

Group Equality, Equity, Diversity, and Inclusion Policy

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Owner: Paula Harvey, Group HR Director
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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
2/2025	Final v5	Review following changes to UK legislation on third party Sexual harassment	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 their best.

We acknowledge the crucial role that Diversity and Inclusion play 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 achieve. Access to good jobs and career paths allows people to meet their basic needs, fulfil 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 business strategies will build stronger relationships with our current customers and broaden our customer base.

Definitions

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

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

Equity fulfils the promise of equality for all, including the most marginalised populations. Equity ensures fairness by addressing and removing behavioural and structural barriers to level the playing field, ensuring that people's unique needs and circumstances are considered in designing processes, structures, experiences, products, or services.

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

Inclusion is positively striving to meet the needs of different colleagues 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:

- Behavioural inclusion involves fostering inclusive mindsets, skillsets, and relationships
- Structural inclusion involves establishing equitable and transparent structures, practices, policies, and increasingly algorithms

We are committed to promote equality, equity, diversity, and inclusion (EEDI) across all areas of our business.

**not a protected characteristics*



Discrimination

Grafton Group maintains a zero-tolerance policy towards harassment or discriminatory practices of any form, including those practices based on protected characteristics such as age, ancestry, colour, marital status, medical condition, disability (both mental and physical), national origin, **language*, race, religion, **belief*, **opinion*, political affiliation, family relationships, 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 their best, irrespective of who they are or what role they perform.

We are committed to providing a safe and respectful work environment for all our colleagues. Grafton has a zero-tolerance policy towards any form of harassment, including sexual harassment, by third parties. We are committed to ensuring that our colleagues can work in an environment free from harassment and discrimination and we have made specific provisions to protect our colleagues from harassment by third parties, such as clients, customers, or contractors.

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 role they perform.

**not a protected characteristic*

Leadership and management

The Board holds the ultimate responsibility for advancing EEDI. The Board 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 operate a zero-tolerance policy on discrimination of any kind, and we will promote diversity and inclusion in all our businesses.

At Grafton, we believe in inclusive leadership. We expect our leaders to model inclusion, creating a high-performing, diverse environment where colleagues feel empowered to raise issues without fear of retaliation. Grafton leaders and managers, at all levels, will actively demonstrate their commitment to EEDI. All colleagues must personally contribute by treating everyone with respect and supporting diversity through their behaviours.

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.

We comply with UK and ROI Gender Pay legislation for our UK and Irish businesses and Pay Transparency Legislation in Ireland, Finland and the Netherlands, ensuring transparency and fairness in our pay practices.

Information on our Gender Pay Gap is published on the relevant business websites and on the Grafton Group website.

Accessibility of our services to customers and colleagues.

Engaging with a diverse customer base is a key part of our corporate and business operations. Across all markets, diversity and inclusion are embedded in sales, marketing, and customer service functions, marketing campaigns, 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 reaching a position where, with everything we do, EEDI 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 and harassment
- Understand the benefits of valuing diversity and how these impact 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 can 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 have 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.

- Website; www.graftonplc.ethicspoint.com
- UK - 0800 069 8039
- RoI: - 1 800 903301
- Finland – 0800 416105
- Netherlands - 0800 0229332



Colleagues who are victims of discrimination or harassment will be offered access to counselling and employee assistance programmes.

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
- Supplier Code of Conduct
- Group Sustainability Strategy and Business targets
- Group SpeakUp policy
- BU specific policies, including:
 - Disciplinary and Grievance
 - Bullying and Harassment / Dignity at work
 - Wellbeing
 - Performance and Capability
 - Supporting attendance at work / Absence and Leave
 - Recruitment

Summary of relevant legislation

EU Pay Transparency Directive

The Council adopted rules on pay transparency in April 2023. This EU directive aims to combat pay discrimination and help close the gender pay gap in the EU. Under the new rules, EU companies will be required to share information on salaries and take action if their gender pay gap exceeds 5%. The directive also includes provisions on compensation for victims of pay discrimination and penalties, including fines, for employers who break the rules.

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 & [Fair Employment Code of Conduct](#)
- 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.



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
- In October 2024 further legislation (Worker Protection (Amendment of Equality Act 2010) Act 2023) was introduced, requiring employers to take reasonable steps to stop harassment of a sexual nature from occurring in the workplace. This is in addition to the Equality Act 2010, which makes harassment unlawful
- **The Equality Act 2010** (Gender Pay Gap Information) Regulations 2017 provides 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 thirty 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 thirty 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.

This revised policy offers clearer guidance on the principles and expectations at Grafton Group. It emphasises **inclusivity, equitable practices**, and the promotion of a **safe and respectful work environment** for all colleagues, customers, and business partners.

