

# NHBC Gender pay gap report

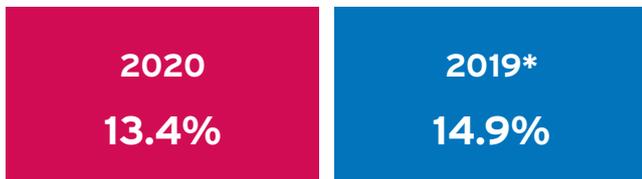
2020/21

At NHBC, we're committed to inclusion in all its forms. We know that diversity is one of our greatest strengths, contributing positively to our success. Our aim is to foster an inclusive culture and working environment where everyone has the opportunity to flourish, improve and excel.

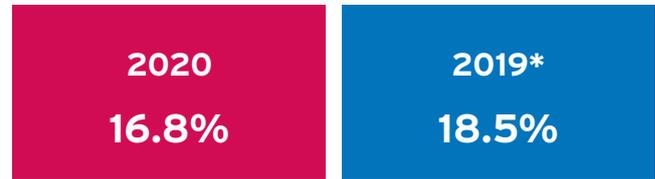
This gender pay report is prepared according to the legislative requirements for organisations with more than 250 employees and shares a snapshot of our pay gap as of April 2020 and includes all our employees (those furloughed in April 2020 having been paid 100% of salary).

The report shows the difference in average pay between all male and female employees across the whole organisation at that time. It does not measure equal pay, which relates to how women and men are paid for the same or similar jobs, or for work of equal value. NHBC monitors this through regular equal pay audits, the last of which was completed in January 2021 concluding that there was no indication of an equal pay issue.

## NHBC's mean gender pay gap

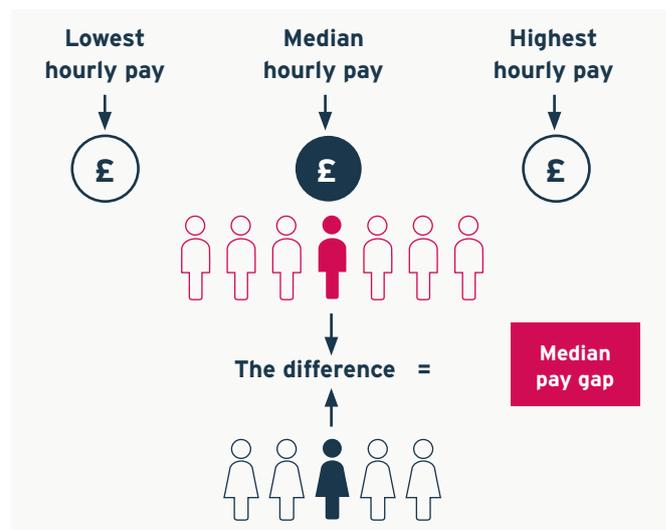
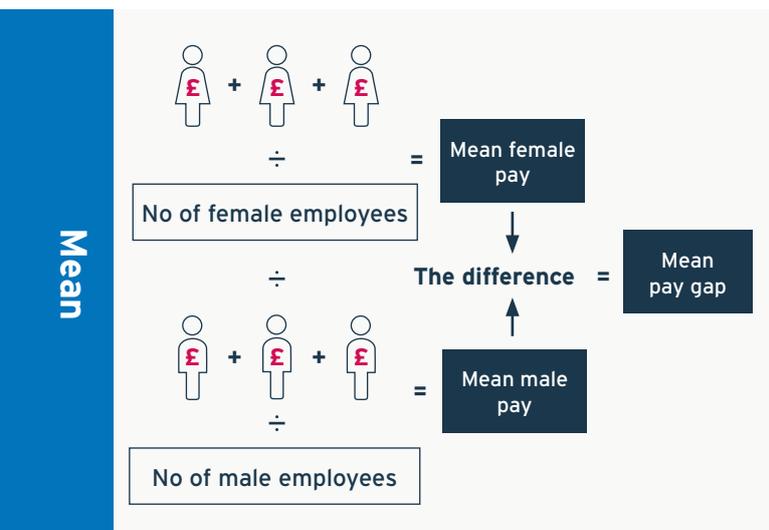


## NHBC's median gender pay gap



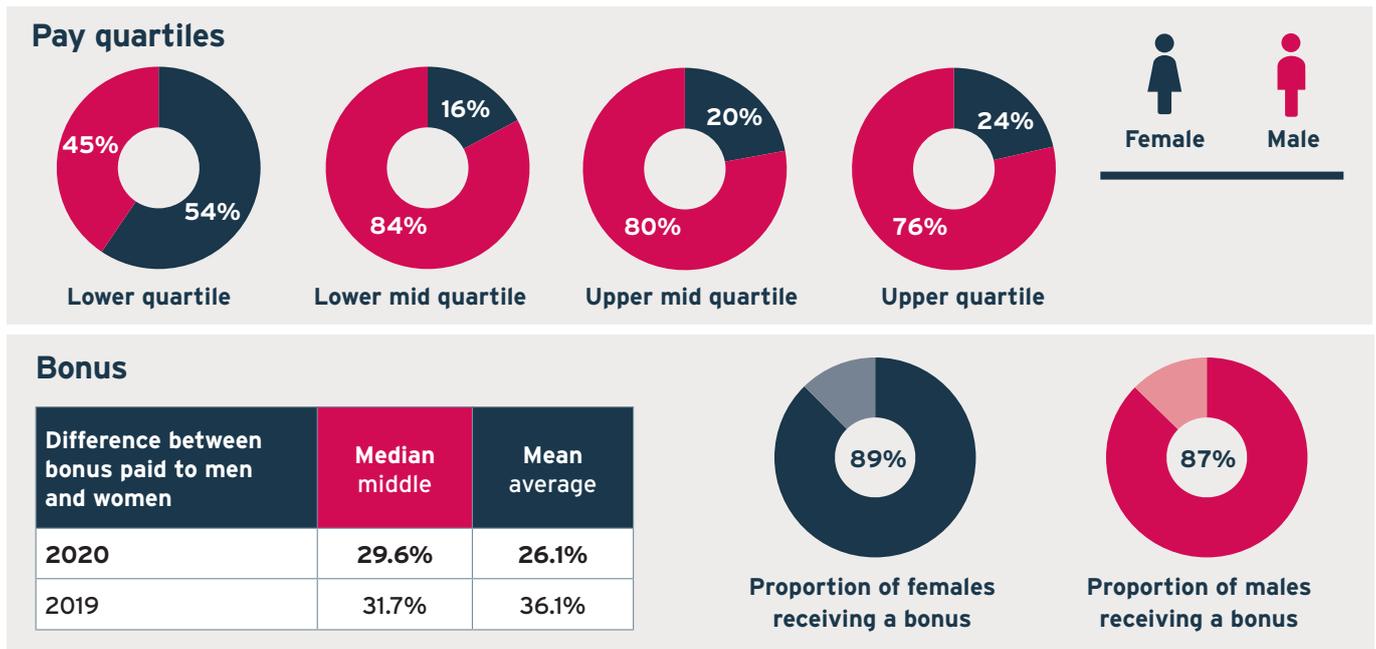
We are aware that both mean and median pay gaps stem from the different numbers of men and women at different levels and in different business areas within the company. We recognise that our gender pay gap is driven by under-representation of women in our higher paid senior leadership and in our higher paid technical positions, a challenge not unique to NHBC but also reported by many organisations across Financial Services and Construction sectors. Similarly, our bonus gap is driven by the different employment demographics for females and males within NHBC.

We are pleased by the narrowing of the gender pay gap this year and remain committed to a number of inclusion initiatives. We believe these bring real benefit to NHBC as a modern, enlightened employer and that they should contribute to the continued narrowing the mean and median pay and bonus gaps.



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# NHBC Gender Pay Gap Review 2020/21



## Celebrating diversity

Having a diverse workforce is critical to our future success. At NHBC, we have an executive sponsor to ensure that our approach to diversity and inclusivity remains embedded and actively promoted across NHBC and we regularly celebrate events that help build a better gender balanced business.

## Ensuring an inclusive approach

We are committed to making good people decisions based on merit across the employee lifecycle with measures which support gender neutral decision-making and ensure our monitoring of inclusivity goes beyond focussing solely on gender pay. We:

- practise blind recruitment and ensure agencies provide gender balanced lists of candidates
- regularly review performance and development of all employees across the year and complete a diversity analysis of annual performance ratings
- ensure continued strong governance of our reward arrangements, with Board level oversight provided by NHBC's Remuneration Committee

In part, our pay gap is driven by different career paths that our male and female employees typically take. We believe activities that promote STEM careers to all are important to help narrow the pay gap in industries such as ours. Externally, through volunteering opportunities and through careers' events we are aiming to raise the profile of the industry sectors we work in and of our organisation as an inclusive employer.

**We confirm that the information and data reported is accurate as of the snapshot date 5 April 2020 and meet the requirements of the regulations.**

Steve Wood, Chief Executive

## Helping our talent excel

Understanding our gender pay gap and what drives it is only the first step. Creating an environment where all employees can reach their potential is important to our success.

We actively embrace flexible working so that employees have the best chance of balancing their career with their commitments outside of work. We have removed the statutory restrictions from our policy so it is simpler to make requests as and when people wish. In addition to our generous holiday entitlement, we also have a holiday purchase scheme so employees can take the time off they need. For those who become parents, we offer the same level of enhanced maternity, paternity and adoption pay so that taking time off at this precious time is more affordable.

We have adapted to the challenges of this extraordinary year by supporting all our employees with paid emergency leave to balance caring responsibilities and additional wellbeing leave for those not on furlough. For all those furloughed, we topped up to 100% of salary in April 2020, after which we maintained people on 80% of salary, including for those who were above the government's £2,500 per month cap.

We also recognise that the proportion of women in senior roles affects our gender pay results. As a signatory of the Women in Finance Charter, we are committed to increasing the number of our senior leadership roles held by women. To help achieve this, we have introduced an internal network to support NHBC's future female leaders, we are rolling out a Women's Leadership training programme and we continue to sponsor the Milton Keynes Women Leaders' Awards.

Fiona Herbert, Head of HR