

INTRODUCTION

Introduced by the UK Government in April 2017, a Gender Pay Gap must be reported on an annual basis by all employers with more than 250 employees. There is a legal requirement to publish this report by 4 April on both the company website and the publicly available government database.

The gender pay gap is a global economic issue affecting women in every country. It is the result of deeply-rooted inequalities in society, ranging from access to education, lower participation in the labour market, gender stereotypes and the motherhood penalty.

The Hill Group is 100% committed to addressing gender inequality and reducing our gender pay gap. We are passionate about creating a fair, equitable and inclusive workplace. In this report covering the period from 6 April 2022 to 5 April 2023, we are pleased to present a positive upturn in our numbers, which is the result of sustained and concentrated efforts in this area. We acknowledge that there is still much to be done within our own company, alongside the housebuilding sector overall, in which Hill plays an influential role in advocating for change.

Following the appointment of a further female executive and several promotions within our female demographic, our bonus differential has reduced significantly.

BONUS DIFFERENCE BETWEEN WOMEN AND MEN

(in 12 months preceding 5 April 2023)

MEAN 37.5%

MEDIAN 67.2%

WHAT IS THE GENDER PAY GAP?

The gender pay gap measures the difference between men and women's average earnings and is expressed as a percentage of men's pay. It compares the average pay by gender of all roles collectively, regardless of type or level.

The average is calculated in two ways: the 'mean' - a straightforward calculation of the average hourly rate - and the 'median' - the middle salary from lowest to highest.

Through the support of her line manager, Emily McKenzie found a true balance between family, childcare, her career and being able to grasp the prime opportunity to work for Hill in a senior position despite a long commute.

A Senior Strategic Development Manager, Emily joined Hill in 2022 and has worked for the company for 18 months. A working mum of two young children, Emily previously worked for two of the big listed housebuilders but is glad to have found a culture and environment welcoming of women that starts at the very top at Hill.

With a history working as a development manager and then as head of planning, Emily joined Hill on the recommendation of a former colleague now working at the company. Emily's role at Hill includes appraisal of land, land assembly, contract negotiation, development planning, as well as valuation of sites, negotiation of prices, drawing down land and finally handing it over to the operations teams.

Emily had her first child during the early stages of her career. However, when considering her return-to-work after the birth of her second child, she requested one day per week working from home. With the request turned down, Emily resigned and moved to another housebuilder, where she was able to negotiate the flexibility to work from home one day per week.

In 2020, during the COVID-19 pandemic, Emily found herself working from home throughout the outbreak. When the country returned to a semblance of normality, a strict working pattern was imposed on Emily and her colleagues, meaning an inflexible three-day pattern was introduced, with Emily required to spend the same three days every week in the office.

Now at Hill, Emily, who lives in south Buckinghamshire, enjoys what she calls a "reciprocity of respect". She now feels in control of her own diary and trusted to do her job from anywhere and at the times that suit her. Emily is thankful that the flexibility enabled by a supportive line manager - and relaxed company culture - allows her to maintain a pattern of school drops and the opportunity to attend school assemblies and sports days.

With her two children being educated at different schools, Emily faces challenging logistics in the morning on top of a long commute to Hill's head office in Essex. She says she is a happier, better mother now with the flexibility she receives:

"I'm lucky that the role, the team and the company as a whole allow me such flexibility and the right conditions to execute my role in a way that works for me and around my family commitments. I would recommend careers at Hill to other women."

IS THE GENDER PAY GAP THE SAME AS EQUAL PAY?

The gender pay gap is not the same as equal pay. Equal pay refers to men and women being paid the same for work of equal value, a principle enshrined in UK law since the 1970s. Whilst we do have a gender pay gap when we compare the overall average pay and bonuses for men and women, a woman and a man at Hill will receive equal pay for equivalent jobs.

WHY DOES HILL HAVE A GENDER PAY GAP?

Our gap is the result of a higher proportion of male employees in senior management positions and within construction roles, that also attract higher bonus payments. It is not because of our pay policies and practises.

PROPORTION OF WOMEN AND MEN RECEIVING BONUSES

(in the 12 months preceding 5 April 2023)



We are delighted that our gender pay gap has improved over the period and can attribute this to our ongoing commitment to making Hill an attractive and inclusive place to work for women.

PARTNERSHIP WITH WOMEN INTO CONSTRUCTION

We are committed to addressing the gender imbalance in the construction industry and our award-winning partnership with Women into Construction (WiC), launched in 2019, empowers women to gain valuable experience, helping them enter the industry, leading to a more diverse workforce. The programme provides pre-employment support for women to ensure they are site and work-ready candidates, including employability support, training to gain Construction Skills Certification Scheme cards, supported work placements, and one-to-one mentoring.

Building on the success of our three-year partnership with WiC in Cambridge, we expanded our programme to reach more regions. Our business units now fund regional community hubs, creating working partnerships across East Anglia, London and Bristol, providing a more comprehensive geographical reach for job seekers in the construction industry.

WIC AND HBF HOUSEBUILDER PROGRAMME

WiC, the Home Builders Federation and nine housebuilders worked collaboratively to design, deliver, and fund an insight programme for women from diverse backgrounds interested in exploring a career as a Site Manager.

With women representing only 16% of the UK construction industry's workforce, and only 4% of those working in site-based roles, this initiative aims to educate and attract a previously untapped talent pool, helping to address the skills shortage and improve diversity within housebuilding.

Supporting nine women during the pilot year, we provided full-time permanent site-based employment opportunities to three women against a difficult backdrop. Due to the unprecedented success of the programme, which delivered work experience placements to over 45 women, a second year with additional housebuilders pledging their commitment has been launched.

PAY DIFFERENCE BETWEEN WOMEN AND MEN

(as of 5 April 2023)

MEAN GENDER PAY GAP ACROSS ALL HILL GROUP EMPLOYEES **27.2%**

MEDIAN GENDER PAY GAP ACROSS ALL HILL GROUP EMPLOYEES **41.5%**

DIVERSITY AND INCLUSION ROADMAP

An integral part of our approach to Diversity and Inclusion at Hill is valuing and respecting difference, to ensure fairness and inclusion is at the heart of all we do. We have continued to enhance our employer value proposition, to make sure it reflects the needs of our different employees; particularly women, to attract and retain this vital demographic within our workforce and close the gap.

An example of our commitment to supporting women at different stages of both their career and life, is Group Secretary, Faye Wright, who has benefitted from our enhanced maternity pay and approach to flexible working, supporting her to contribute to the business and meet her commitments as a mother.

Faye is an ambitious, career-focused young mother of two children, a six-year-old and a one-year-old and has worked as a secretary for Hill since March 2015. Initially employed full-time by Hill's Head Office Reception team, Faye began working on a reduced-hours basis following maternity leave after the birth of her first child. Shifting her working pattern to a four-day week, Faye felt more able to accommodate her new family arrangements and balance her personal time with her career.

Following her second pregnancy, Faye took an extended maternity period, including nine months paid, which allowed her to spend quality time with her newborn child.

Having felt well-supported throughout the fourteen months she spent away from the business, Faye was able to return on a three-day part-time basis and feels she is going from strength to strength thanks to the support she has in place.

Her main worry when considering returning to work for a second time was finding the right blend of childcare as well as fitting the more complex travel logistics around her work commitments. Agreeing childcare with family members and a local nursery has been instrumental. Her concerns were further calmed when Hill agreed to remain flexible with her working hours, allowing for a settling-in period for Faye and her line manager to form a sustainable work pattern.

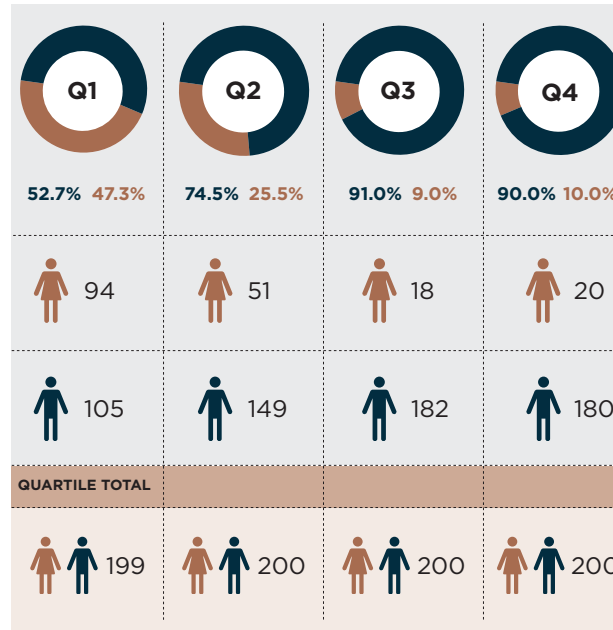
Faye now feels happier and more secure in her role than ever before, buoyed by the support she has received from Hill:

"I'm feeling better than I ever imagined I could after welcoming our beautiful new family member. Both of my children are coping well with the new logistics and flourishing at school and nursery. I'm able to pick them up on Thursdays and Fridays, which is great. Hill continues to be so supportive of me. Recently, my son was involved in a minor incident at school, and I was able to drop everything to be with him. It's these small things that make a difference. I now have four days dedicated to being a mum every week, and the balance works great."

Faye continued, *"The most important factor that has made a real positive difference to my transition back to work is the company culture, which comes from the very top. When I saw Andy for the first time after my return, the first thing he asked me was "How are the kids?" which just goes to show how important people and family are to the company."*

PROPORTION OF WOMEN AND MEN IN EACH QUARTILE OF OUR PAY STRUCTURE

(as of 5 April 2023)



WOMEN IN OUR COMMUNITIES

At Hill, we strive to empower and promote women within our communities, recognising that providing equal access to opportunities may result in future talent for the group.

'Be Inspired' - a community-run female leadership programme funded by Hill - intends to support young women entering the workplace, particularly within construction, to help to close the overall gap in our sector.

We are also responsible for embedding Inclusion strategies within our developments which, in conjunction with our partners,

promote positive and supportive behaviours and language to women in site-based roles, offer female support networks, engage with schools and colleges, to identify and proactively work towards reducing barriers to entry and increasing the number of women in our industry.

SUMMARY

We are encouraged that our efforts to address both the gender imbalance and pay gap are having a positive impact and will always reward male and female employees equally for performing the same role.

There are still considerable improvements needed and we will continue to focus our energies in creating a workforce which is as diverse and inclusive as the communities in which we live, work, and support.

I confirm the data reported is accurate.



Andy Hill OBE
Group Chief Executive
31.03.2024