

NHBC Gender pay gap report

2021/22

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 2021.

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



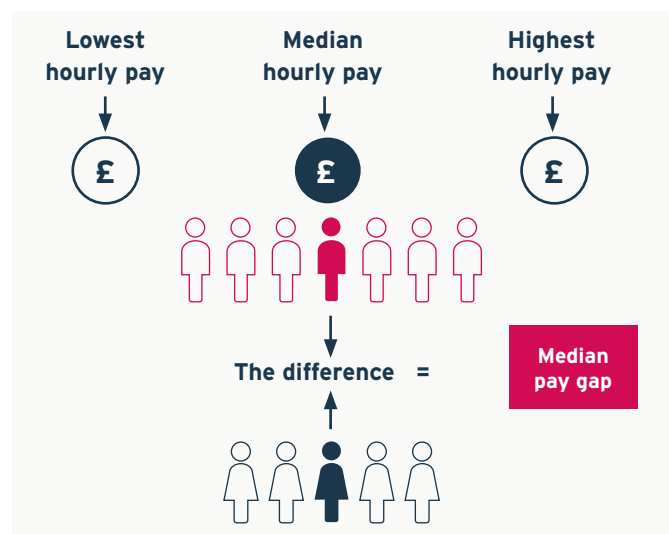
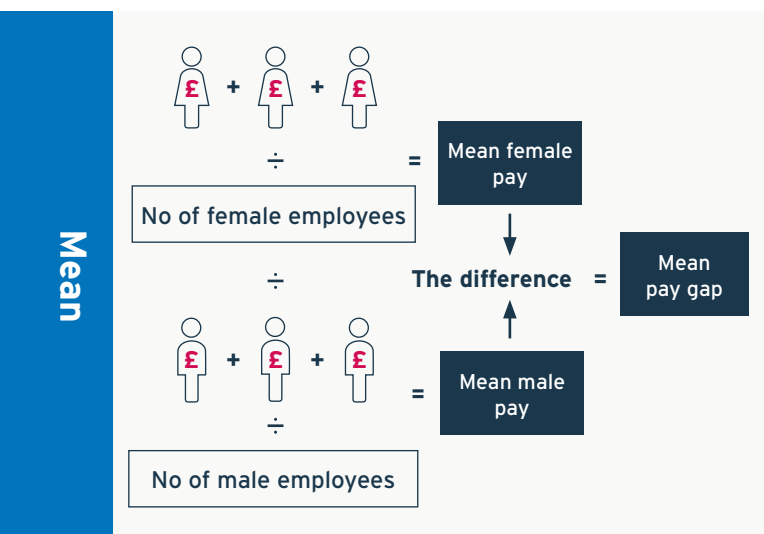
NHBC's median gender pay gap

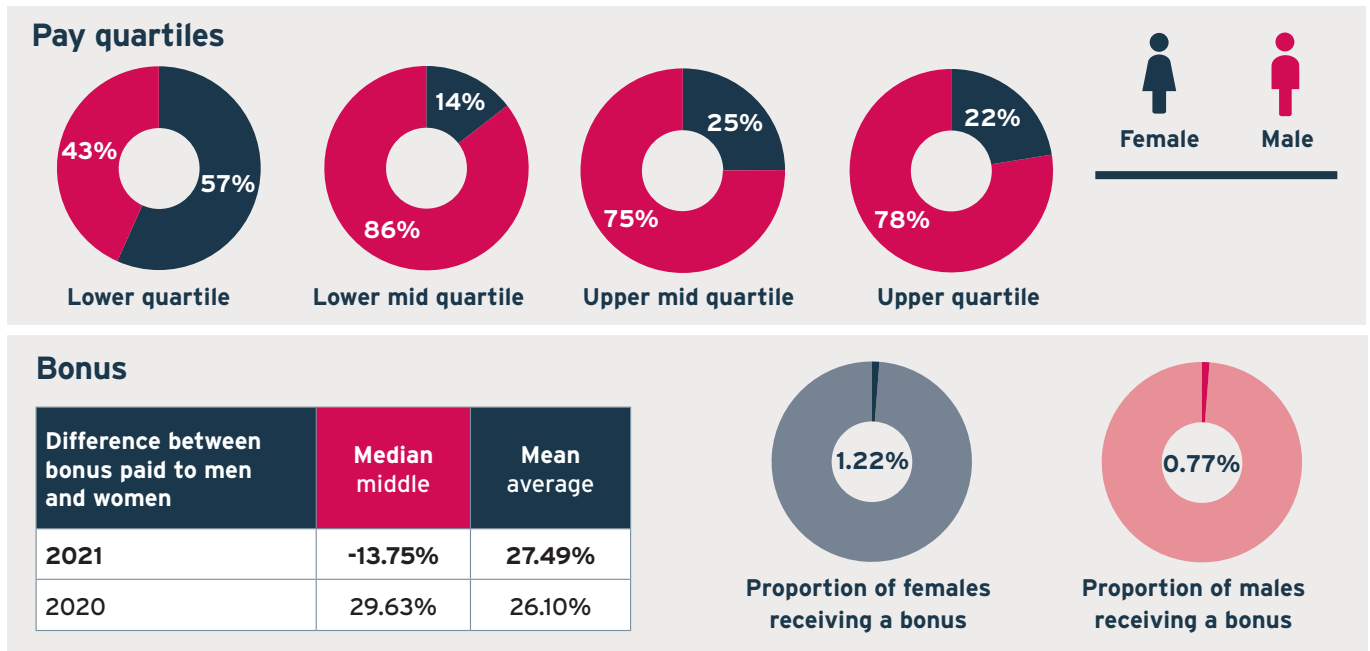


We're aware that both mean and median pay gaps stem from the different numbers of men and women at different levels and in different business areas within the company. We recognise that our gender pay gap is driven by under-representation of women in our higher paid senior leadership and in our higher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

In the year from April 2020 to April 2021, NHBC did not award an annual pay increase and only a small number of bonuses were paid, primarily vesting deferral and retention awards. The movement in gender pay gaps has been carefully examined internally including by our executive and remuneration committees and we are confident that these are driven by changes in our employee demographics rather than any change in our inclusivity or pay practices.

We remain committed to a number of inclusion initiatives which we believe benefit NHBC and should also contribute to narrowing the mean and median pay and bonus gaps.





Celebrating diversity

Having a diverse workforce is critical to our success. At NHBC, we have active executive sponsorship which ensures that our approach to diversity and inclusivity remains embedded and promoted across the company.

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 on gender pay.

We continue to:

- 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 the Remuneration Committee

We believe activities that promote science, technology, engineering and math (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 to a wider and more diverse future talent pool.

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. Where that means successfully balancing their career with their commitments outside of work, we truly continue to embrace flexible working, having removed the statutory restrictions from our policy so it is simpler to make requests as and when people wish alongside the implementation of hybrid working models for some teams, post Covid.

In addition to our generous holiday entitlement, we also have a holiday purchase scheme so employees can take the time off they need. And 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 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 which are held by women. To date, we have maintained a balanced executive committee and we have strong, well-attended internal networks that support NHBC's future leaders and aspiring employees.

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

Steve Wood, Chief Executive

Belle Singh, HR Director

