

GENDER PAY GAP REPORT 2017



WHAT IS THE GENDER PAY GAP?

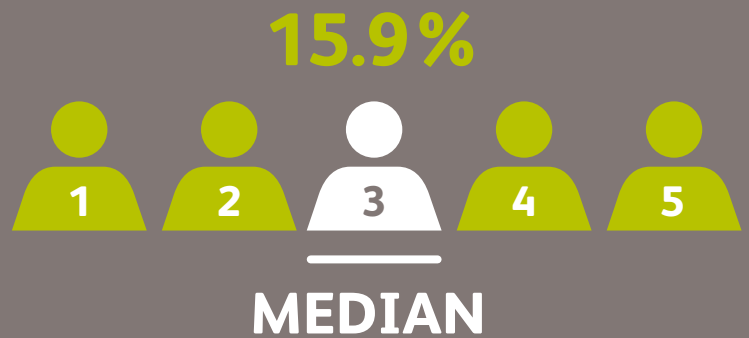
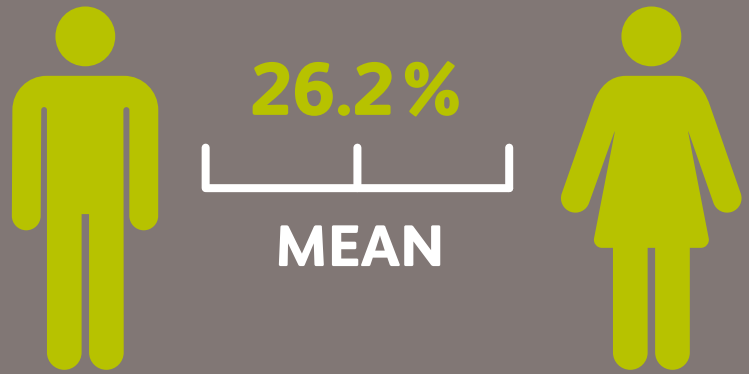
The gender pay gap is the difference between the average hourly pay for men and women across all ages, roles and levels as at 5 April 2017. It differs from equal pay which looks at pay differences between men and women carrying out the same or comparable work.

WHAT'S OUR GENDER PAY GAP?

We are reporting two measures of our gender pay gap, the mean and the median gender pay gap. The median gender pay gap removes any influence of very high and very low pay.

Our Gender Pay Gap Is:

mean	26.2%
median	15.9%



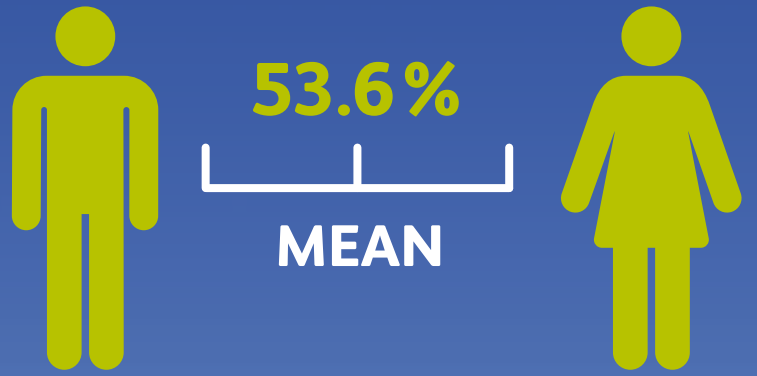
WHAT'S OUR BONUS PAY GAP?

The gender bonus gap is the difference between the average bonus received by men and women across all ages, roles and levels during 2016/2017.

The number of males and females receiving a bonus is:

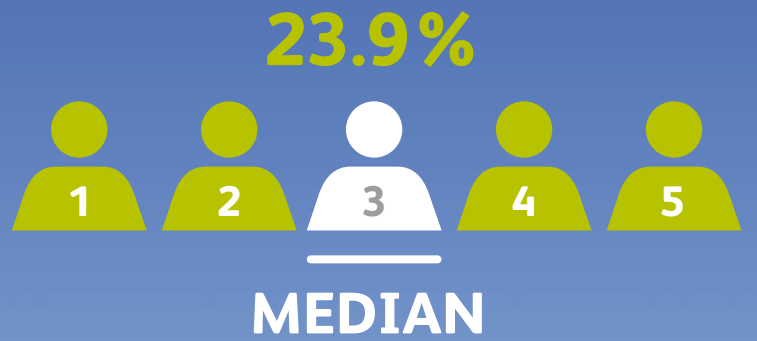
male	94.8%
female	92.6%





The difference in annual bonus pay between men and women is:

mean	53.6%
median	23.9%



HOW IS PAY DISTRIBUTED?

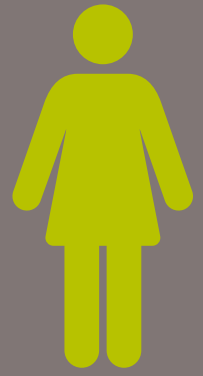
The distribution of men and women is shown in pay quartiles which are calculated by splitting the workforce covered by gender pay reporting into four equal sized bands on hourly pay from highest to lowest. The percentage of men and women is calculated for each band.

The proportion of women employed across the whole of Croudace is around 33% which is broadly reflected in the lower quartile and upper middle quartile.

The top quartile is not representative of the wider gender split across the Group.



PAY QUARTILES



84.8%	Top quartile	15.2%
76.1%	Upper middle quartile	23.9%
47.8%	Lower middle quartile	52.2%
74.6%	Lower quartile	25.4%

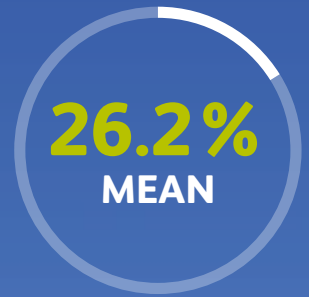
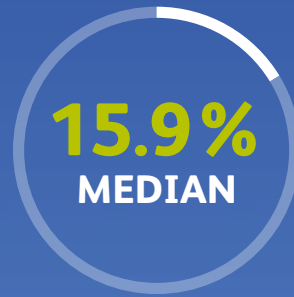
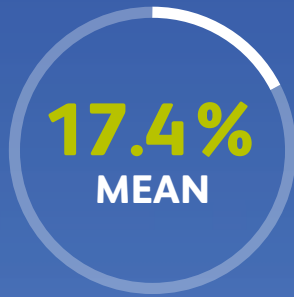
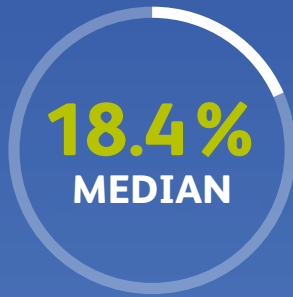


33%
OF OUR
WORKFORCE
ARE WOMEN

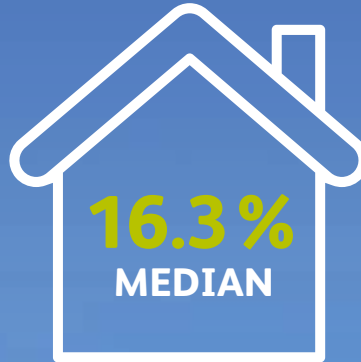
HOW DOES THIS COMPARE:

NATIONALLY

CROUDACE



CONSTRUCTION*



*OFFICE OF NATIONAL STATISTICS 2016

WHAT IS CAUSING OUR GENDER PAY GAP?

Our analysis suggests that our gender pay gap stems from factors which are common to our industry not from equal pay issues, including:

- Women are significantly under represented in skilled roles within house building and across the construction industry. In Croudace, this is reflected in the respective one third/two third split between females and men which in turn impacts our gender gap.
- An ageing male workforce is pervasive in construction particularly in higher paid site-based management roles.
- More men are in senior executive roles reflected in the mean gender pay gap at 26.2%. The median gender pay metric removes the influence of the employees earning higher/lower salaries which is why the metric is lower at 15.9%. It is also lower than the national and construction industry average gender pay gap.
- We are caught in an industry that suffers from negative perceptions associated with a typical male dominated work environment. There is a lack of understanding of diversity of opportunity in the house building industry.



WHAT ARE WE DOING TO CLOSE THE GAP AND PROMOTE THE INDUSTRY?

- In 2017 we conducted a job evaluation exercise across the group to confirm that we have no equal pay concerns and ensure that all roles are recompensed according to job role as opposed to the job holder. This was implemented in conjunction with extensive external salary benchmarking.
- Early in 2018 we completed a review of all job profiles and developed competency frameworks for each role and job family to ensure there are clear paths for progression based on demonstrable competence regardless of gender.
- We are currently examining demographic data on our workforce to plan ahead, implementing gap analysis to identify areas of work that are likely to require new staff and monitoring turnover, retention and reasons for leaving.
- We are developing career pathways and talent pipelines to identify individuals, particularly women, towards progression routes with more senior career trajectories.
- We are currently developing a new Personal Development Review process with greater focus on competencies and tied into individual personal development plans.
- We have close links with our trade body, the Home Builders Federation and a number of allied professional institutions, working in collaboration to tackle issues facing all house builders which typically include a poor industry image and associated misconceptions, stereotyping, ageing work profile and a general skill shortage regardless of gender, nationality, age or role.
- We actively promote diversity of roles in the house building industry and that we are not just a builder but a developer. We have around 100 discrete roles covering an array of disciplines including land, planning, design, architecture, marketing and engineering. These disciplines are presently more appealing to females than site based roles.
- We have signed up to the Home Builders Federation skills pledge, launched in October 2017, which urges the home building sector to commit to recruiting, training and retaining the right workforce to build the right homes, where they are needed, and collaboratively tackling the widening skills gap. Associated work is aimed to attract a more diverse group of people into house building particularly school leavers and women.
- We are pro-active members of the 5% Club which is a movement of employers providing ‘earn and learn’ opportunities to develop the skills and talents people need to become more employable and create meaningful careers. We work in conjunction with other members of the group to provide opportunities for people particularly those in under represented groups, for example females. The ambition of the group is that members have at least 5% of their workforce in ‘earn and learn’ positions (including apprentices, sponsored students and graduates on formalised training schemes) within five years of joining. In 2018 13% of our workforce are in “earn and learn” positions and almost 50% of our undergraduates are female.
- We continue to develop good relationships with educational establishments and have been involved in a number of activities including giving school children tours on site, work placements and general talks on the house building sector to explain the diversity of roles and opportunities offered.
- In 2017 we introduced a “buddy scheme” for all new starters. We hope that this gives additional support for new employees to enable them to adjust to the Company and workplace, particularly important for under represented groups including our female new joiners.
- We continue to update our facilities to ensure that our sites and offices provide a decent work environment for all employees.

