



Gender Pay Gap Report

Published April 2024*

All big businesses in the UK are required to report annually on their gender pay gap.



A message from John Roberts CEO

As the UK's most trusted electrical retailer, our aim is to provide an inclusive environment which reflects the wide-ranging communities we serve and employ. It's critical that our gender pay gap statistics show not only our progress but importantly where we must focus to continue making AO a truly inclusive and diverse workplace.

With an overall group gender pay gap of 4% as at 5 April 2023, we continue to perform significantly better than the national average gender pay gap based on national median pay. We've also made significant progress in female representation at senior Director level and in narrowing our gender bonus gap to 6%.

We know there is more to do, but our progress this year shows our passion and energy for doing the right thing.

I confirm that the data published in this report is accurate.

John Roberts, Founder and Chief Executive Officer



Understanding pay gap reporting

Gender equality is really important to us, and we continue to look at things differently and identify ways we can work to further reduce our gender pay gap,

The legislation requires us to report our mean and median pay gap, bonus mean and median gap, the percentage of male and female AOers who received a bonus payment and the percentage of males and females in each pay quarter.

What is the difference between gender pay and equal pay?

Gender pay gap

A gender pay gap looks at the differences in pay between genders across groups of AOers irrespective of the work they perform.

One of the main reasons for the gender pay gap in our society is that men are statistically more likely to be in senior roles.

Equal pay

Equal pay is paying males and females equally for work of equal value and work rated as equivalent. There has been legislation outlining equal pay obligations in the UK for over 50 years.

How are the median and mean pay gaps calculated?

The median is the middle point of a range of numbers and the mean is the average of a range of numbers. How do we calculate this for gender pay gap reporting?

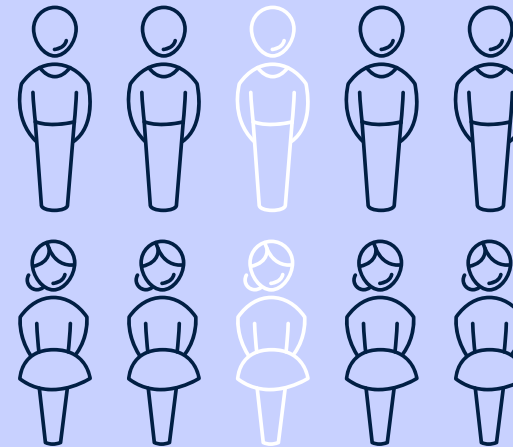
Median pay gap

If all our male AOers stood in a line in order of lowest hourly rate earned to highest and all female AOers did the same, the median pay gap (as a percentage) is the difference in pay between the middle AOer on the male line and the middle AOer on the female line.

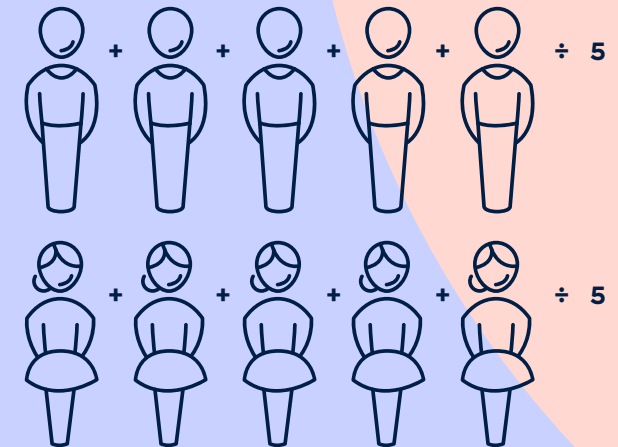
Mean pay gap

If we add together all the hourly rates of male AOers and calculate the average and do the same for female AOers, the mean pay gap (as a percentage) is the difference in pay between the average male and female hourly rate.

Median pay gap



Mean pay gap



How is the bonus gap calculated?

The mean and median bonus gaps are calculated in the same way as the gender pay gaps. However, this time we use the actual bonus paid to AOers. We also report the number of male and female AOers receiving a bonus (as a percentage of the total male and female population).

**At AO our
reward strategy
is based on a
gender-neutral
approach to
pay across
all levels of the
business.**

Our 2023 results

For the 12 months ending 5th April 2023

Female representation across the overall Group remains unchanged from last year (29%). We have addressed the lack of female representation at senior Director level (WL5) increasing representation from 0% to 31% and females represent 40% of senior Management level (WL3 & WL4), an improvement of 4% on previous year.



Percentage of males and females

Group headcount by work level

2023	WL1	WL2	WL3	WL4	WL5	WL6
Female	581	143	28	9	4	0
Male	1518	299	39	16	9	2
Female representation	28%	32%	42%	36%	31%	0%
YOY comparison	-	-5%	+6%	+4%	+31%	-

Headcount by Group business

2023 Full pay Equivalent	Group Overall	AO Retail Ltd	AO World plc	Expert Logistics Ltd	AO Recycling Ltd
Female	765	326	111	284	44
Male	1883	405	168	1103	207
Female representation	29%	45%	40%	20%	18%
YOY comparison	-	-	-3%	+3%	-4%

Reference to Group overall data within the report denotes the combined data of each specified individual AO business.

Over 50% of our workforce are logistics or recycling based frontline roles where it's challenging to attract female employees into manual jobs. We do however strive to raise visibility of female role models in manual positions to help to attract and retain females.

Gender pay gap

Median pay gap



Mean pay gap

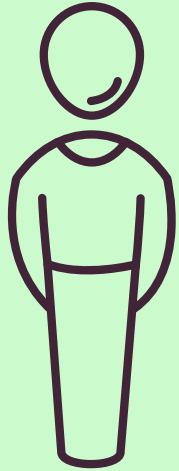


4% median pay gap compared to the national median pay gap of 14.3% (based on the Office for National Statistics' Annual Survey of Hours and Earnings 2023).

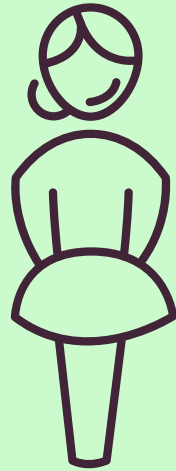
AO gender pay gap by group business

	Group Average	AO Retail Ltd	AO World Plc	Expert Logistics Ltd	AO Recycling Ltd
Mean Ordinary gender pay gap	4% (-1% YOY)	16% (-2% YOY)	30% (-7% YOY)	8% (+1% YOY)	10% (-18% YOY)
Median Ordinary gender pay gap	4% (+3% YOY)	20% (no change)	36% (+5% YOY)	6% (+1% YOY)	0% (-8% YOY)
Mean bonus gender pay gap	6% (-13% YOY)	51% (+3% YOY)	63% (-24% YOY)	11% (+46% YOY)	100% -
Median bonus gender pay gap	0%	60% (+18% YOY)	0%	0%	0%

Gender pay gap for bonuses

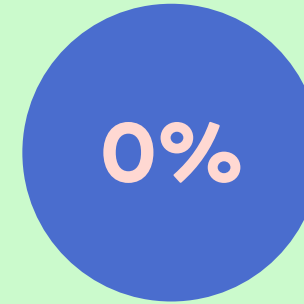


45% of employed males received a bonus

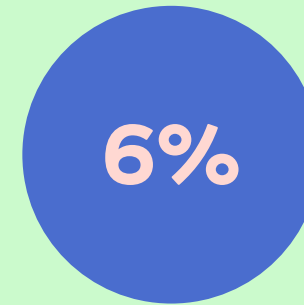


60% of employed females received a bonus

Median bonus gap



Mean bonus gap



All of our bonus schemes are gender neutral by design.

All bonuses paid in the year up to 5 April 2023 are used for the calculation of the bonus gap.

We have maintained a 0% median bonus gap and made significant improvements in our mean bonus gap (6%) from 19% last year. This is influenced by the increase in female representation in higher paid leadership roles (WL3 - WL5).

Percentage of AOers receiving a bonus by gender

Group Average		AO Retail Ltd		AO World PLC		Expert Logistics Ltd		AO Recycling Ltd	
Male	Female	Male	Female	Male	Female	Male	Female	Male	Female
45%	60%	88%	88%	81%	73%	31%	30%	4%	0%
YOY Changes									
-4%	-7%	+1%	+5%	+12%	+2%	-4%	-16%	+1%	-

Bonuses were paid to 60% of all female AOers.

Pay Quarters

Quartiles are our pay bands split into 4 equal bands from the lowest to the highest. The percentage of all male and female AOers within each pay level, or quartile are:

	Group Average		AO Retail Ltd		AO World PLC		Expert Logistics Ltd		AO Recycling Ltd	
	Male	Female	Male	Female	Male	Female	Male	Female	Male	Female
Upper quartile	71%	29%	66%	34%	74%	26%	91%	9%	92%	8%
YOY +/-		-1%		+1.5%		-7%		+2%		-
Third quartile	75%	25%	59%	41%	73%	27%	83%	17%	68%	32%
YOY +/-		-4%		-5%		-5%		-		+3%
Second quartile	70%	30%	50%	50%	57%	43%	80%	20%	83%	17%
YOY +/-		+3%		-		+2%		+4%		-
Lower quartile	68%	32%	46%	54%	37%	63%	65%	35%	87%	13%
YOY +/-		-		+1%		-3%		+5%		-19%



Closing the gender pay gap

We want all AOers to bring their whole self to work, unleash their full potential, and have a feeling of safety and belonging when they do, it's how we'll create a great place to work and contribute to a high performing team.

What we've done so far

- Made progress in addressing the gap of females in senior leadership roles, from 0% to 31%
- Senior Manager roles are equally represented by female and male AOers (50/50%)
- Improved female representation in Tech roles with 40% of all hire's female.
- 100% retention of females on AO's Tech Academy Software Developer apprenticeship.
- Brought to life the stories of female AOers in front line roles, to continue to address barriers and challenges in attracting women.
- Power of Personal effectiveness learning strategy to address areas typically a barrier to women, such as imposter syndrome and boosting confidence.

What we will be doing

To maintain and build on our progress so far, we will:

- Continue to build on our attraction strategy ensuring vacancies at AO are attractive to all and no bias exists in our recruitment processes.
- Introduce DE&I benchmarks to focus our equity initiatives. Associated actions plans will define our overt commitment to place equity at the heart of everything we do.
- Boost our internal networks to ensure under-represented groups are an influential stakeholder in tackling the gender pay gap.
- Launch a Women into Leadership programme focusing on career and personal development.
- Raise the bar on menopause and perimenopause support, to ensure women of all ages are supported during their career.



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The reference date for the statistics disclosed in this report is 5th April 2023.