



SAINT-GOBAIN UK & IRELAND GENDER PAY GAP REPORT

2017 DATA



A message from **Mike Chaldecott** General Delegate of Saint-Gobain in the UK & Ireland

“ I’m very pleased to welcome you to our Gender Pay Gap Report. This report presents our data in line with the requirements for our five legal entities for the calendar year 2017.

At Saint-Gobain, we want everyone who works with us to thrive both personally and professionally and to have every opportunity to develop a fulfilling career in a safe, open and engaging culture. We welcome the different perspectives that a more diverse workforce brings. We are committed to achieving greater diversity and inclusion and being truly reflective of the communities around us and the customers we serve but we need to do more.

We have been actively working on becoming a more diverse and inclusive organisation for some years. The sector in which we operate has traditionally seen under-representation of women, particularly in senior roles. The Chairman and CEO of Saint-Gobain, Pierre-Andre de Chalendar, in March 2017, stated our ambition and determination to achieve greater gender diversity setting a target of 25% women in management positions across the whole of Saint-Gobain worldwide by 2020.

Although we have been making steady progress in the UK, in order to accelerate, last year I brought together a steering group of senior leaders from across our UK & Ireland businesses to develop a clear Diversity and Inclusion strategy and action plan that I will update on in the future.

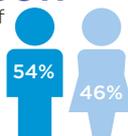


I hope you find the report interesting and easy to read, as well as being open and transparent about our progress and our challenges.”

Mike Chaldecott

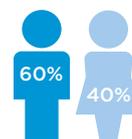
I confirm that Saint-Gobain’s pay gap data has been collected and presented within this report in accordance with the Equality Act 2010 (Gender Pay Gap Information) Regulations 2017.

Management Trainees

in **Jewson**
comprised ofSUMMARYSaint-Gobain
Graduate Intake

2015-2017

comprised of

**OUR KEY CHALLENGES:**

The biggest challenge we face across the majority of our businesses is the under-representation of women, particularly within senior roles. We have been working to address this issue and have made some progress with 63% of our businesses now having female senior leadership team members and a number of our businesses having more than one senior female leader. This represents an improved situation and continues to be an important area of focus for us.

Alongside this challenge, we see differences in the work done by a majority of women compared to work done by a majority of men across many of our businesses. In our manufacturing businesses, for example, we continue to be unable to attract enough women into Production and Engineering roles and the converse in Customer Services, HR, Marketing, and Finance. This is a common challenge across construction and related industries and over a number of years and we have been taking steps to improve the number of women joining and progressing through our business.

Within our building distribution network, we also still have much to do to attract more women to work in our branch network – where roles have traditionally been filled by men.

Changing people's perceptions of our industry, both in manufacturing and building distribution, and highlighting the great career opportunities available are key challenges.

**PROGRESS: WE'RE PLEASED WITH THE FOLLOWING ACTIONS.**

Our involvement with BITC Business Class, STEMnet and the SPRINT programme at Warwick University, are ways in which we hope to break down some of these stereotypes and encourage young girls and women to think and dream about careers that they might never have contemplated. This work is important for challenging perceptions of our industry.

We have made good progress in recruiting talented individuals from a diverse range of backgrounds into entry-level schemes, including apprenticeships, graduates and management development programmes (the most recent intake of Management Trainees in Jewson comprised 46% women and 54% men).

We are pleased with the feedback we have received from colleagues through our annual workplace surveys. Specifically the positive results we have received in areas such as: work-life balance, the Company's support for flexible working and its care for colleagues' health and well-being. In these areas colleagues recognise the positive progress being made in entities such as Saint-Gobain Limited where 91% of colleagues recognise improvements in flexible working in 2017 versus 72% in 2012.

Our diversity and inclusion roadmap – set out in 2017 – will help us further improve areas including leadership, attraction, employee experience and progression.

In accordance with the requirements of the Gender Pay Information Regulations 2017 this report provides information on the gender pay gap within our organisation.

Saint-Gobain in the UK is a large and complex organisation, employing more than 17,000 colleagues across 35 separate businesses. We have 5 legal entities with more than 250 employees, which is the Government's threshold for reporting gender pay gap data. To help you to follow the report easily we have provided the gender pay data in a consistent order with data presented starting with our largest entity [Jewson Limited] to our smallest [Saint-Gobain Limited].

JEWSON LIMITED

Including the following businesses and departments:

- Jewson, one of the UK's largest sustainable timber and builders' merchant, Graham, Minster, George Boyd, Neville Lumb, Priority Plumbing and our Shared Services departments are also included within this legal entity. This entity has in excess of 750 branches across the country.
- 9275 colleagues¹



SAINT-GOBAIN BUILDING DISTRIBUTION LIMITED

Including the following businesses:

- Calders & Grandidge, Chadwicks, CTD, Frazer, Gibbs & Dandy, Ideal Bathrooms, IDS, International Timber & Pasquill. This entity has in excess of 200 branches across the country.
- 3209 colleagues¹



SAINT-GOBAIN CONSTRUCTION PRODUCTS UK LIMITED

Including the following businesses:

- British Gypsum, Weber, Celotex, Saint-Gobain PAM, Formula and Ecophon - these businesses represent some of the most trusted and respected in the construction sector manufacturing plaster and plasterboard products, technical mortars and high performance insulation.
- 2,324 colleagues¹



SAINT-GOBAIN GLASS UK LIMITED

Including the following businesses and operations:

- Saint-Gobain Glass Limited and Glassolutions. These two brands manufacture, process and install, repair and refurbish glass facades and domestic glass products
- 1,343 colleagues¹



SAINT-GOBAIN LIMITED

- Saint-Gobain Limited's primary role is to represent the Saint-Gobain Group locally within the UK and Ireland, providing centres of expertise to support the UK & Ireland Saint-Gobain businesses.
- Comprised of Shared Service and Head Office functions including: Finance, IT, HR, Communications, Legal and other professional services
- 295 colleagues¹



Information:
The gender pay gap is defined as the difference in the average pay between men and women.

¹ Numbers at 1st April 2017

UNDERSTANDING OUR PAY GAP DATA

The gender pay gap measures the difference between average pay for men and women in relation to total men's pay across our organisation.

These are shown as a **mean** average, arrived at by adding up men's salaries and dividing this figure by the number of men in the organisation and doing the same for women.

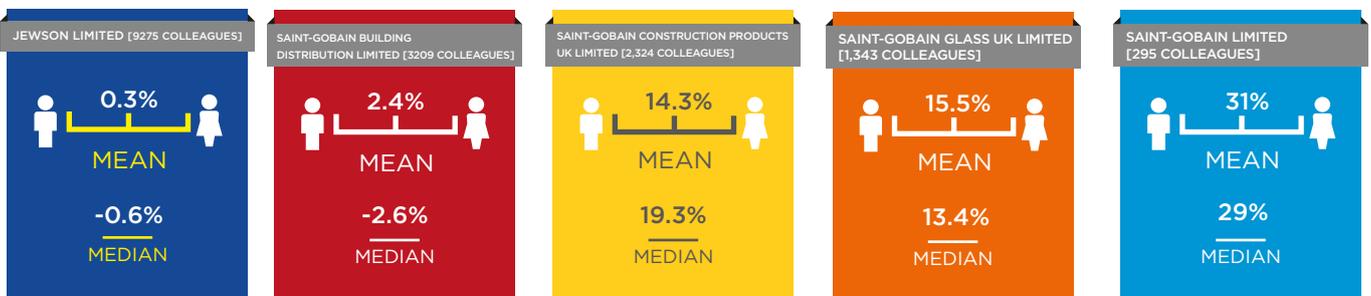
The **median** average is arrived at by lining up all salaries in the organisation, from lowest to highest to find the salary right in the middle of that line. Once you have this you are able to calculate the difference between men's and women's median salaries.

The gender pay gap measures the difference between average pay for men and average pay for women across our organisation. These are shown as a mean average, arrived at by adding up all men's salaries and dividing this figure by the number of men in the organisation and doing the same for women. The difference between the two is divided by total men's pay to give the percentage gender pay gap.

The median average is arrived at by lining up all men's salaries and all women's salaries in the organisation, from lowest to highest to find the salary right in the middle of that each line. Once you have this you are able to calculate the difference between men's and women's median salaries as above.

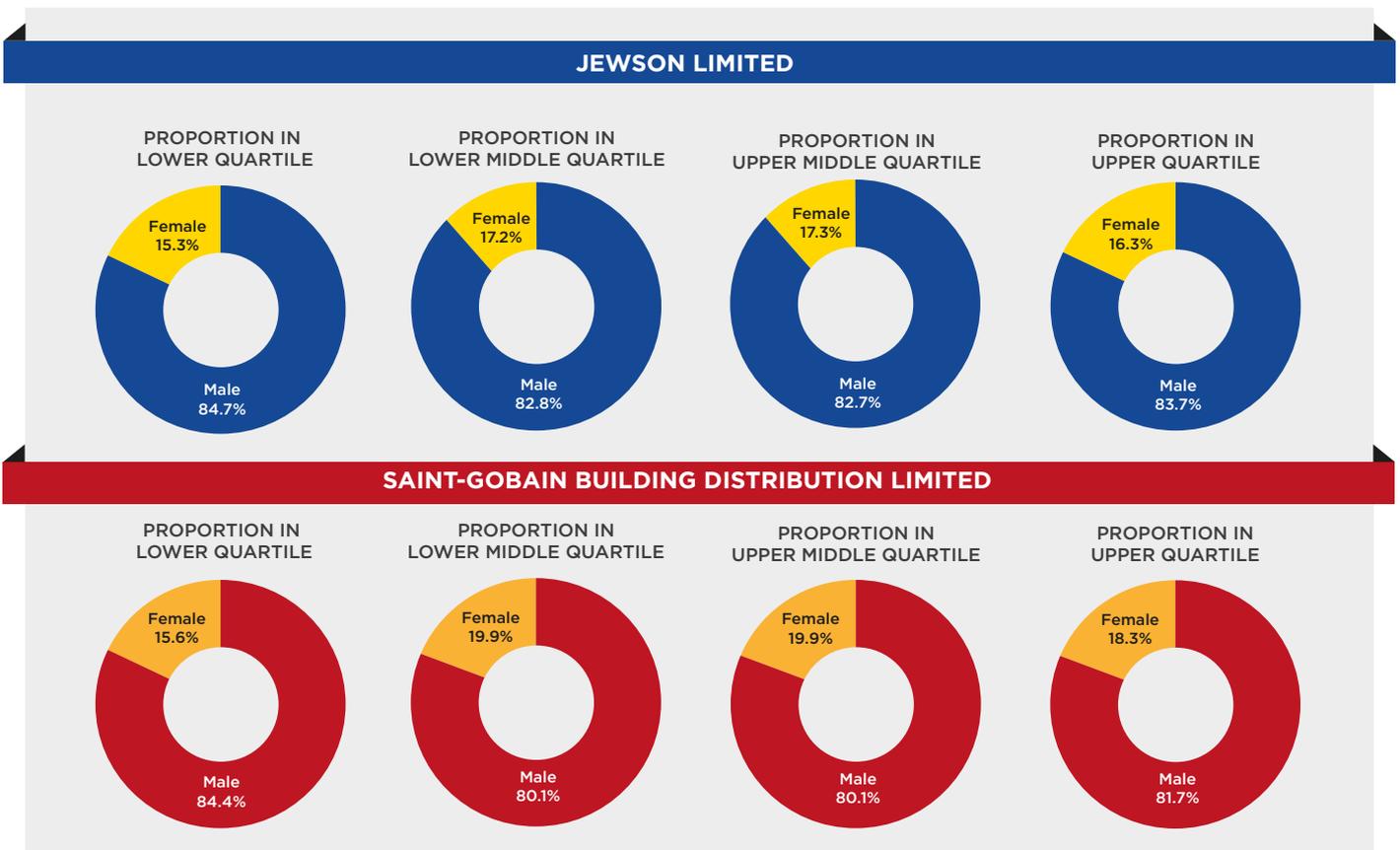
If an organisation shows a minus pay gap, this means that men's average pay is lower than women's. If the number is positive, then this means that men's average pay is higher than women's.

PAY GAP



PAY QUANTILES

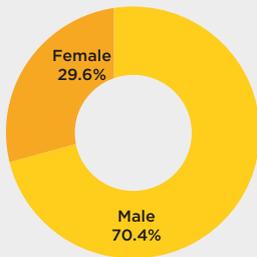
These quartiles represent the pay rates from the lowest to the highest for our employees, split into four equal sized groups. The graphs show the percentage of men and women in each quartile.



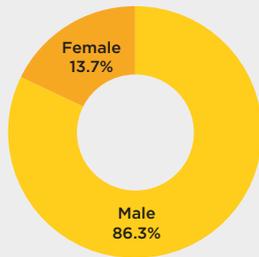
PAY QUARTILES CONTINUED

SAINT-GOBAIN CONSTRUCTION PRODUCTS UK LIMITED

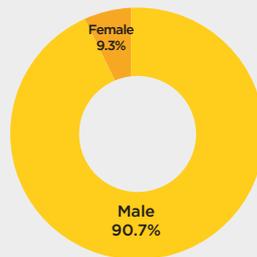
PROPORTION IN LOWER QUARTILE



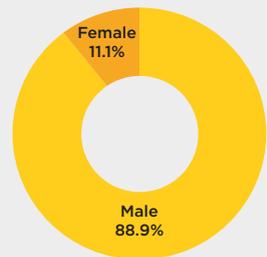
PROPORTION IN LOWER MIDDLE QUARTILE



PROPORTION IN UPPER MIDDLE QUARTILE

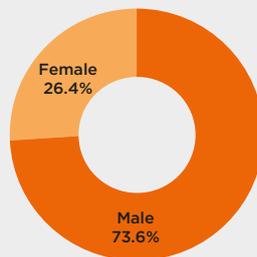


PROPORTION IN UPPER QUARTILE

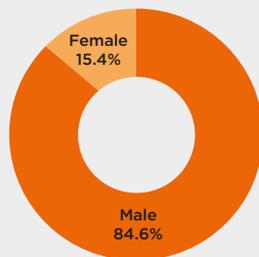


SAINT-GOBAIN GLASS UK LIMITED

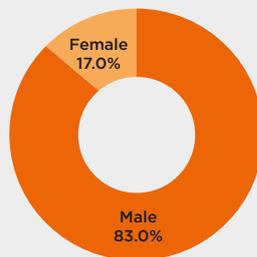
PROPORTION IN LOWER QUARTILE



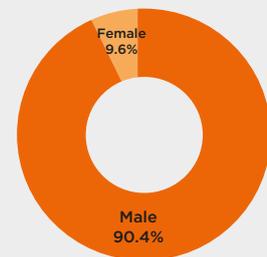
PROPORTION IN LOWER MIDDLE QUARTILE



PROPORTION IN UPPER MIDDLE QUARTILE

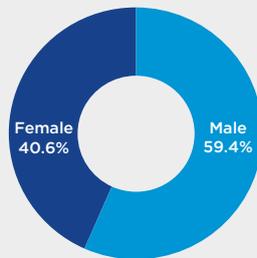


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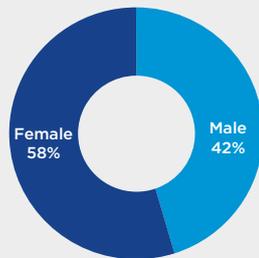


SAINT-GOBAIN LIMITED

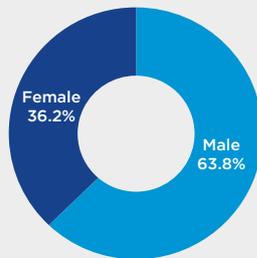
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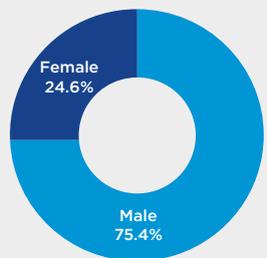
PROPORTION IN LOWER MIDDLE QUARTILE



PROPORTION IN UPPER MIDDLE QUARTILE

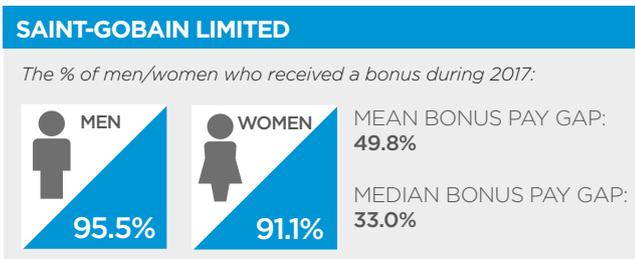
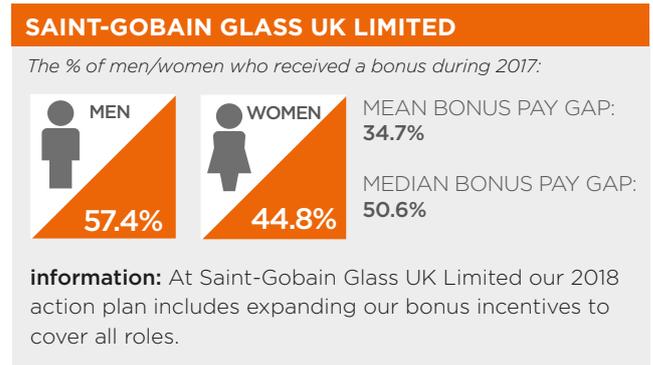
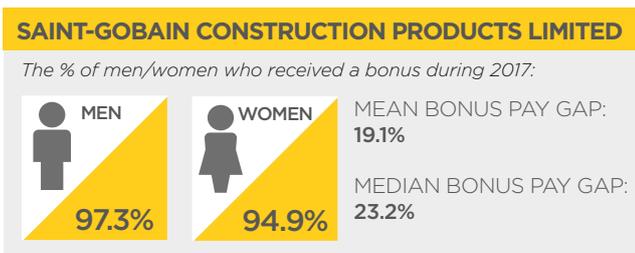
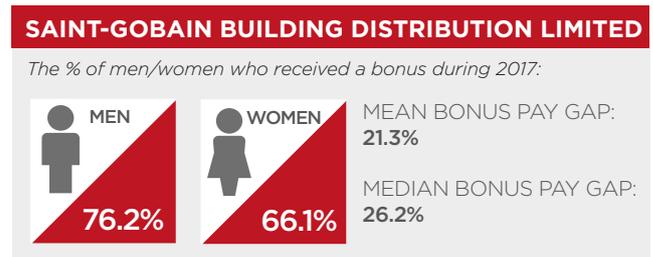
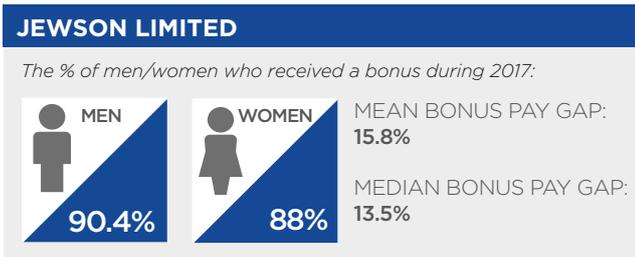


PROPORTION IN UPPER QUARTILE



BONUS PAY GAP

Across the majority of our businesses we see good access to the opportunity to earn a bonus. We acknowledge there is more to do in terms of actual earnings potential from bonuses. Much of this, again, is driven by legacy issues around the types of work done by men and women in our organisation.



THE FIGURES – WHAT DO WE THINK?

JEWSON LIMITED & SAINT-GOBAIN BUILDING DISTRIBUTION LIMITED

Across our Building Distribution businesses the data shows there is no gender pay gap (Median Pay Gap of -0.6% in Jewson and -2.6% in Saint-Gobain Building Distribution UK). This figure is influenced by the high representation of men in our branch network. We still have work to do in these entities, to attract more women into our branches and more senior roles and to reduce the Bonus Pay Gap.

SAINT-GOBAIN CONSTRUCTION PRODUCTS LIMITED

With a median gender pay gap of 19.3%, the principle issue is the under-representation of women across the workforce, particularly at senior levels. The further challenge created from legacy issues - with more men taking on roles particularly in engineering and manufacturing - and the tendency for gender stereotyped occupations are important issues for this part of our business.

SAINT-GOBAIN GLASS UK LIMITED

The gender pay gap (Median Pay Gap of 13.4%) arises as a result of two key factors. Firstly the fact we employ more men than women in our manufacturing and installation operations, where we have a significant number of highly technical and shift-based roles which attract a pay premium. Secondly, attracting more women into under-represented areas, though we are seeing progress. In the 12 months up to April 2017 the percentage of women increased to 21% of all new starters. This remains a fundamental challenge for Saint-Gobain Glass UK Limited.

SAINT-GOBAIN LIMITED

We have a good gender balance within Saint-Gobain Limited with women making up 47%, and men 53% of the population. As reflected in our pay quartile reporting, our biggest challenge is the under-representation of women at the most senior levels. This has a resultant impact on mean and median levels of pay. Our priorities to address this are through actively developing women in our teams and seeking to change recruitment practices.

WHAT ACTIONS ARE WE TAKING NOW TO ADDRESS THE GAP:

Our future actions are focused on the roll-out of our actions defined in our 2020 Diversity and Inclusion Roadmap. This sets out five key strategic themes which we believe will help us to become a more diverse and inclusive organisation across all Saint-Gobain businesses in the UK & Ireland. We want everyone within Saint-Gobain to understand what we are doing, why it is important to our business and to help us achieve our goals in terms of being a diverse and inclusive organisation.

OUR AREAS OF FOCUS ARE



OUR VISION:

To be recognised as an open and engaging organisation where difference is valued, people are able to be their best and collaboration is fostered to benefit ourselves, our customers and our communities.

PAY

Our approach to determining pay is structured across our businesses, many of which work closely with our trade union partners. We also operate detailed job evaluation and roles are evaluated by evaluation committees independent of the business within which they sit.

Across SGBD Limited and Jewson Limited, we gave a commitment over the last three years to both standardise and enhance pay rates for colleagues in all roles, with a particular focus on colleagues in the lower levels of our salary structure.

We continue to keep our pay practises under review and are committed to fairness and equity in reward for all our people.



CASE STUDIES: ACTIONS WE'RE TAKING TO ADDRESS THE GAP:

Please read more about some of the actions we are taking to address the gap. More information is available at:

www.saint-gobain.co.uk/CSR

PASQUILL: ENCOURAGING YOUNG WOMEN TO THINK ABOUT A DIFFERENT TYPE OF CAREER

Pasquill, the largest supplier of engineered timber for roofs and floors in the UK has been working with students and young people over the past year to help break down the barriers of people assuming our industry is a male industry by showing people what roles we can offer, what it's like to work for us and share career progression stories.

For example:

The West Midlands Construction Employee Mentoring Programme (taking place at technical college for 14 - 19 year olds): 3 of the 7 Pasquill mentors supporting this programme are female. In Leicester - Heather Krzoska, Design Office Manager, has visited schools and talked to students about her career progression within Pasquill.

In 2015, to celebrate Saint-Gobain's 350th anniversary, Pasquill colleagues committed to visit 350 school visits to talk about careers. Clare Pickin, Operations Director, Timber Group with a background in Manufacturing Engineering, is an inspirational example to use for others considering a career within Pasquill.



SAINT-GOBAIN GLASS UK LIMITED: ENCOURAGING FLEXIBILITY

We have a long-standing SMART Working policy which encourages flexible working practices across the business. So far this has been successfully applied in many of our support functions. In 2018 we will push these practices into our manufacturing and installation operations and drive more flexible arrangements. To make our business more attractive to potential recruits we intend to do more during our recruitment activity to promote our enhanced maternity benefits and flexibility commitments.

CROSS-BUSINESS ACTIVITY: SPRINT: RAISING ASPIRATIONS, DEVELOPING POTENTIAL

Saint-Gobain is a sponsor of the SPRINT Programme at the University of Warwick. The Sprint Programme aims to address differences in starting salaries achieved between male and female graduates and why they frequently fail to attain key graduate entry positions. The programme covers topics such as personal power, assertiveness, networking and building confidence in the workplace.

SPRINT also provides development for Saint-Gobain women who mentor participants and support at the event through providing female speakers and panel discussion members.



MINSTER'S DIVERSITY IN RECRUITMENT

Minster wanted to break through some of the industry stereotypes and attract more female candidates, so they decided to review job adverts for all job roles. They ran a pilot recruitment campaign to alter the language and layout of an advert – placing two different adverts for the same job.

The first advert contained paragraphs that stated specific skills that were required for the role while the second advert displayed information in bullet points, put less focus on specific skills and more focus on how Minster support and develops successful candidates. Using research into gendered language, Minster also thought carefully about specific words that tend to attract women in the second advert.

The results of the test were that advert two had a 23% increase in female applicants suggesting that the changes encouraged women to apply for the role.



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