



GENDER PAY GAP REPORT 2023

Bellway Homes Limited, as the principal employer of the Bellway p.l.c. group of companies, presents its **gender pay gap** report for 2023.



Gender Pay Gap Report – 2023



As part of our ambition to become an Employer of Choice, we are committed to being an inclusive organisation that strives to create an open and diverse working environment that is free from prejudice and discrimination. By attracting and retaining a diverse work force, we create a more strategic and higher performing business where people can fulfil their potential.

With this in mind, our Gender Pay Gap analysis allows us to continually monitor and review comparative pay of men and women within our business.

Introduction

This report presents statistical data regarding gender pay at Bellway, along with commentary relating to these statistics. It also sets out some of the key actions we are taking to improve the gender pay gap within the business.

Our Gender Pay Gap is calculated in line with the UK Gender Pay Gap regulations. Data relates to employees who were paid by Bellway Homes Limited (the principal employer of the Bellway p.l.c. group of companies) on 5 April 2023. Contractors and agency workers are therefore excluded.

Gender Diversity at Bellway

This section presents data regarding the demographics within our business, at the snapshot date of 5 April 2023.

32% of the workforce were women, which is 16 percentage points above the figure for the wider construction industry, with the Office of National Statistics (ONS) reporting that women currently make up just 15.8% of the total workforce in the sector (June 2023).

Our above average figure is because we have more women employed in our divisional offices and our site-based sales teams. We acknowledge that there is more work to be done in our remaining site-based teams, specifically site management and trade roles to create more gender balance. Our early careers programmes are key to helping us attract more women into the industry. With this in mind, we have set a target to at least double the number of females working in on-site construction roles by December 2027.

How our Gender Pay Gap is calculated

The mean pay and bonus gaps compare the average hourly pay and bonus pay for a male employee against the average hourly pay and bonus pay for a female employee, across the whole company.

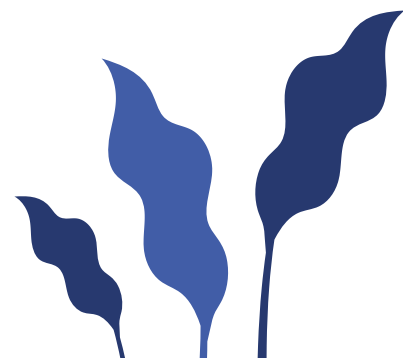
The median pay and bonus gaps represent the middle point. The median pay and bonus gaps compare the pay and bonus pay of the male employee and the female employee who occupy the middle position when ranked in order of pay or bonus.

Why do we calculate both the mean and median?

The mean is calculated by adding up the average hourly or bonus pay of employees and dividing that figure by the number of employees.

This means the final figure can be distorted by a small number of individuals who receive a particularly high or low hourly rate compared to the rest of the data set. The median is the number that falls in the middle of a range when everyone's hourly or bonus pay are lined up from smallest to largest.

If there is a lot of variation in pay, the median can be more representative.



Our Gender Pay Gap 2023

We have calculated our gender pay gap based on our 5 April 2023 snapshot data and in line with the UK government guidance regarding how the data should be analysed.

Whilst the mean average pay for women has slightly decreased to £22.34 per hour over the reporting period (down by 1.2% from last year) and the mean average pay for men has slightly increased to £28.01 per hour (up by 2.0% from last year), the median average data shows a different story.

The median average pay for women has increased by 0.7% to £17.81 per hour and the median average pay for men has decreased by 2.6% to £23.08 per hour. As mentioned above, the median average calculation often provides a better insight where there is a wide variation of hourly rates in the data set. It is therefore pleasing to see the direction of travel in the median average hourly rates.

The difference between average pay for women and men is due to more men occupying senior positions within the business.

Mean and Median Gender Pay Gaps

The median gender pay gap has reduced since our last report, whilst our mean gender pay gap has increased.

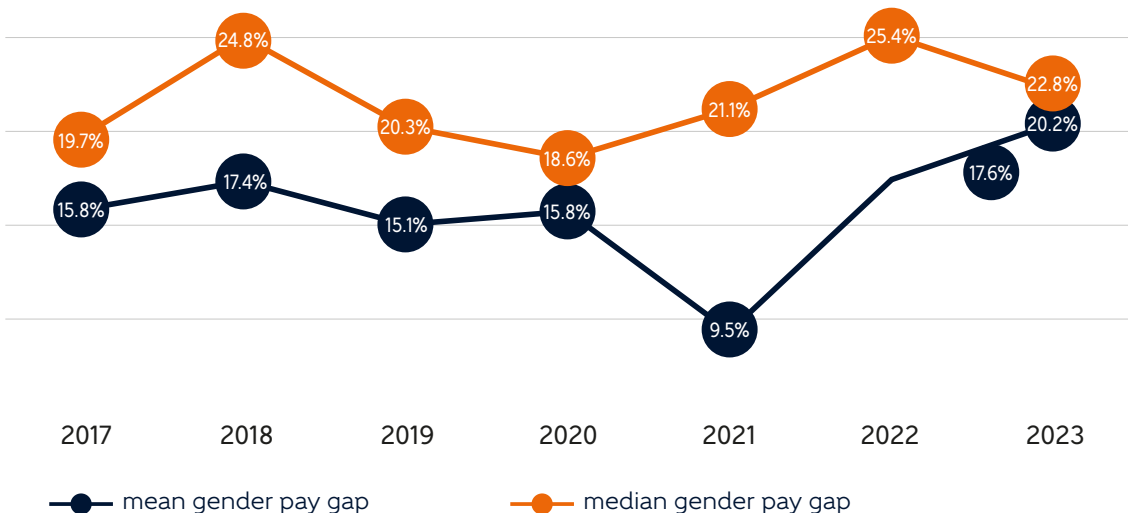
Our median pay gap was 22.8%, which has reduced the gap by 2.6 percentage points on the previous year (25.4%).

Our mean pay gap was 20.2%, which is an increase of 2.6 percentage points on the previous year (17.6%).

The opposing directions of travel for our median and mean gender pay gaps this year are attributed to changes within our highest earning group, which will affect the mean figures more. If we look at the movement in the top 10% of our upper quartile, it is worth noting that one third of women in this group left the business between the last reporting period and this one, with only one female new joiner. The number of men in this group who left and joined the business remained the same.

Median and Mean Gender Pay Gap Data - by Year

Our mean gender pay gap has increased and our median gender pay gap has decreased since our last report.



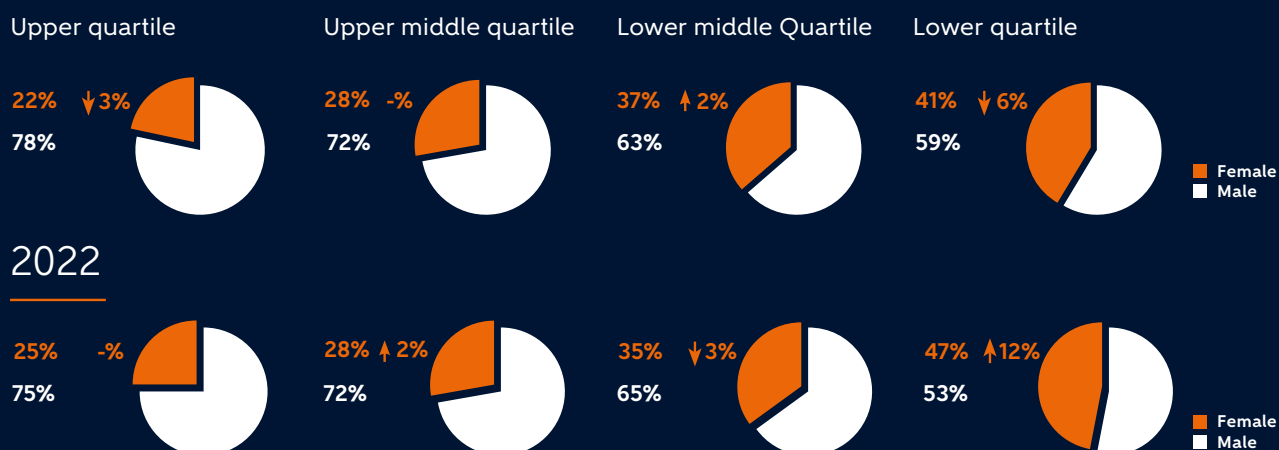
Our Quartile Pay Band Data

The quartiles represent hourly pay rates across Bellway from the highest to the lowest, split into four equal groups, the upper quartile, upper middle quartile, lower middle quartile and the lower quartile.

The proportion of women in the upper quartile has decreased by 3% since our last report. There was no change in the upper middle quartile.

The proportion of women in the lower middle quartile increased by 2% and there was a decrease of 6% in the lower quartile.

Proportion of Employees in each pay quartile 2023



The proportion of women in the lower quartile has decreased by 6% over the past 12 months with 59% men and 41% women in this quartile.

The proportion of women in the lower middle quartile has slightly increased over the period by 2%, with the proportion of women in the upper middle quartile remaining unchanged.

The proportion of women in the upper quartile has decreased by 3% with 78% men and 22% women now in this quartile. If we look at the upper quartile data over the seven-year period we have been reporting our Gender Pay Gap, we have seen limited movement and although last year we saw an increase in the proportion of women to 25%, this year, the proportion has returned to that of previous years (between 20% and 22%)

This suggests that whilst we have a strong pipeline of female talent in early to mid-career roles, we have yet to make real progress at more senior grades. This continues to be a priority for the next 12 months and beyond.

Our Gender Bonus Pay Gap

We have calculated our gender bonus gap based on our bonus data for the 12 month period to April 2023 and in line with the UK government guidance regarding how the data should be analysed.

In this period, 85.8% of women and 70.5% of men received a bonus. Whilst the proportion of men receiving a bonus has not changed significantly compared to the last reporting period (70.2%), the proportion of women receiving a bonus has increased by 6.1 percentage points (from 79.7%).

The reason why more women than men received a bonus is because Sales Advisors receive regular commission, and this is a role which is primarily carried out by women across the Group (currently 81% of Sales Advisors are women).

The mean bonus pay gap is 18.3% and the median bonus pay gap is 19.0%. Both the mean and median bonus pay gaps have closed since our last report by 4.5 percentage points and 3.2 percentage points respectively. The bonus pay gap is largely accounted for by the fact that more men than women occupy senior positions within the business, which attract a higher bonus payment structure, however it is positive to see a reduction in the bonus pay gap this time.

Action Plans

We remain committed to significantly reducing our gender pay gap by focusing on attracting, retaining and empowering talented women within our business. In support of this goal, we have continued to work on a number of the actions we committed to in our last report, in particular:

- We have continued working towards our aspiration of becoming an Employer of Choice and attract, develop, support, and retain a diverse workforce across all job levels.
- We launched our new inclusion governance structure which includes an inclusion steering committee which defines and prioritises inclusion goals and deliverables in line with our inclusion strategy.
- As part of our Elevate Middle Managers Development Programme, we continue to develop our sponsorship programme which mentors high potential female leaders within the business.
- We have launched a Directors Development Programme for current and aspiring Directors focussed on inclusive leadership, effective team working, communication and succession planning. The initial cohort has 8 women and 16 men enrolled.
- We continue to deliver our Senior Leaders Development Programme to Managing Directors and Group Senior Leaders.
- We have implemented a structured process for senior recruitment aimed at minimising unconscious bias and improving diversity during the recruitment process and we have trained 186 managers on the topic of inclusive hiring.
- Our diversity network, Balance, continues to focus on improving gender diversity across the business including launching our new menopause guidance.
- Working in collaboration with Women into Construction, the Homebuilders Federation and 8 other housebuilders, we have launched the Women into Housebuilding Programme.
- We continue to engage with 675 schools and colleges to build a greater awareness of the careers available in housebuilding and to support a recruitment pipeline.
- We continue to monitor our KPI relating to the number of women in the senior management team. 22% of our senior

managers are women, which is 1 percentage point higher than last year.

- We have trained 7.8% of our people as Mental Health Advocates and 13.2% of our people in Mental Health Awareness. Our mental health awareness course is now mandatory for all people managers within the business.
- As part of our ongoing focus on early careers talent, we recruited 42 apprentices and graduates in 2023.
- We have achieved Gold 5% club membership for the third year running.

In addition to continuing our activities above, we will focus on the following areas over the next 12 months:

- We currently hold bronze status with the recognised inclusion standard Clear Assured and will continue to work towards achieving silver status, which is aligned to our inclusivity strategy by December 2024.
- We will train 10% of our people as Mental Health Advocates and 20% of our people in Mental Health Awareness by December 2024.
- We will continue to support early careers talent and as part of this we plan to recruit 80 apprentices and graduates in 2024. This will work towards Bellway achieving the target of 10% of the workforce being in an earn and learn from by December 2025.
- We also plan to recruit 20 female Trainee Assistant Site Managers on apprenticeship schemes in conjunction with the Women in Construction Programme.
- We will launch new pay scales and key milestones for apprentice roles to support career development and retention.
- We will launch a new digitalised continuous performance management model, which will focus on regular conversations, and clear objectives to support career development and retention.
- We will continue working towards our target to increase the proportion of women in our senior leadership team to 25% by July 2025.

The gender pay gap data is based on the hourly pay rate calculations for our 2,993 full-pay relevant employees and includes salary (after salary sacrifice), car allowance, travel allowance and any bonus or commission paid in the pay period ending 5 April 2023.

The gender bonus pay gap data for bonuses paid in the year up to 5 April 2023 includes bonus, commission and income taxable proceeds on the exercise of discretionary long term incentive share awards.

Declaration

I confirm the information and data reported is accurate as of the snapshot date of **5 April 2023**.

Jason Honeyman

Jason Honeyman
Director

Bellway