartiles of the pay range in our company has adversely impacted our figures in terms of the mean hourly pay rate (2022 13.66% v 2021 6.2%). 2022 saw the payment of some long-term incentive plans to male colleagues and this has therefore adversely affected the mean bonus pay (2022 -58.77% v 2021 40%).

In pursuit of progression we are focussed on the following priorities in the year ahead:

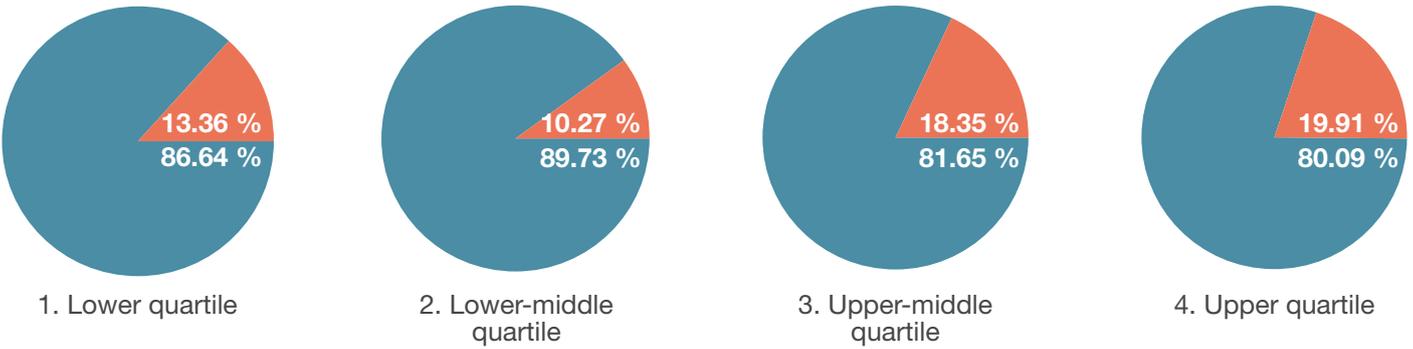
- Improving the diversity of our workforce at all levels of the organisation and increasing our female population from the current 15.5% to 17% - this is part of an ambitious 5-year programme to eventually achieve 30%
- Development of our colleague personal development plan programme to accelerate talent identification and provide equal career opportunities
- Rolling out Diversity, Equity and Inclusion training to all our colleagues



Gender Pay Gap - Across The Group

Men Women

Proportion of male and female employees in each pay quartile band



Group Head Count - Total: 880



Pay Gap	2023	
	Mean	Median
Hourly rate	7.6%	13.0%
Bonus pay*	-58.6%	-25.9%

*Bonus pay is the absolute cash value received and is not prorated for the number of hours worked.

Colleagues who recieved a bonus

Women Men All



Gender Pay Gap - Our Businesses

	Headcount & Gender			Pay Rate	Pay Gap 2023		Headcount & Female %			
	Total	Men	Women		Mean	Median	Quartile 1	Quartile 2	Quartile 3	Quartile 4
Lords Group	880	744	136	Hourly	13.02%	7.62%	13.36%	10.27%	18.35%	19.91%
				Bonus	-58.58%	-25.87%				
Divisional View										
Plumbing & Heating	289	252	37	Hourly	-12.52%	10.27%	15.49%	4.29%	18.67%	12.33%
				Bonus	-73.87%	5.26%				
Merchanting	587	490	97	Hourly	11.12%	13.96%	12.75%	12.16%	17.81%	23.45%
				Bonus	-30.09%	-23.33%				
Specific Entities										
APP Wholesale Ltd	244	211	33	Hourly	-10.50%	7.83%	16.95%	4.84%	19.30%	13.64%
				Bonus	-75.34%	0.00%				
Carboclass Ltd	343	293	50	Hourly	22.09%	18.62%	5.75%	9.20%	17.44%	26.51%
				Bonus	-19.90%	-20.00%				



Lara, Finance Manager, Hevey



Adrian, LGV Driver, AW Lumb

Understanding the Gender Pay Gap

All companies with 250 or more employees are required to publish their gender pay gap under The Equality Act 2010 (Gender Pay Gap Information) Regulations 2017 (the “Regulations”). As a Group, we believe in the benefit of transparency and will publish gender pay for each entity with 200 or more employees. In 2023, our qualifying entities were APP Wholesale Ltd and Carboclass Ltd, for transparency the Group has also published figures for our two divisions (Plumbing & Heating / Merchenting) and the overall Group.

Q: What is the Gender Pay Gap?

A: Measure of the difference in the average pay of men and woman. This is expressed as a percentage of men’s earnings e.g. women earn x% more or less than men. A negative percentage reports that women earn more than men.

Q: What is included in our calculation?

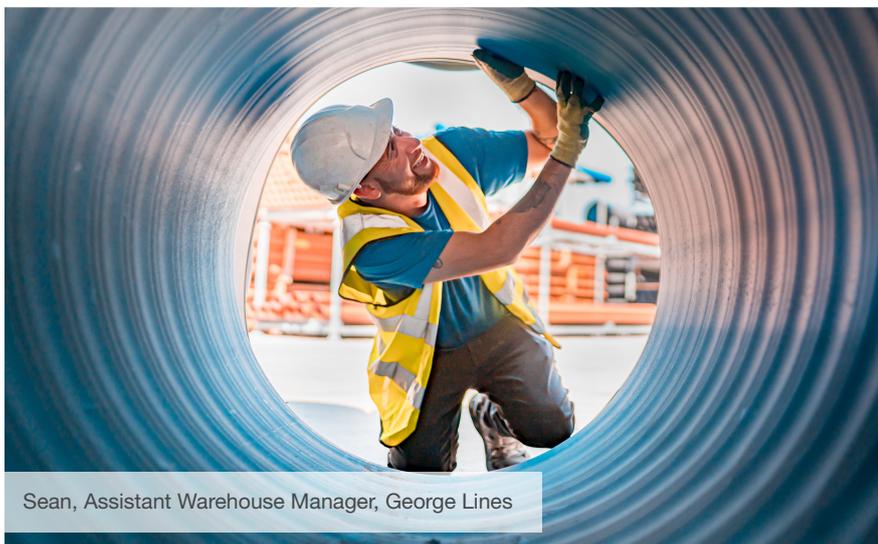
A: Calculations of mean and median pay and quartiles are based on April 2023 pay data, this includes ordinary pay (basic pay, pay for annual leave and shift premium) and bonus pay.

Q: What are pay quartiles?

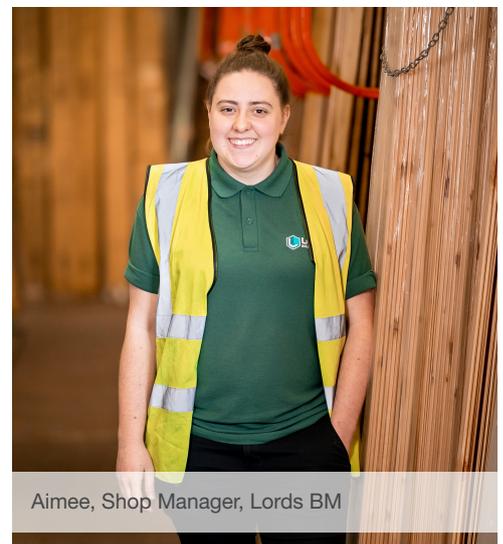
A: Pay quartiles are calculated by listing the rates of pay for each colleague across the business from lowest to highest, then splitting the list into 4 equal-sized groups and the calculating the percentage of males and females in each.

Q: Why is this not the same as equal pay?

A: Gender Pay is different from a comparison of equal pay, as equal pay would involve direct comparison of two people, or a group of people carrying out the same, similar or equivalent work.



Sean, Assistant Warehouse Manager, George Lines



Aimee, Shop Manager, Lords BM

For and on behalf of
Lords Group Trading



Chris Day
Chief Operating Officer



Anne Prince
Group HR Director