

Gender Pay Gap Report

2021



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 2021 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 34 locations are reflective of their local communities.

Carboclass is a founding entity of the Group and provides a benchmark to strive towards. Much of the pay gap in other areas of the

Group is caused by having fewer women in senior and middle management roles. We are confident that our inclusive culture will stimulate continual improvement.

Looking Ahead

The Group has a number of colleague initiatives planned for the coming year, including:

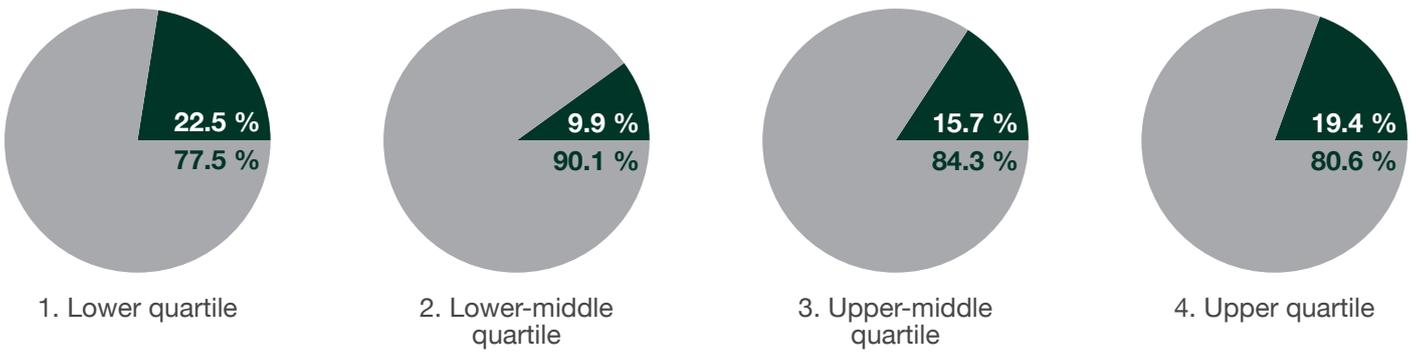
- Launch of a colleague personal development plan programme to accelerate talent identification and provide equal career opportunities.
- Enhancing our quarterly engagement survey to capture additional feedback on the impact of diversity and inclusion strategies.
- Reviewing our recruitment strategies to ensure they are inclusive and attractive
- Continue our investment programme which is focussed on ensuring our colleagues have the best working environment.
- Continue our support of the Builders Merchant Federation who are driving a Diversity In Merchanting programme.



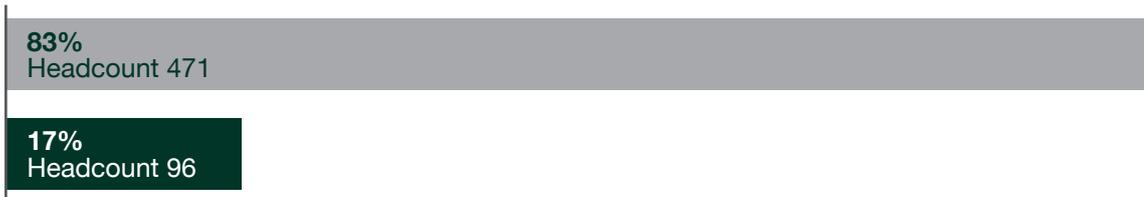
Gender Pay Gap - Across The Group

Men Women

Proportion of male and female employees in each pay quartile band



Group Head Count - Total: 567



Pay Gap	2021	
	Mean	Median
Hourly rate	6.9%	-2.0%
Bonus pay*	49%	50%

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

Colleagues who received a bonus

All Men Women



Gender Pay Gap - Our Businesses

	Headcount and Gender			Pay Rate	Pay Gap 2021		Headcount and Gender			
	Total	Men	Women		Mean	Median	Quartile 1	Quartile 2	Quartile 3	Quartile 4
Lords Group	567	471	96	Hourly	6.9%	-2.0%	22.5%	9.9%	15.7%	19.4%
				Bonus	49.0%	50.0%				
Divisional View										
Plumbing & Heating	205	178	27	Hourly	21.1%	-4.8%	12.8%	12.9%	13.5%	13.5%
				Bonus	52.7%	0.0%				
Merchanting	362	293	69	Hourly	1.0%	2.2%	29.7%	8.9%	16.5%	22.0%
				Bonus	49.0%	25.0%				
Specific Entities										
APP Wholesale Ltd	205	178	27	Hourly	21.1%	-4.8%	12.8%	12.9%	13.5%	13.5%
				Bonus	52.7%	-0.0%				
Carboclass Ltd	201	171	30	Hourly	-27.2%	-23.8%	6.0%	8.0%	20.4%	11.5%
				Bonus	49.3%	20.0%				



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 2020, 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 earning 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?

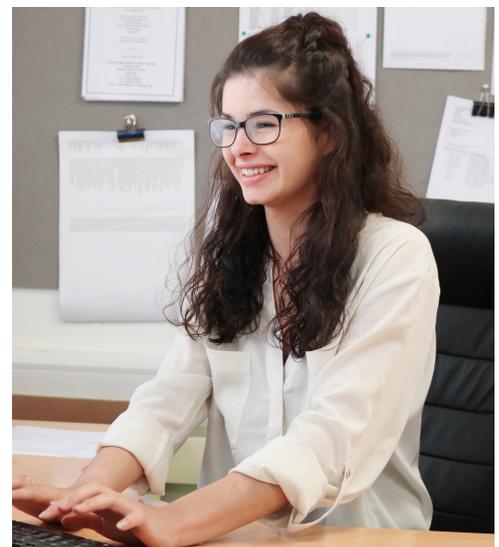
A: Calculations of mean and median pay and quartiles are based on April 2021 pay data, this includes ordinary pay (basic pay, pay for annual leave and shift premium) and bonus pay.

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.



For and on behalf of
Lords Group Trading Plc

C.M. Day

Chris Day
 Group CFO