Karndean Designflooring



APRIL 2025

Gender Pay Gap Reporting

At Karndean, we are committed to fostering a culture where diversity thrives, and equal opportunity is a reality for all. By continuously challenging ourselves to think differently, embedding fairness and inclusivity in our policies, and cultivating an open and supportive environment, we drive meaningful progress. With collaboration, trust, and empathy at the heart of how we work, we remain focused on supporting women in their careers, closing the gender pay gap, and championing wage equality across our business."

Fleur Carson,
Managing Director,
Karndean Designflooring UK



Introduction

As of April 2025, Karndean employs 207 people, with 58% of the workforce identifying as male and 42% identifying as female. This overall gender split is a slight increase in overall female's compared with April 2024, reflecting a broadly consistent workforce composition year-on-year.

The flooring and wider sales industry continues to be traditionally male-dominated, which can influence gender representation within organisations operating in this sector. Despite this, Karndean remains committed to ensuring equitable opportunities for career development and progression across the organisation.

Encouragingly, our data indicates positive movement in female representation in parts of the pay distribution when compared with 2024. We have seen a slight increase in the proportion of women within the upper pay quartile, demonstrating gradual progress in representation at more senior levels. In addition, the lower quartile now shows a near equal distribution between men and women, representing an increase in female representation compared with the previous reporting period.

While progress continues, we recognise that gender representation remains uneven in some areas of the organisation, particularly within senior leadership and sales roles that have historically attracted a higher proportion of male applicants. Addressing this remains a key focus of our Equity, Diversity and Inclusion strategy, alongside ongoing work to remove barriers to progression and ensure transparent career pathways for all employees.

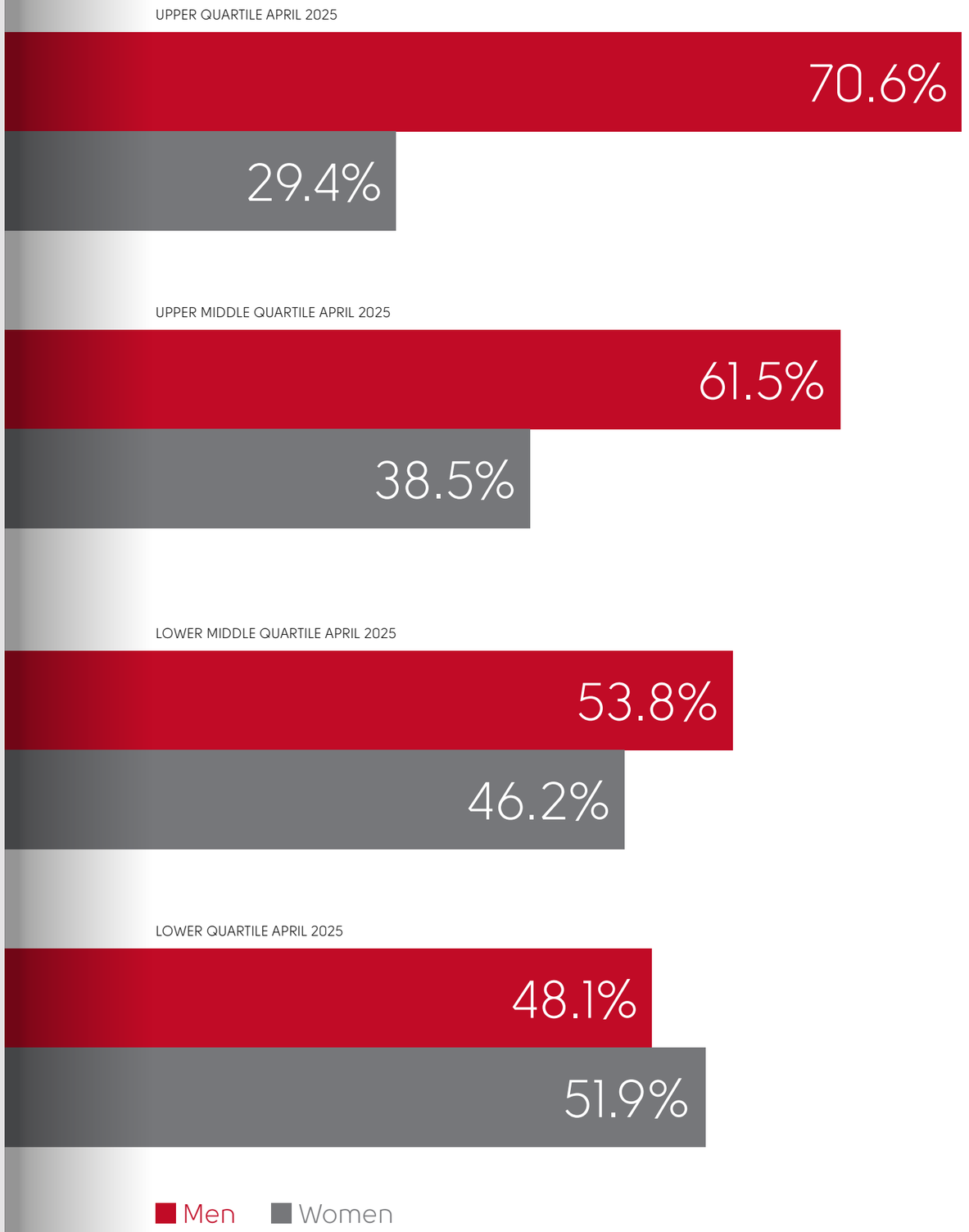
Proportion of men and women in each quartile band

The quartile data shows that women remain underrepresented in the upper pay quartile, making up 29.4% of roles compared with 70.6% men, although this has increased slightly since 2024. This indicates some progress in female representation at senior levels but highlights that leadership representation remains a key focus area.

Female representation in the middle quartiles has decreased slightly year on year, and we continue to analyse recruitment and mobility data to understand the drivers behind these shifts.

The lower quartile now shows a majority female representation (51.9%), representing a notable increase compared with 2024.

To support progress, we have introduced a new applicant tracking system to improve visibility of gender representation in recruitment pipelines, alongside continued focus on career development and progression pathways for women across the organisation.

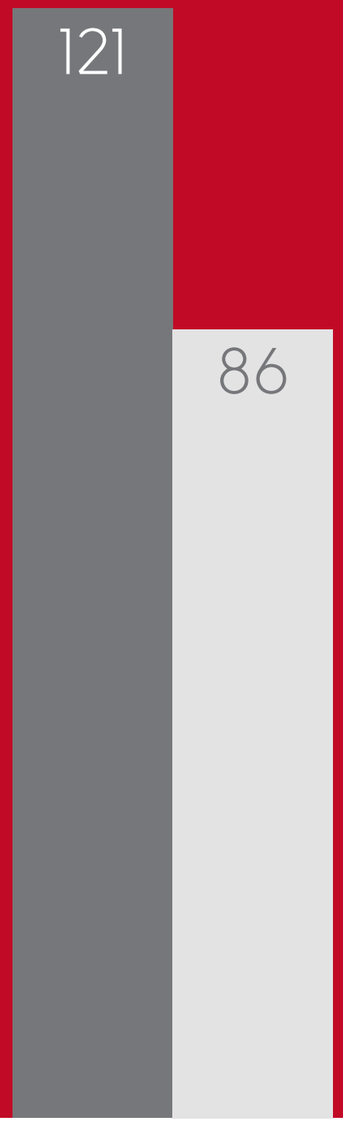


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Mean Gender Pay Gap

6.95%

Men
Women



EMPLOYEES



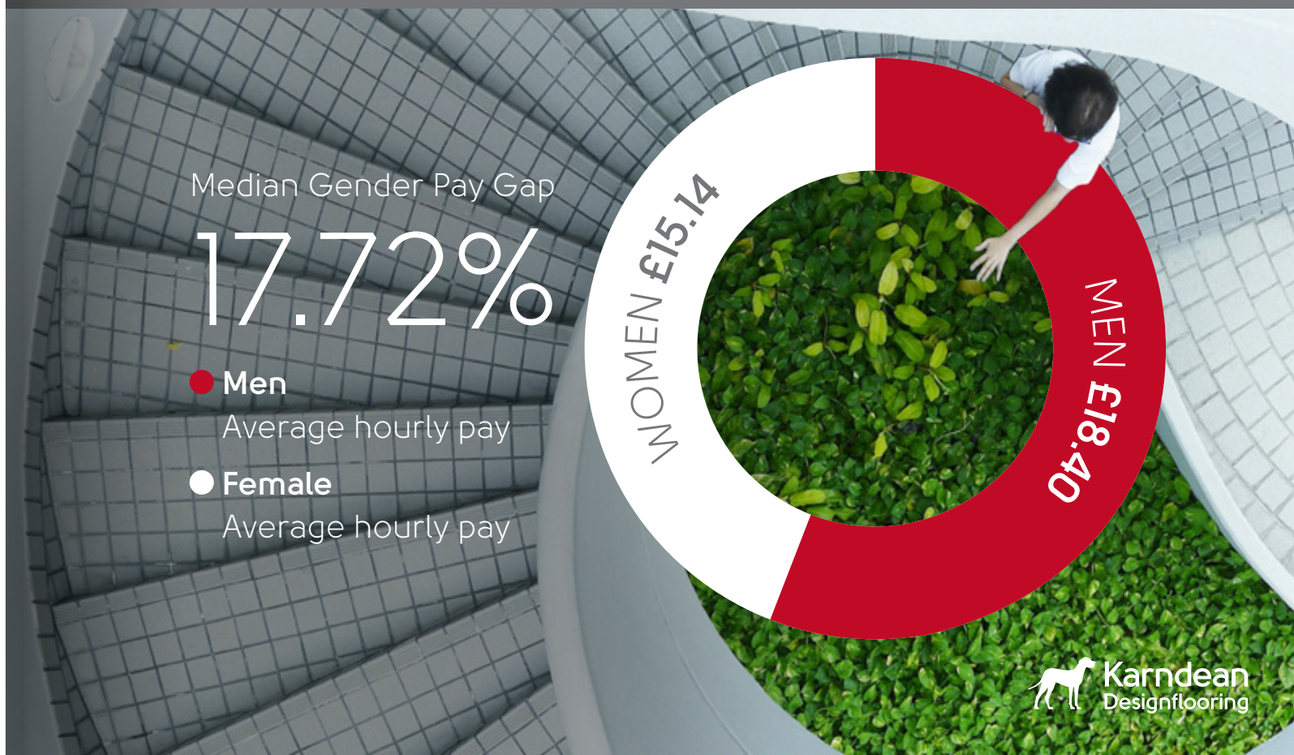
AVERAGE HOURLY PAY

We are pleased our mean gender pay gap has reduced to 6.95% in April 2025, continuing a positive long-term downward trend from 27.77% in 2021 and 20.68% in 2022. This reflects gradual progress in narrowing the overall average pay difference between men and women across the organisation.

Gender Pay Gap Basic Hourly Rate

The median gender pay gap is 17.72%, which has increased compared with 2024. Gender pay gap reporting reflects the distribution of men and women across roles and seniority levels rather than differences in pay for the same work. As a result, relatively small changes in workforce composition can influence the median figure.

During the reporting period we saw changes within senior leadership roles, including the appointment of a female Logistics and Customer Operations Director to our executive team. Improving female representation in senior and higher paid roles remains a key focus as we continue to build on the long-term progress shown in the reduction of the mean gender pay gap.



Bonus pay

We are pleased to see continued improvement in our mean bonus gender pay gap, which has reduced to 46% in April 2025, compared with 51% in 2024 and 63% in 2023. This indicates a positive long-term trend in narrowing the gap in bonus earnings across the organisation.

The median bonus gap is 10%, which has increased compared with 5% in 2024. Median figures can fluctuate year to year due to relatively small changes in workforce composition or bonus eligibility, particularly where bonus payments are concentrated within specific roles.

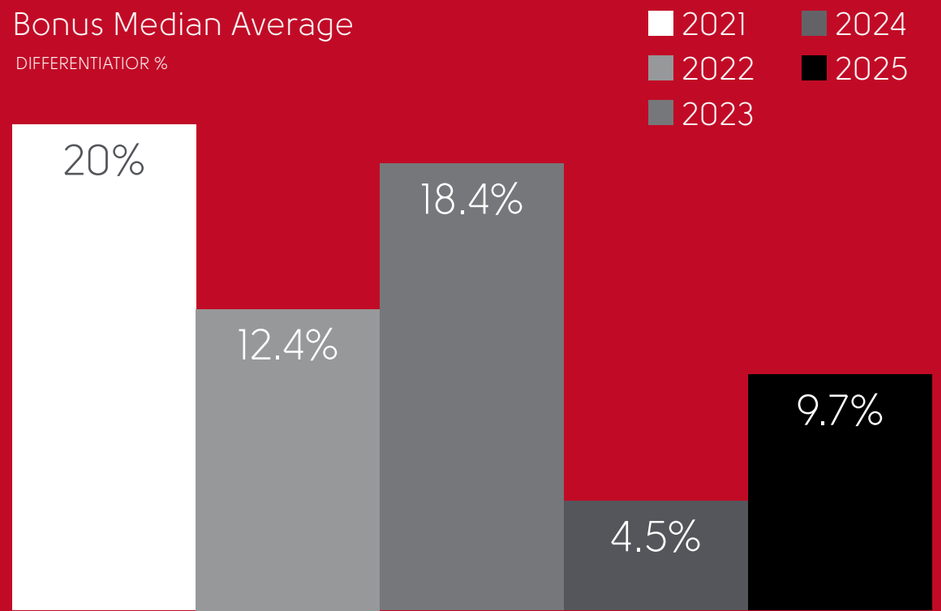
A key factor influencing our bonus gap is the composition of our sales teams, where commission forms a significant proportion of bonus earnings and where the workforce remains predominantly male. As these commission payments are often higher in value, they can disproportionately affect bonus pay gap calculations.

We have taken several steps to support continued progress. Our executive leadership team is now 43% female and 57% male, improving gender representation at senior levels. In addition, during 2024 we completed a full review of pay, bonus and commission structures to ensure fairness and equity, alongside introducing our first formal pay policy in January 2025. This provides greater transparency around pay and career pathways across the organisation.

Taken together, these actions support our longer term goal of improving representation, transparency and fairness in reward, and the overall trend over the past four years suggests steady progress in reducing the gender bonus gap at Karndean.

Bonus Median Average

DIFFERENTIATIOR %



Year on Year Mean Average Bonus Differentiation



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Action Plan

Karndean Evolve®

We continue to build on **Karndean Evolve®** through our people strategy which embeds **Equity, Diversity & Inclusion and Health & Wellbeing** as core pillars of how we operate as a business.

During 2024–2025 we expanded our **EDI education programme**, delivering organisation-wide webinars and targeted training for managers on inclusive leadership and managing diverse teams. Our **EDI Employee Resource Group** continues to meet regularly to promote awareness and support initiatives across the business, including focuses on women at work.

To support greater flexibility for employees with caring responsibilities, we introduced **enhanced flexible working hours**, reducing core hours to **10am–3pm**. This initiative supports improved work–life balance and aims to remove barriers that may disproportionately impact women in the workplace.

Our **EDI Coffee Mornings and awareness events** have also continued, providing opportunities for employees to share experiences and demonstrate career pathways for women across global organisations.

Learning and Development Strategy

Our **Learning and Development strategy** continues to focus on providing employees with clear **career pathways, development opportunities and accessible learning tools**.

Recognising that flexibility in learning can be important for employees balancing caring responsibilities, we have expanded our **blended learning approach**, allowing training to be accessed in ways that suit different working patterns.

During 2024 and 2025 we rolled out **DiSC training** across the organisation to support inclusive teamwork, improve collaboration and help employees better understand different working styles and perspectives.

In 2025 we also **expanded the use of our competency framework**, enabling employees to clearly understand the skills and behaviours required for progression into different roles. This provides greater transparency around development expectations and supports women in planning their career progression within the organisation.

Recruitment Strategy

In January 2025 we launched a **new Applicant Tracking System**, giving us improved data and visibility regarding the diversity of our recruitment pipelines. This allows us to monitor gender representation across applicants and ensure we are targeting recruitment channels that attract a broader and more diverse candidate pool.

The system also supports the use of **inclusive and gender-neutral language in job descriptions**, helping ensure roles are accessible to a wider range of applicants.

Alongside recruitment improvements, we are placing increased focus on **internal progression and succession planning**. Our competency framework is being used to support **proactive talent mobility and career development across the organisation**.

Encouragingly, internal promotion data shows positive movement, with **7 of our 12 recent talent mobility moves were awarded to women**, demonstrating continued progress in supporting female career advancement within Karndean.

We have also partnered with **People Plus** and the **Social Advocacy Recruitment Group** to widen access to employment opportunities and support candidates returning to work following career breaks, including those with caring responsibilities.

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Declaration

We confirm that the information and data provided in this report is accurate and in line with mandatory requirements.

Fleur Carson
Managing Director UK

Gemma Hathway
HR Director UK & Europe



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