

Group Equality, Equity, Diversity and Inclusion Policy

Version: Finalv4
Live: August 2015
Owner: Paula Harvey, Group HR Director
Date for Review: 2024

Document Change History

Date	Version	Change	Author
3/8/15	Final v1	Final version approved by CEO	Simon Owen
4/2018	Final v2	Updated as the Equality Diversity and Inclusion Policy, and approved by the Board	Paula Harvey
9/2020	Final v3	Biennial review with relevant legislation added	Paula Harvey
12/2022	Final v4	Biennial review with "Equity" and relevant legislation added	Paula Harvey

Underlying Principles

Everyone is different and has something unique to offer. Grafton Group wants to respect and understand these differences and to make the most of everyone's talents. Our aim is that our workforce will be truly representative of all sections of society and each colleague feels respected and is able to give of their best.

We recognise that Diversity and Inclusion play a key part in our overall sustainability strategy including our Environmental, Social and Governance (ESG) disclosures and performance assessments.

We understand that work and employment play a fundamental role in determining the levels of income, wealth, and wellbeing people ultimately achieve, with access to good jobs and career paths allowing people to meet their basic needs, fulfill a sense of purpose, and build wealth. We acknowledge that as a business we have a role to play when it comes to tackling inequality by ensuring that barriers to opportunity are removed and that people from all backgrounds can enjoy equitable access to career opportunities.

We recognise that investing in diverse, inclusive, and socially conscious marketing strategies will build stronger relationships with our current customers and broaden our customer base.

Definitions

Equality is ensuring individuals or groups of individuals are not treated differently or less favourably, based on their specific protected characteristic, including areas of on age, ancestry, colour, marital status, medical condition, disability (both mental and physical), national origin, race, religion, political affiliation, sex, sexual orientation or gender identity.

Promoting equality should remove discrimination in all, for all the protected characteristics listed above. Bullying, harassment or victimization are also considered as equality and diversity issues.

Equity

Equity fulfils the promise of equality for all including for the most marginalized populations. Equity action removes behavioural and structural barriers in order to level the playing field, ensuring that people's unique needs and circumstances are taken into account in designing processes, structures, experiences, products or services.

Diversity is understanding, recognising, respecting and valuing differences between individuals.

Inclusion is positively striving to meet the needs of different people and taking deliberate action to create environments where everyone feels respected and able to achieve their full potential.

We recognise that sometimes this will mean treating people differently to ensure that anyone we do business with, including customers and suppliers, and all our colleagues feel included and welcome. This commitment is relevant to all we do, how we manage ourselves and how we deliver our services to our customers.

We acknowledge that there are two types of inclusion:



- behavioral inclusion includes inclusive mindsets, skillsets, and relationships,
- and structural inclusion which focuses on equitable and transparent structures, practices, policies, and increasingly algorithms.

We will promote equality, equity, diversity and inclusion across all areas of our business.

Discrimination

We will not tolerate harassment or discriminatory practices based on age, ancestry, colour, marital status, medical condition, disability (both mental and physical), national origin, race, religion, political affiliation, sex, sexual orientation or gender identity, or any other factor as established by law in the countries in which we operate. Employment and business decisions unduly based on any of these factors are not acceptable.

We will ensure that everyone in Grafton Group is respected and can give of their best, irrespective of who they are or what job they do.

We will ensure that everyone we do business with is respected and given the highest level of service irrespective of who they are or what job they do.

Leadership and Management

The Board takes overall responsibility for the development of equality, diversity and inclusion leads by example and ensures that progress is reviewed and further actions instigated as necessary.

The Group will comply with specific legislation in each jurisdiction in which we operate. However, the overriding principle remains that we do not tolerate discrimination of any kind and we will promote diversity and inclusion in all our businesses.

At Grafton we believe in inclusive leadership. We expect all our leaders to role-model inclusion and display inclusive leadership skills, deliberately putting together high-performing diverse-by-design teams for operational tasks and projects, and ensuring that teams operate in an inclusive manner

Grafton leaders and managers, at all levels, will demonstrate their commitment to promoting equality, diversity and inclusion. All colleagues have personal responsibilities to treat everyone with respect, consideration and without prejudice and to promote the same levels of behaviour in colleagues.

All our colleagues are expected to:

- challenge unacceptable behaviours and create a climate where complaints can be raised without the fear of reprisal;
- take firm action where unfairness or inconsistency exists;
- encourage and support diversity within their teams;



- demonstrate and promote considerate and fair behaviour;
- treat colleagues, customers, suppliers and anyone we do business with, with dignity and respect and recognise and value individual skills and contributions;
- demonstrate through words and actions that diversity is an integral part of meeting the business priorities;
- create an environment in which colleagues can identify and share good practice, celebrate success and encourage positive attitudes towards diversity; and
- comply fully with all legislation relating to equality and diversity.

Reward and Diversity

Our approach to colleague reward is unbiased and gender neutral by design. We ensure that our remuneration structures reward all our colleagues fairly and any differences are based on individual performance, experience and skill sets. Our reward and grading structures are underpinned by the concept of equal pay, ensuring that colleagues receive the same pay as someone doing work of equal value to themselves.

We comply fully with UK and ROI Gender Pay legislation for our UK and Irish businesses. Information on our Gender Pay Gap is published on the relevant business websites.

Accessibility of our services to customers and colleagues.

Reaching out to diverse customers is considered to be a key part of our corporate and business brands. Diversity and inclusion are embedded in sales, marketing, and customer service functions, marketing campaigns across all markets, and in all expected business outcomes.

We will continue to review our customer service provision to ensure, where appropriate and practical, accessibility for all, and that inadvertent discrimination against any community does not arise. This will include consideration of the language we use and how we communicate information, along with the accessibility of our buildings.

We are committed to reach the position where, with everything we do, equality, equity, diversity and inclusion considerations are built in from the beginning to ensure we are being inclusive. To do this we need to understand the different and diverse requirements of our customers and colleagues and to involve them in the planning stages of new initiatives.

Communication

We will ensure that this policy is accessible and understood by everyone in Grafton Group by ensuring all colleagues:



- are aware of policies on equality, diversity and inclusion;
- understand the benefit of valuing diversity and how this impacts on our work;
- have a greater awareness of the value of more inclusive communication;
- understand their own role in promoting equality diversity and inclusion; and
- are aware of their legal responsibilities under current legislation.

Our customers and colleagues will be able to access the policy on our Group website [www.graftonplc.com]

When things go wrong

Colleagues who feel they have been unfairly treated contrary to this policy should raise their concerns with their manager to get them addressed. If matters are not addressed the individual can raise a grievance using the normal company grievance procedure. All complaints will be investigated thoroughly and without delay. Colleagues can also use Speak Up, the Group's confidential reporting service via either the website: www.graftonplc.ethicspoint.com, or on the following freephone numbers: UK - 0800 069 8039; Rol: - 1 800 903 301; Finland – 0800 416105; or, Netherlands - 0800 0229332 (See Group SpeakUp Policy).

Contravention of this policy by way of harassment of or discrimination against a colleague, or any other individual, will be considered a disciplinary offence and dealt with under local business's disciplinary procedure. Additional guidance is available from individual business HR teams.

Colleagues should feel confident that raising a grievance will not have an adverse effect on them, and that the Company will protect them from victimisation.

Other relevant Policies and Documents

Please also consider the guidance in the following Group and BU specific policy areas when considering compliance with our equality diversity and inclusion principles:

- Group Code of Business Conduct and Ethics
- Group Sustainability Strategy and Business targets
- Group SpeakUp policy
- BU specific policies, including:
 - Disciplinary and Grievance
 - Wellbeing
 - Dignity at work
 - Performance and Capability



- Supporting attendance at work / Absence and Leave
- Recruitment

Summary of relevant legislation

Northern Ireland

- Sex Discrimination (Northern Ireland) Order 1976;
- Employment Equality (Sexual Orientation) Regulations (Northern Ireland) 2003;
- Race Relations (Northern Ireland) Order 1997;
- Disability Discrimination Act 1995;
- Fair Employment and Treatment (Northern Ireland) Order 1998;
- Employment Equality (Age) Regulations (Northern Ireland) 2006,
- Equal Pay Act (NI) 1970

Netherlands

The ban on discrimination is implemented in the Dutch Constitution through various specific laws, such as:

- The General Act on Equal Treatment (AWGB)
- The Equal Treatment of Men and Women Act (WGB)
- The Equal Treatment of Disabled and Chronically Ill People Act (WGBH/CZ)
- The Equal Treatment on Age in Employment Act (WGBL).

In addition, the Dutch Civil Code contains several provisions on equal treatment

Republic of Ireland

- **The Employment Equality Acts 1998-2015** (the “EEA”) prohibit discrimination by employers against their employees or prospective employees on the basis of gender, age, race, civil status, family status, sexual orientation, disability, religion or membership of the Traveller Community. The EEA also prohibits discrimination against tenants getting a social welfare payment or Housing Assistance Payment.
- **Employment Equality Act 1998 (Section 20a)** (Gender Pay Gap Information) Regulations 2022. Gender Pay Gap (GPG) reporting requirements for employers with 250 or more employees .

United Kingdom (excluding Northern Ireland)



- **The Equality Act 2010** is the key piece of legislation. However, trade union membership or activities and whistleblowing are two other areas of discrimination which are dealt with separately.
- **The Equality Act 2010 (Gender Pay Gap Information) Regulations 2017** provide that private and voluntary sector employers with at least 250 employees are required to publish pay information of employees for the purpose of showing any differences in pay by gender.

Finland

- **Employment Contracts Act (55/2001, as amended) (Chapter 2, Section 2)** provides that employers must treat employees equally, unless deviating from this is justified in view of the duties and position of the employees. Without proper and justified reason less favourable employment terms than those applicable to other employments must not be applied to fixed-term and part-time employments merely because of the duration of the employment contract or working hours.
- **Non-Discrimination Act (1325/2014, as amended)** prohibits direct and indirect discrimination on the basis of age, origin, nationality, language, religion, belief, opinion, political activity, trade union activity, family relationships, state of health, disability, sexual orientation, or other personal characteristics. In addition, harassment, refusal to provide reasonable adjustments that would help disabled employees to manage in working life, and an instruction or an order to discriminate are considered as discrimination. Discrimination is prohibited in all aspects of employment, including the advertisement of vacancies, hiring, training and advancement, as well as termination. Employers employing at least 30 employees must have a plan for the necessary measures for the promotion of equality in accordance with Section 7 of the act.
- **Act on Equality between Women and Men (609/1986, as amended)** prohibits discrimination on the basis of gender, gender identity or gender expression. Discrimination based on gender is prohibited in all aspects of employment, including the terms of employment (such as pay), advertisement of vacancies, hiring, training and advancement, as well as termination. Employers employing at least 30 employees must draw up a gender equality plan and a pay survey in accordance with Sections 6a and 6b of the act.

In addition, the Constitution of Finland (731/1999, as amended) contains provisions of equality.

