

GENDER PAY GAP REPORT 2020



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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 fourth report and covers the period from 6th April 2019 to 5th April 2020. Whilst it is encouraging that for the third year running some of the published statistics have moved favourably from the previous year, we recognise that there is still much work to do to close the gender pay gap, particularly within the property and construction sectors.

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.

According to the Office for National Statistics, the UK gender pay gap across all industries currently stands at 15.5%, meaning that the average woman earns 15.5% less than the average man.

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 1970's. 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.



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KEY  Men  Women

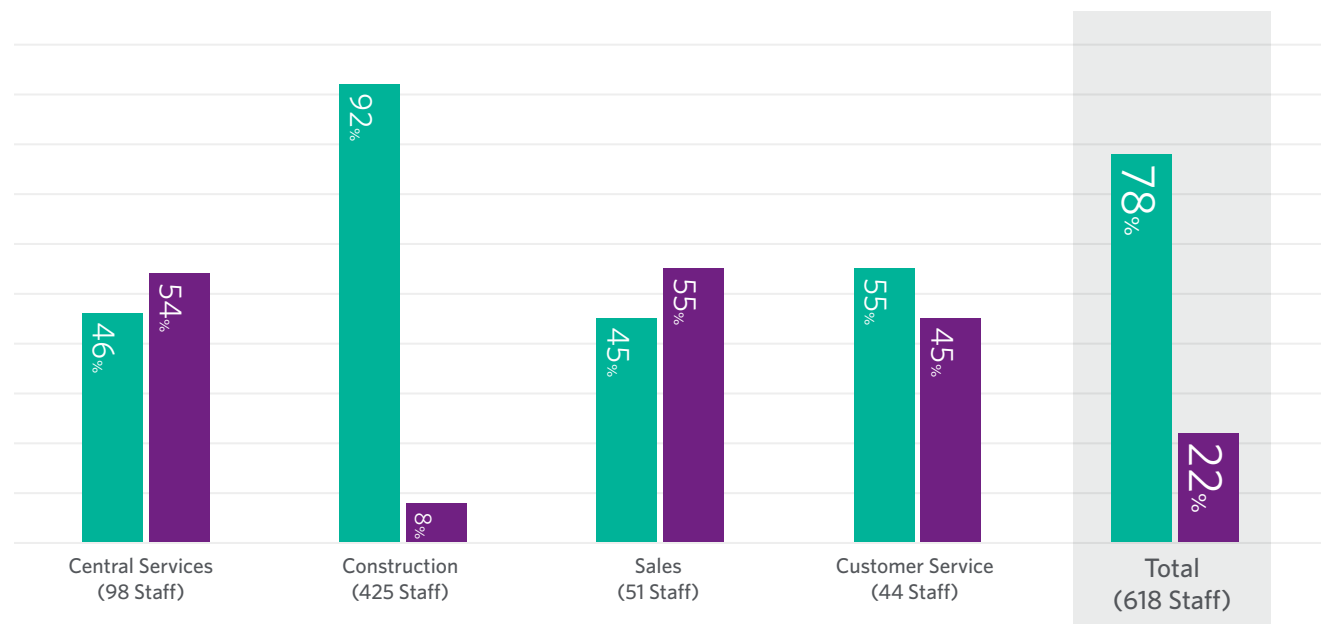
Proportion of men and women by discipline

As the graph to the right shows, men and women are broadly equally represented within sales, customer service and central services, but women are significantly under-represented within our construction team where only 8% of the workforce are women (up from 7% last year). This reflects the fact that construction activities are traditionally male-dominated and whilst we would like to employ a higher proportion of women in this area, the supply is limited.

What is Hill doing to correct it?

It will take some time to make inroads into the gender pay gap, but a number of initiatives are already underway, including:

- By the end of 2021, all existing staff will have undertaken a half day Diversity and Inclusion training module, with this now forming part of the induction for all new employees. As at the date of writing this report, over 220 staff have already completed this training.
- Two of the three directors appointed to the main board in the period are women - both have extensive experience of, amongst other things, the Diversity and Inclusion agenda.
- Our award winning partnership with Women into Construction, a not-for-profit organisation that provides bespoke support for women who work,



or who wish to work, in the construction industry, has been extended for a further 18 months through to the end of 2022. We also sponsor a Project Co-ordinator role in partnership with Women into Construction, who works across the Oxford/Cambridge corridor, a key development area for us.

- Our maternity and paternity policies have been updated, offering staff an additional staff benefit of enhanced maternity pay based on length of service at Hill. By taking a family friendly approach, we hope that more women will be encouraged to return to work after having a child.

- We have a Diversity Working Group, consisting of a cross-section of employees with the goal of coming up with innovative ways to attract a more diverse workforce to Hill, from trainee to senior management level.

As a group, we are committed to an ongoing review of our policies and processes to ensure that we promote diversity and inclusivity at the workplace, ensuring opportunities are fair and equitable for all.

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Snapshot summary

Date of snapshot - 5th April 2020

Number of relevant employees



Gender balance



Pay and bonus gap

Difference between men and women

	Mean	Median
Pay (per hour)	33.2%	46.3%
Bonus paid	62.0%	74.4%

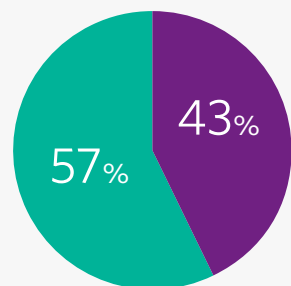
This table shows the overall mean and median gender pay gaps as at the snapshot date of 5th April 2020. It also shows the mean and median differences between bonuses paid to men and women in the year up to 5th April 2020 (i.e. for the 2019 performance year).

Both the mean pay gap and mean bonus gaps have improved since we last reported, by 2.8% and 7.2% respectively.

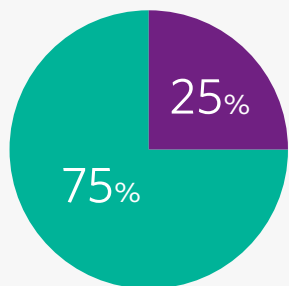
Proportion of employees paid a bonus



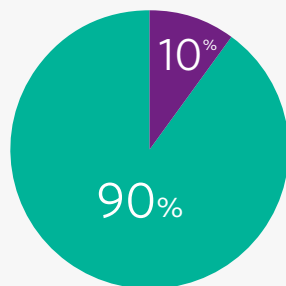
This shows that 73% of women were paid a bonus in the year ended 5th April 2020, compared to 64% of men, both down slightly from the previous year.



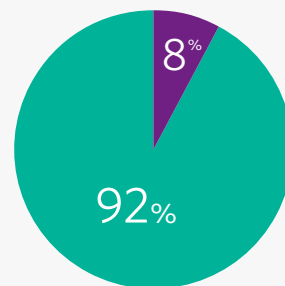
Quartile one



Quartile two



Quartile three



Quartile four

Pay quartiles

These pie charts illustrate the gender distribution at Hill across four equally sized quartiles, each containing either 154 or 155 employees, with quartile one being the lowest paid employees and quartile four the highest. The mix in all quartiles remains similar to last year.

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Summary

The property and construction sectors continue to suffer from female under-representation, which is particularly noticeable at senior levels. We continue to implement initiatives across the Group aimed at attracting more women into the industry and developing talent within the company, whilst looking into new ways to attract a more diverse workforce.

Although closing the gender pay gap will take time, supporting female talent remains key to Hill, and the industry as a whole, whilst at the same time promoting a diverse and inclusive culture.

I confirm the data reported is accurate.

ANDY HILL

Group Chief Executive

31 March 2021