

## Gender Pay Gap 2018 Report for Knauf UK



# Introduction

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At Knauf, UK we believe in promoting equality and diversity within our workforce and we welcome the opportunity to publish our gender pay gap information in line with Gender Pay Gap regulations introduced in 2017. The data contained in this report is based on a snapshot date of 5 April 2017.

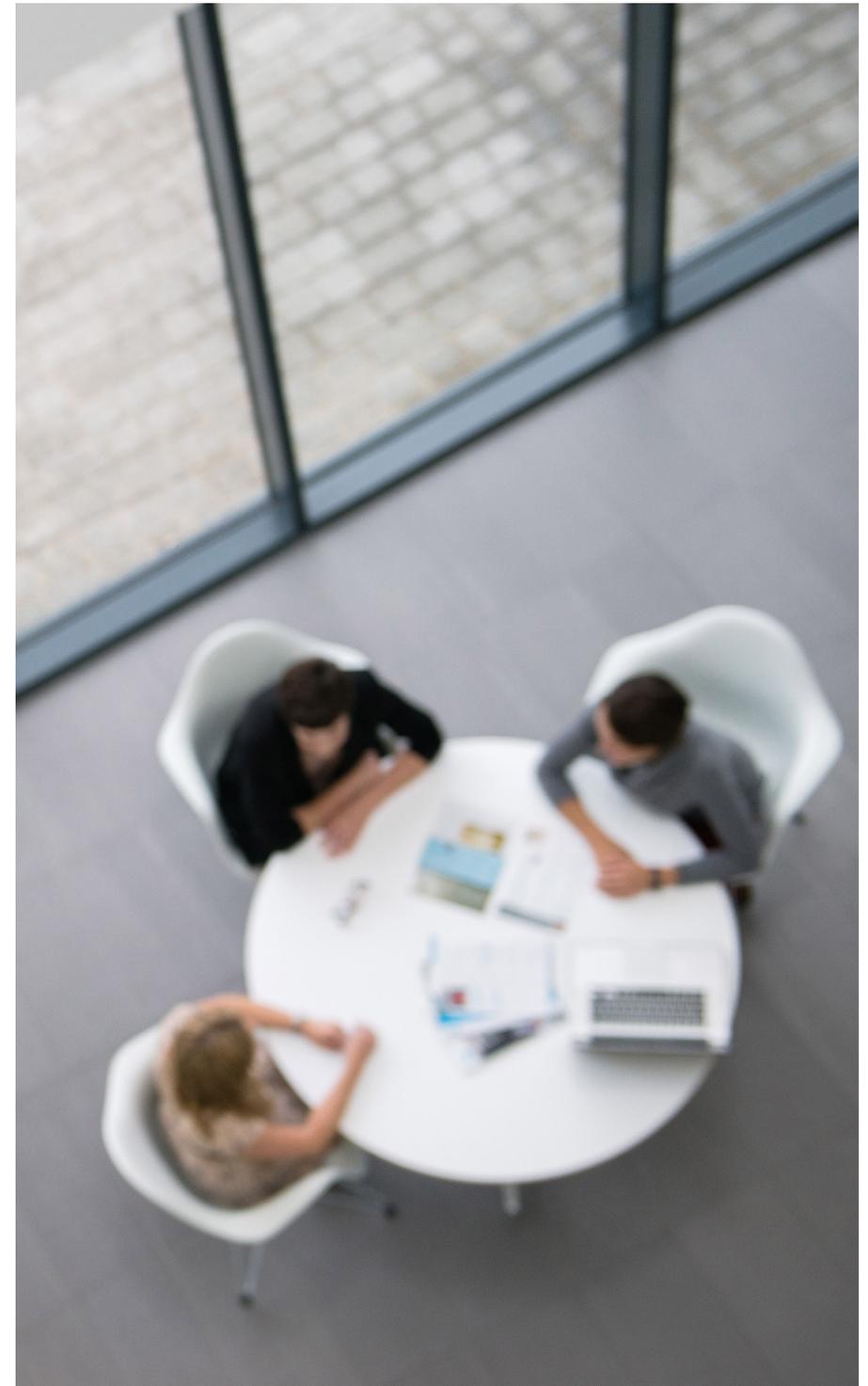
Knauf UK is committed to fair treatment and reward of our workforce irrespective of gender. Knauf UK is therefore confident that our gender pay gap does not stem from paying men and women differently for the same or equivalent work. Instead, our gender pay gap is the result of our workforce being predominantly male, the roles in which men and women work within the organisation and the salaries that these roles attract .

I, Emma Delaney, HR & Sustainability Director, confirm that the information in this statement is accurate.

Signed:

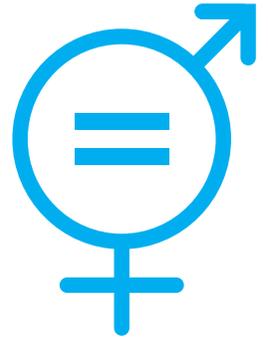


Date: 13th March 2018



# Gender Pay Gap explained

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## Gender Pay Gap

The gender pay gap isn't about equal pay for men and women doing the same work. It's a comparison between median hourly pay, mean hourly pay and bonuses for all men and women within a business. In simple terms, the higher the percentage gap, the greater the difference between men and women in the figures reported. The figures include both part-time and full-time employees.

## Mean Gender Pay Gap

The difference between the mean (average) hourly pay rate for all men and women in an organisation and the pay rate for women as a percentage of the mean hourly rate for men.

## Median Gender Pay Gap

The difference between the median (mid-point) hourly pay rate for all men and women in an organisation and the pay rate for women as a percentage of the median hourly rate for men.

## Mean Bonus Pay Gap

The difference between the mean (average) value of bonus for all men and women as a percentage of the mean bonus for men.

## Median Bonus Pay Gap

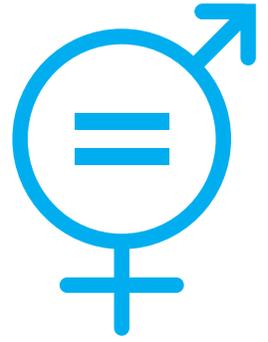
The difference between the median (mid-point) value of bonus for all men and women as a percentage of the median bonus for men.

## Quartile pay distribution

The proportion of men and women in each 25% quartile of an employer's pay structure. The hourly pay rates for men and women are ordered from lowest to highest and divided into four equal sections – lower, lower middle, upper middle and upper.

The number of women and men in each quartile are calculated as a percentage of the total employees within the quartile.

# Gender Pay Gap



Gender Pay Gap	Knauf UK	Whole Economy*	Manufacturing Sector*
Mean	14.7%	17.4%	16.5%
Median	24.3%	18.4%	20.8%

**The vast majority of organisations have a gender pay gap, and we are pleased to be able to say that Knauf UK's mean gender pay gap compares favourably with that of other organisations, including those within our industry.**

Knauf UK's **mean gender pay** gap is lower than both that for the whole economy and that for our sector.

Across the UK economy as a whole, men are more likely than women to be in senior roles, while women are more likely than men to be in front-line roles at the lower end of the organisation. In addition, men are more likely to be in technical related roles, which attract

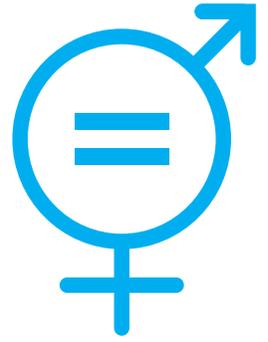
higher rates of pay than other roles at similar levels of seniority. Women are also more likely than men to have had breaks from work and more likely to work part time. This pattern from the UK economy as a whole, is reflected in the make-up of Knauf UK's workforce, where, the highest percentage of women are in the lowest pay quartile and the majority of senior manager roles are held by men.

Knauf UK's **median gender pay** gap is higher than both that for the whole economy and that for our sector, a key driver being shift working. Factory production employees are predominately male and as they are paid a premium for shift allowances, this contributes towards the median pay difference.

\*According to the October 2017 Office for National Statistics (ONS) Annual Survey of Hours and Earnings (ASHE) figures

# Bonus Pay Gap

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Proportion receiving bonus	
Men	83%
Women	33.8%

**Mean bonus pay gap = -11.7%**

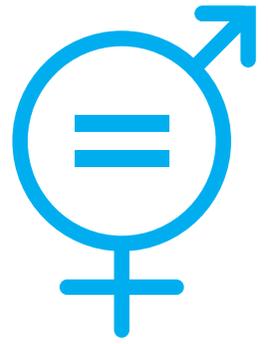
**Median bonus pay gap = 33.5%**

The mean gender bonus gap is -11.7% with women receiving higher average bonuses than men and is significantly higher than the whole economy and our sector. The median gender bonus gap is 33.5%, lower than the economy as a whole, but higher than our sector.

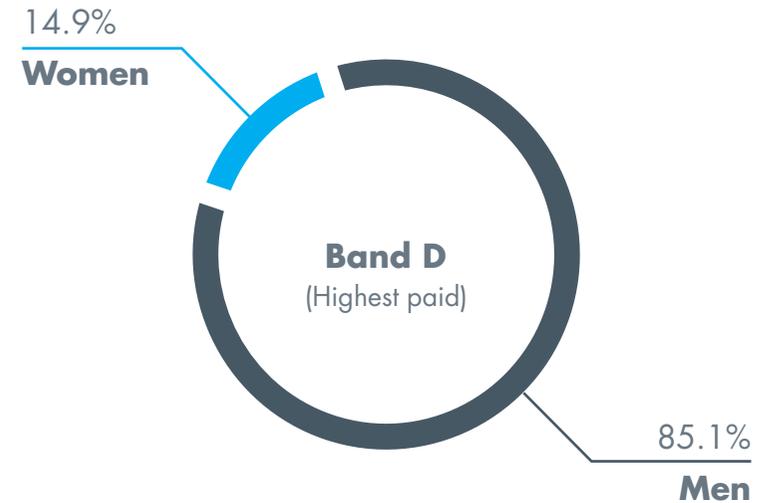
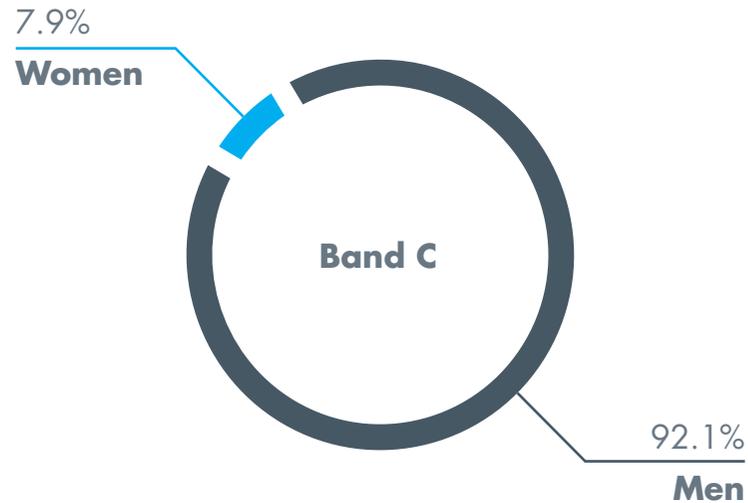
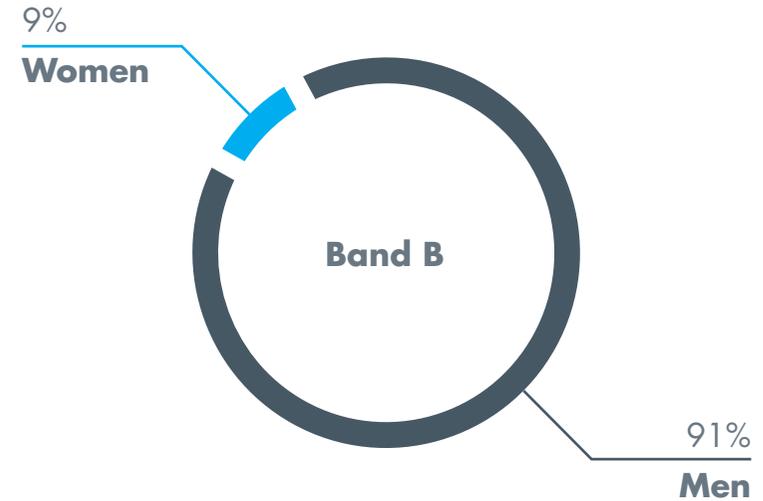
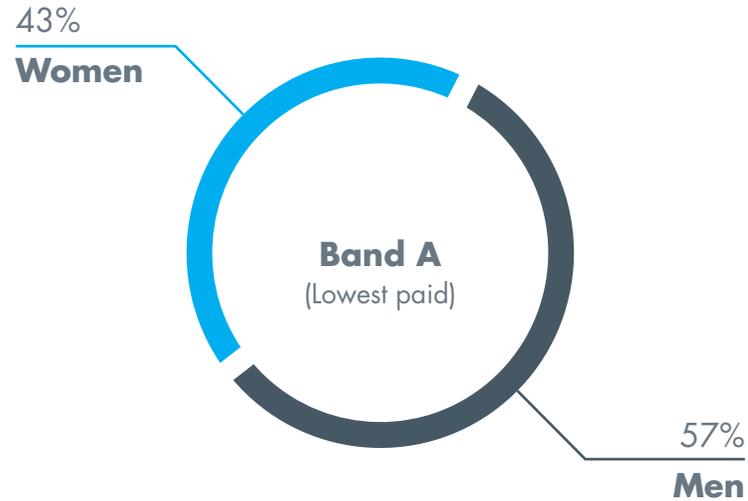
The proportion of men at Knauf UK who received a bonus in the 12 months up to 5 April 2017 was 83%, while for women this was 33.8%. This reflects the higher proportion of men in the management, production, technical and sales roles that, under our current

policy, attract a performance bonus, whilst administration roles with a higher proportion of women are not part of a bonus scheme.

# Gender Pay Quartiles



Charts illustrate percentage of men and women in each pay quartile



# Moving Forward

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We recognise that our scope to act is limited in some areas as it is a challenge in traditionally male-dominated industries where both the current workforce and the pipeline of talent from which we recruit is largely male but we remain committed to closing the gaps.

Whilst much of our gender pay gap data compares favourably with organisations both across the UK economy and within the manufacturing sector, and industry, this is not a subject about which we are complacent, and we are committed to doing everything we can to reduce the gender pay gap.

