

INTRODUCTION

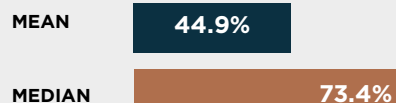
In April 2017, the UK Government introduced new legislation meaning that employers with more than 250 employees are required to report annually on their gender pay gap. Employers must publish their gender pay gap report annually by 4th April each year and make it available on its website. In addition, this information must be uploaded onto a government website where it is publicly available as a database.

Hill fully supports this legislation and is passionate about fairness, equality and inclusion and is committed to reducing our gender pay gap.

This is Hill's sixth report and covers the period from 6th April 2021 to 5th April 2022. Whilst there is still much work to do to close the gender pay gap, particularly within the property and construction sectors, it is encouraging that for the fourth year running several of the published statistics have moved favourably from the previous year.

BONUS DIFFERENCE BETWEEN WOMEN AND MEN

(in 12 months preceding 5 April 2022)



All Hill employees, with the exception of our trainees, are eligible to participate in one of a number of different bonus schemes across the Group, which equates to around 90% of all staff. However, bonuses are typically paid annually in arrears, so it is possible that employees who commenced employment with the Hill Group during the period to 5 April 2022 will have received no bonus payment in the period, as the bonus relating to that period will be paid out the following year.

PROPORTION OF WOMEN AND MEN RECEIVING BONUSES

(in the 12 months preceding 5 April 2022)



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", which is a straightforward calculation of the average hourly rate and the "median", which is the middle salary if all salaries were listed in order from lowest to highest.

IS THE GENDER PAY GAP THE SAME AS EQUAL PAY?

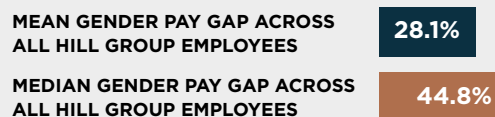
The gender pay gap is not the same as equal pay. Equal pay refers to men and women being paid the same for work of equal value, a principle that has been enshrined in UK law since the 1970s. Whilst we do have a gender pay gap when we compare the overall average pay and bonuses for men and women, a woman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

WHY DOES HILL HAVE A GENDER PAY GAP?

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

PAY DIFFERENCE BETWEEN WOMEN AND MEN

(as of 5 April 2022)



We are pleased that our gender pay gap has improved and we believe that this is a direct result of our concerted efforts to address the gender imbalance and attract more women to work for The Hill Group. Our bonus gap however has been impacted negatively by several factors including but not limited to a reduction in the number of senior women in the business in receipt of in-year bonuses, and a significant amount of pro rata entitlements.

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) 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 CSCS (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 with WiC across East Anglia, London, and Bristol (in collaboration with The Guinness Partnership), providing a more comprehensive geographical reach for job seekers in the construction industry.

We remain passionate about addressing the gender imbalance in our industry and are committed to continuing our partnership with WiC to achieve this goal.

WiC AND HBF HOUSEBUILDER PROGRAMME

We partnered with the Home Builders Federation and Women into Construction to tackle the obstacles that hinder women from pursuing site management roles, such as childcare and training. The employment programme launched across England aims to attract more women to the construction industry.

Through this initiative, women receive financial assistance for childcare and training expenses. Our goal is to increase the percentage of women in the construction workforce, which currently stands at only 16%. Specifically, we aim to boost the number of female site managers, who currently represent a mere 4% of the total, as reported by WiC. Hill's first three programme participants joined us on site in January 2023.

FUTURE OF LONDON EMERGING TALENT PROGRAMME

We supported the first two cohorts of the Future of London Emerging Talent programme, an inclusive, cross-sector group for Black, Asian, and Minority Ethnic (BAME) entrants to the housing and regeneration sector. Each candidate earns a competitive salary whilst completing three placements with different private and public sector employers.

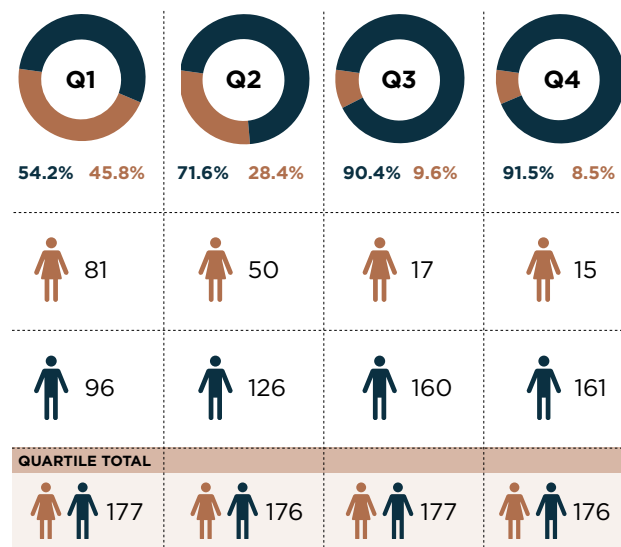
Aliya, our first placement, started in January 2022 and spent nine months with our development team at St Ann's in the London Borough of Haringey, and then a following six weeks on-site at Wood Street, in her local borough of Waltham Forest.

Kinta, our second placement, joined us after a public sector placement, and worked on the Teviot regeneration in partnership with Poplar HARCA in Tower Hamlets, before gaining her first permanent role in local government.

With our first two cohorts now complete, our third begins her placement in May 2023.

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

(as of 5 April 2022)



HILL ACADEMY

Launched in 2022, the Hill Academy is a vocational training scheme providing a route into housebuilding for those who may have otherwise assumed the opportunity was out of their reach. This pathway seeks to attract female career changers or returners, as well as those who left full time education to pursue other avenues and may now want to gain qualifications. This flexible route allows us to build a programme around the candidate using their experience and academic background to provide a platform upon which they can develop both their on-the-job skills and gain certification, be that a Diploma, NVQ or Degree-Level Apprenticeship.

Students assume places in site assistant roles whilst completing their education. To date, 40% of those welcomed into the Hill Academy are female.

BLIND RECRUITMENT TO REMOVE ANY BARRIERS TO ENTRY

With the introduction of our new recruitment and applicant tracking system in early 2023 we have enhanced the candidate experience and are now able to reach a far wider, more diverse pool of talent whilst removing any residual unconscious bias by introducing anonymous applications.

We are now able to remove personal information and any identifying factors during the assessment process ensuring candidates are selected on suitability for the role alone. We will also expand our reach in terms of where we advertise roles, working more closely with groups representing female talent interested in STEM roles.

INTRODUCTION OF DIVERSITY & INCLUSION WORKSTREAM IN 2023

Our aim is to create an inclusive environment where we value difference. A pivotal part of attracting female talent is the recognition that both our corporate culture and benefits package support the needs of the women we hire. Family friendly policies, a flexible approach to hours and work location, and enhanced benefits are already in place, but are continually reviewed to ensure we are delivering on the expectations and demands of our employee population. As we move forward, we will be raising awareness of menopause in the workplace to provide support to those who are dealing with this or managing someone who is, which will help us retain our female talent.

ENHANCED WELFARE FACILITIES ONSITE

Following an initiative from an employee-led forum, new sites are now provided with a 'start up' list to ensure that female welfare facilities are provided to an approved standard, are secure and include facilities such as sanitary bins and changing facilities. Our PPE range also offers an extended range for women.

SUMMARY

We acknowledge that there is still much work to be done in addressing the pay gap within Hill, and across our sector as a whole, however we are committed to attracting, developing, and retaining a more diverse workforce and will continue to address and break down barriers to entry. We are also working hard to change the outdated perception of our industry and highlight the many and varied opportunities to start or continue a career with Hill. We are collaborating with more partners and organisations than in previous years, enabling us to reach a wider mix of people, address issues of social mobility, engage earlier with adolescent females, attract career changers and returners, and ensure those already employed by us are retained and supported to reach their full potential.

I confirm the data reported is accurate.



Andy Hill OBE
Group Chief Executive
31.03.2023