

Gender and ethnicity pay gap report 2022



BARRATT
DEVELOPMENTS PLC

December 2022

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Introduction

One of our key commitments is to become more diverse and inclusive. We recognise that a diverse team means a stronger, more dynamic business, reflects our customers and the communities we build, makes us a more attractive employer, and ensures we are fit for the future. We are becoming more diverse by ensuring that our people are comfortable to be their whole selves at Barratt, and that they can thrive in a culture that values everyone equally.

Traditionally the construction industry has consisted of a majority male workforce, and our business is no different. However we are pleased to have made progress on gender representation in the last five years with the number of women increasing to over 33% of our workforce across the Group.

Although our mean gender pay gap for 2022 (8.8%) is smaller than the average for UK businesses in 2022 (13.9%¹), we remain committed to further action in this area and delivering against our 2025 Diversity & Inclusion Strategy.

This year we are also pleased to publish for the first time our ethnicity pay gap (mean: 7.7%) as part of our commitment to transparency and to enhance

our work through our Diversity & Inclusion Strategy to improve the representation of all groups across the business.

In order to deliver change in both of these areas, we will continue to build on the work already in place to support our teams through talent programmes, employee networks, succession planning and early careers.

We will continue to work hard to close our gender and ethnicity pay gaps and ensure that we build an open and inclusive working environment.

David Thomas
Chief Executive



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As we sharpen our focus on our ongoing skills and talent challenges, we have re-doubled our efforts across both diversity and inclusion, creating the role of Group Head of Diversity & Inclusion focused on delivering this change.

David Thomas, Chief Executive

¹Office for National Statistics (ONS), released 26 October 2022, ONS website, statistical bulletin, [Gender pay gap in the UK: 2022](#).

Strategy overview: Building an inclusive team

At Barratt, we recognise there are two elements required to create a workplace where everyone feels valued and that they belong.

Diversity is the representation of all of our differences, and how we differentiate ourselves as individuals and as groups. Striving for diversity provides the widest access to talent, and reflects our customers and the communities we serve. We know our people want to see role models that reflect them across the organisation.

Inclusion is about building a culture of belonging by actively inviting colleagues to contribute and participate, which is proven to increase business performance. We believe every person's voice adds value and it is vital that all our current employees, and any prospective employees, feel respected and valued.

To deliver and embed the changes needed will take time, and to drive this forward we are defining both Group and regional targets, supported by a range of programmes and activities in three key areas:



Talent: Focused on increasing our representation, through the attraction, recruitment and development of diverse skills and experience at all levels.



Leadership: Taking accountability for change and creating an inclusive environment where everyone can thrive.



Attitudes: Supporting our people to understand and value difference, with respect and kindness.

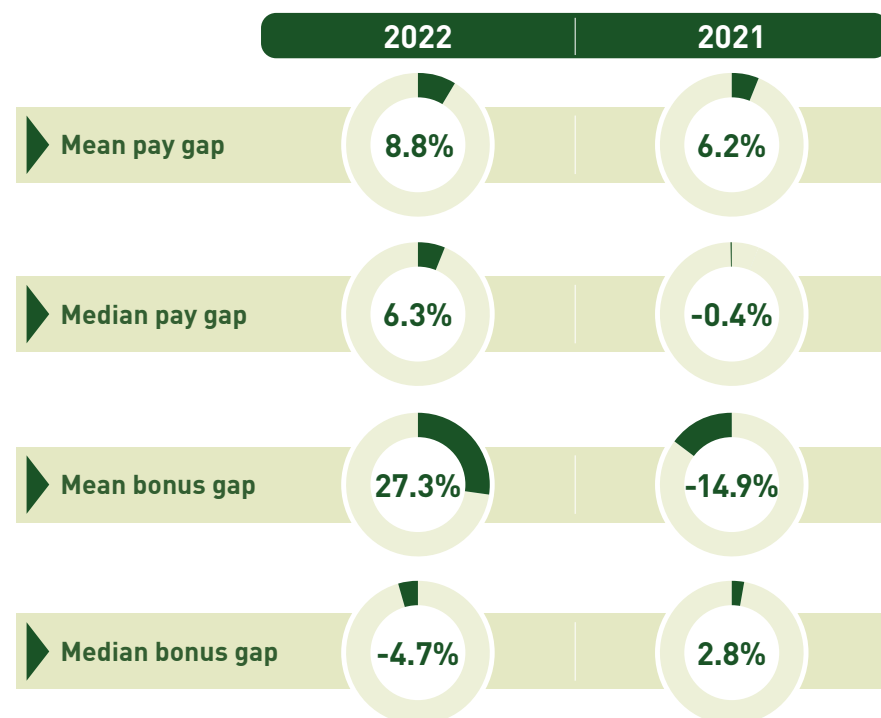


Abigail Stevens

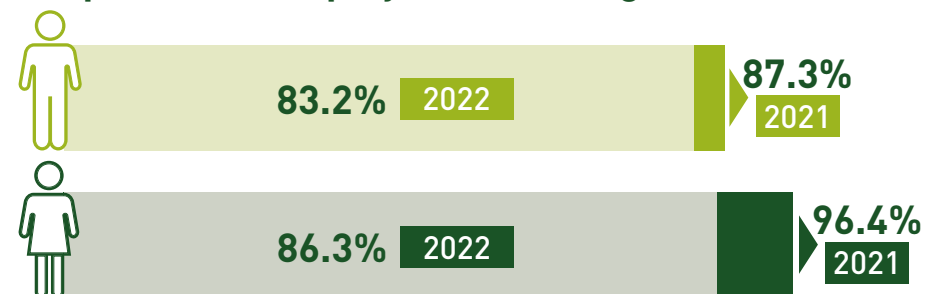
Gender pay gap

2022 results: Barratt Developments UK

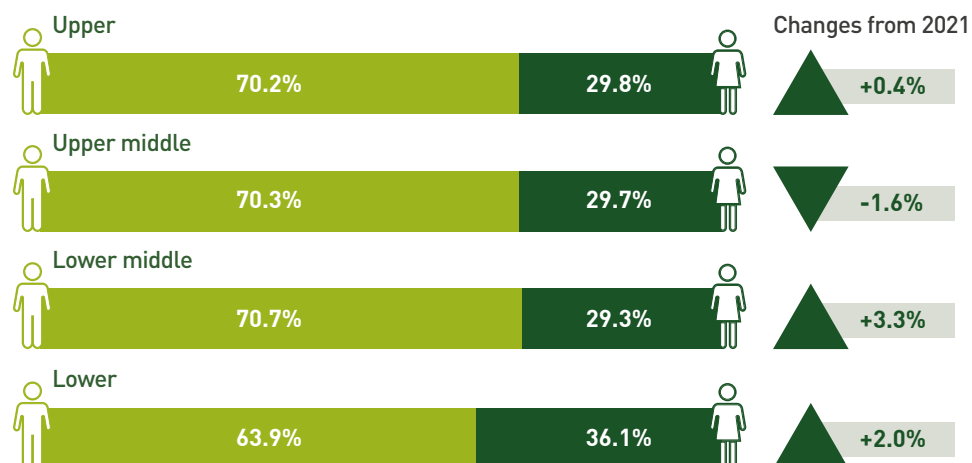
2022 gender pay gap results



Proportion of employees receiving a bonus



Pay quartiles



Explanation of the gender pay gap

As we outlined in our 2021 gender pay gap report, the construction industry has traditionally consisted of a majority male workforce and we are committed to addressing this imbalance and the reasons behind it.

Our mean and median gender pay gaps have both increased compared to 2021. Along with the wider economy and housebuilding sector, we have seen an increase in leavers in 2022. In our business, this has impacted our pay gap as we have seen a higher proportion of female leavers in the upper quartile of pay. To support our long-term talent pipeline, we have hired more women at junior levels, although the impact of these new starters has been offset by an increase in appointments of men in our most senior leader population.

Our bonus and commission payments have increased since last year. When compared with 2021, our mean and median bonus gaps were impacted by COVID-19, as we changed the timings of our bonus payments in 2021 to reflect the impact of the pandemic on business operations. This has led to a decrease in the median bonus gap, driven by an increase in bonus and commission payments for women, and an increase in the mean, driven by an increase in bonuses to senior, majority male, employees in FY22 after not receiving full bonuses in FY21.

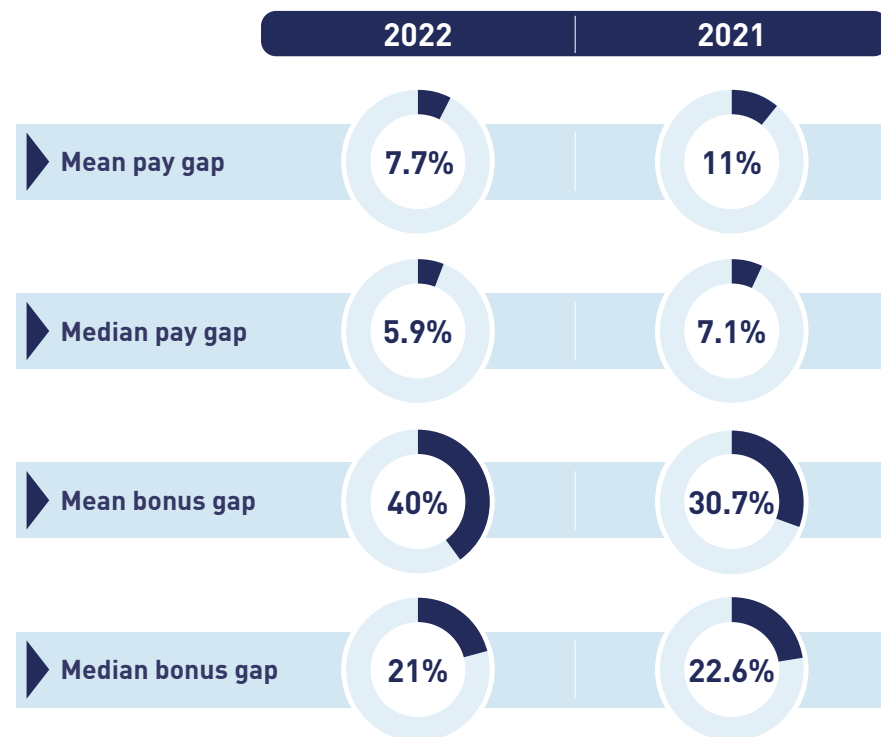


Eion Reynolds and Michelle Heath

Ethnicity pay gap

2022 results: Barratt Developments UK

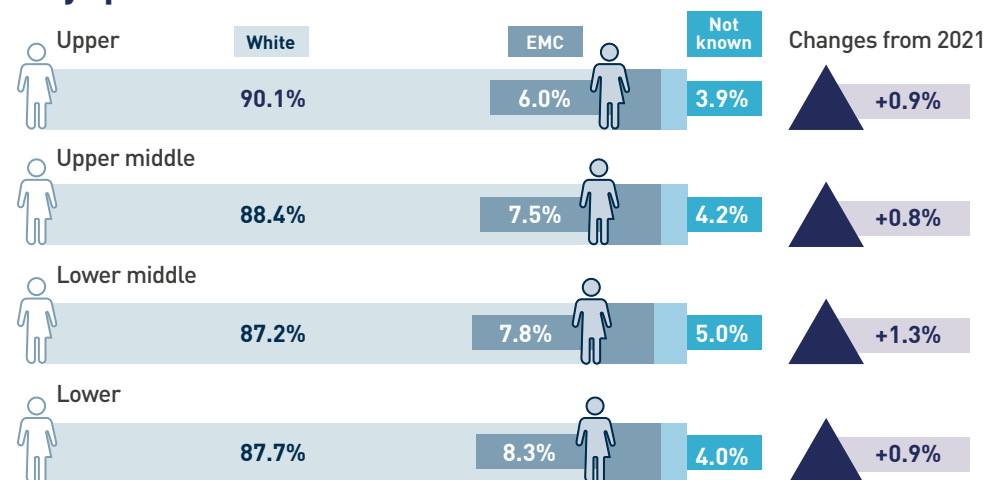
2022 ethnicity pay gap results



Proportion of employees receiving a bonus



Pay quartiles



Explanation of the ethnicity pay gap

Whilst it is not currently mandatory to publish our ethnicity pay gap data, we have taken the decision to publish our ethnicity figures this year too, as part of our commitment to becoming a more diverse and inclusive business and closing pay gaps.

Our mean and median ethnicity pay gaps have both decreased compared to our figures for 2021. Key drivers included increased senior level appointments from an ethnic minority group, a higher percentage of promotions from ethnic minority groups compared to the population overall, which in turn led to pay increases for employees from ethnic minority backgrounds year on year. With regards to our mean and median bonus gaps, we saw the same trend as our gender bonus gaps, with the mean increasing whilst the median has decreased. Key drivers were the increase in bonuses to senior employees after not receiving full bonuses in 2021 and an increase in vested share options.



Rhys Livingstone, Cherelle Greenaway, Helen Nattrass

Action for change

Leadership: Striving for balance

2022 saw a number of changes in our Executive Committee's direct reports. These included Vicky Hesson, who joins our Regional Managing Director population following the acquisition of Gladman.

Changes in structure have reduced the number of direct reports to the Executive Committee overall, but we are pleased to have maintained **34% female representation**, with two further female appointments in this crucial leadership group.

At divisional director level we are pleased to have made a significant improvement, with women making up nearly 20% of this population across the Group. To ensure this continues we have also seen female participants in our Operations Director programme increase to 15%, our flagship development programme for Divisional Managing Directors.



Talent pipelines

Early careers and internal development remain a key focus for us. Our graduate programme has a strong focus on diverse resourcing, which has meant that **76% of our 2022 intake** are either female, from an ethnic minority background, or both.

Rising Stars, our talent progression programme, achieved an equal gender split for 2022 and three times the number of colleagues from an ethnic minority background compared to 2021.

We have also completed another successful Catalyst programme, supporting our female colleagues to achieve their career aspirations, with more than 60 participants. The programme will continue in FY23.

Connecting our people

Our internal employee networks, Connect groups, are a critical part of our inclusion work ensuring we hear directly from our people. Each Connect group is open to all employees, with both members and allies playing a valuable role in generating discussions, widening knowledge and understanding, and creating a space to share and listen.

Building on our Gender, Parents and LGBTQ+ Connect groups, we are delighted to have added an Ethnic Minority Community Connect group, to ensure colleagues from an ethnic minority background are able to network, support each other and offer us valuable insight on their experiences, sponsored by our Group Sustainability Director, Bukky Bird.



Neil Dipple, Paul Beesley, Pamela Joseph



Duncan Barry, Miksha Patel, Samantha Cheesman

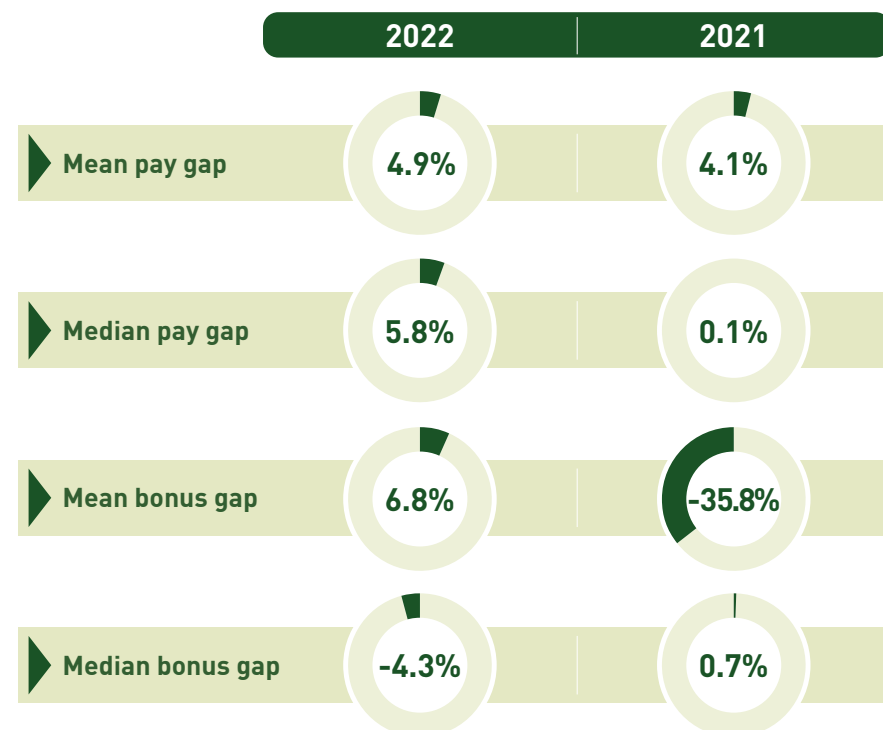
Appendix: Our two employing entities

Gender pay gap figures: BDW Trading Ltd

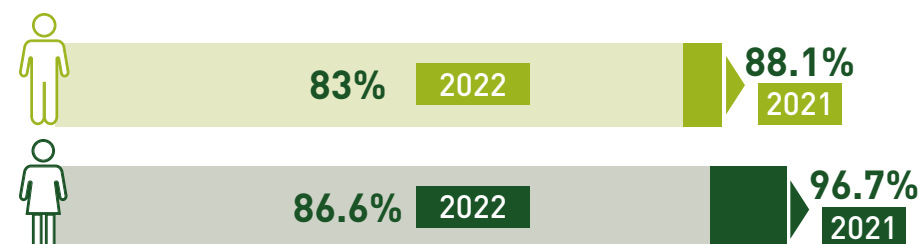
While we provide the total figures for our entire business as set out on page 3 for gender and 5 for ethnicity, we are required to provide a total breakdown for any separate employing entities within our business which employs more than 250 people.

Our two employing entities are BDW Trading Limited, which consisted of 5,920 employees across the UK and Barratt Developments PLC which consisted of 435 employees, at the snapshot date on 5 April 2022.

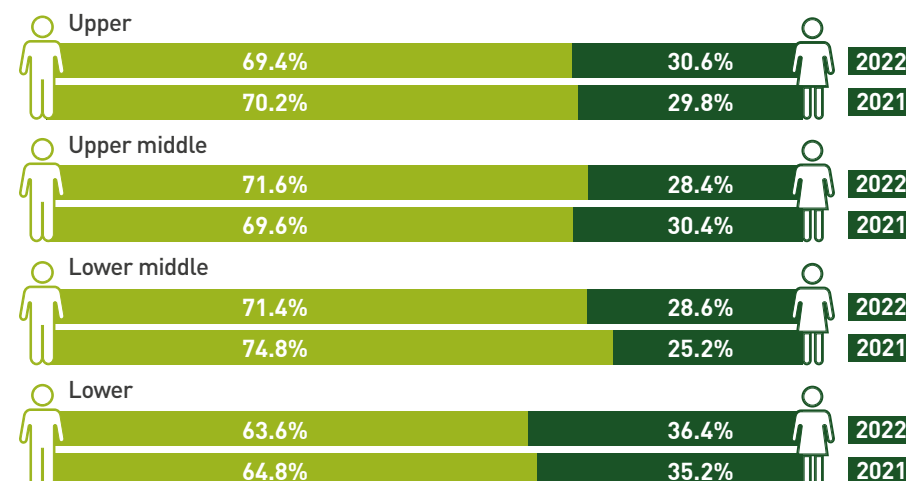
Gender pay gap figures: BDW Trading Ltd



Proportion of employees receiving a bonus



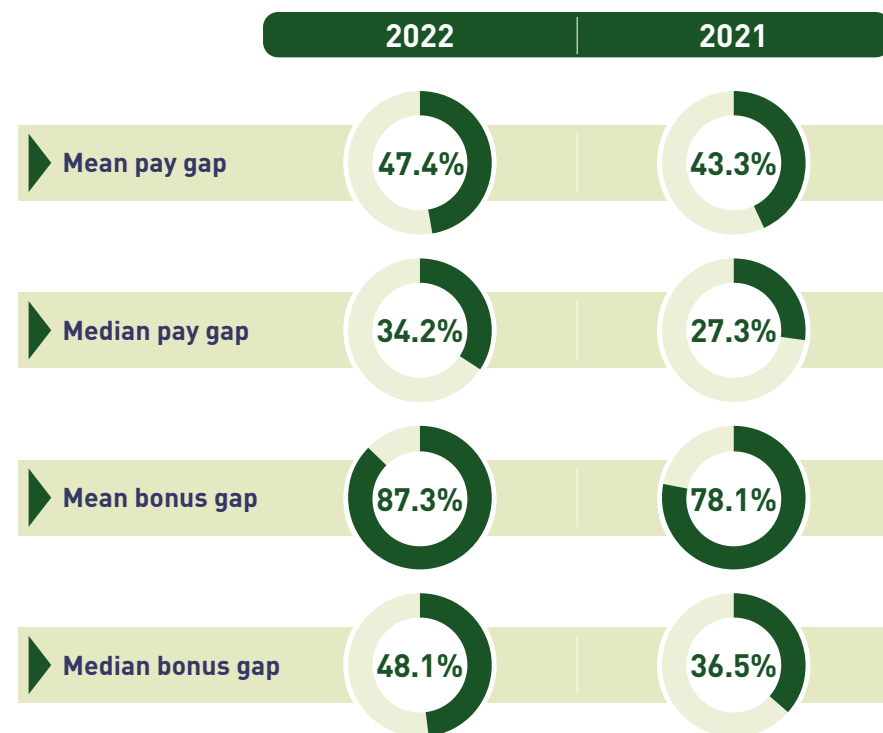
Pay quartiles



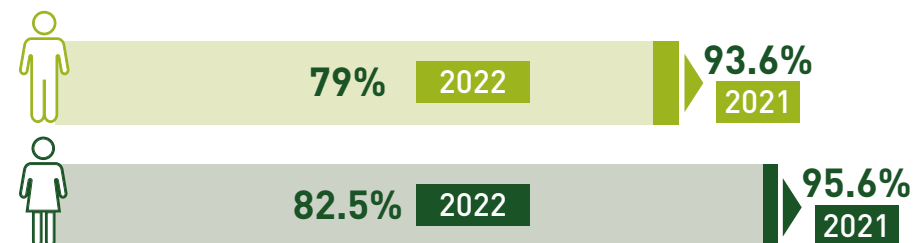
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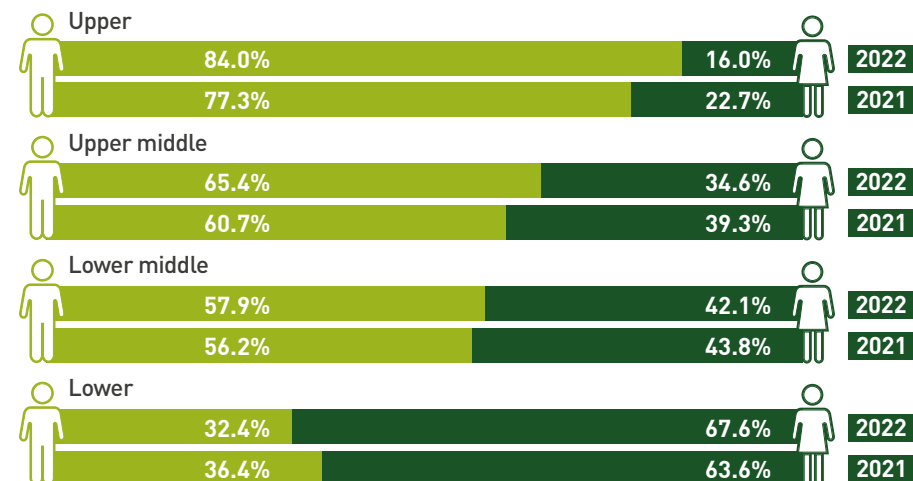
Gender pay figures: Barratt Developments PLC



Proportion of employees receiving a bonus



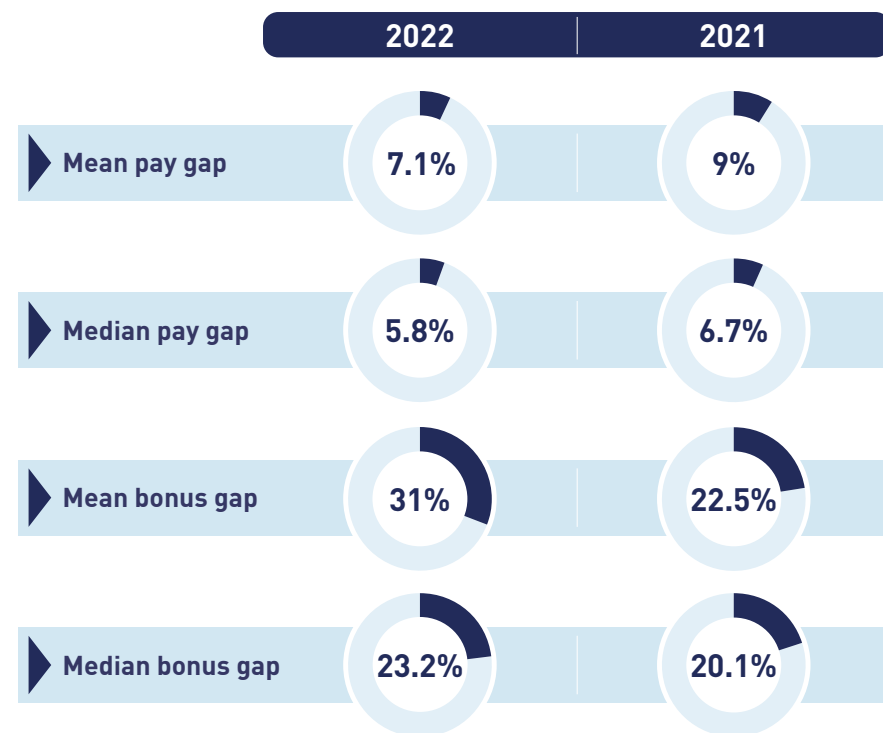
Pay quartiles



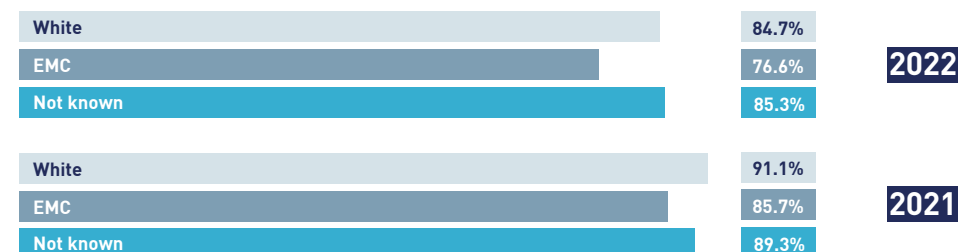
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Ethnicity pay figures: BDW Trading Ltd

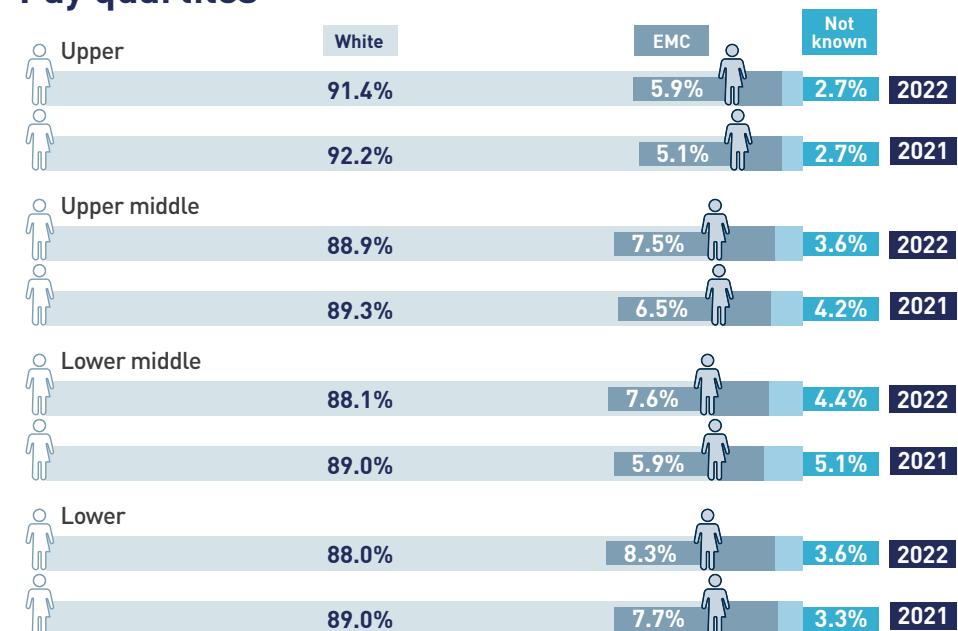
Ethnicity pay figures: BDW Trading Ltd



Proportion of employees receiving a bonus



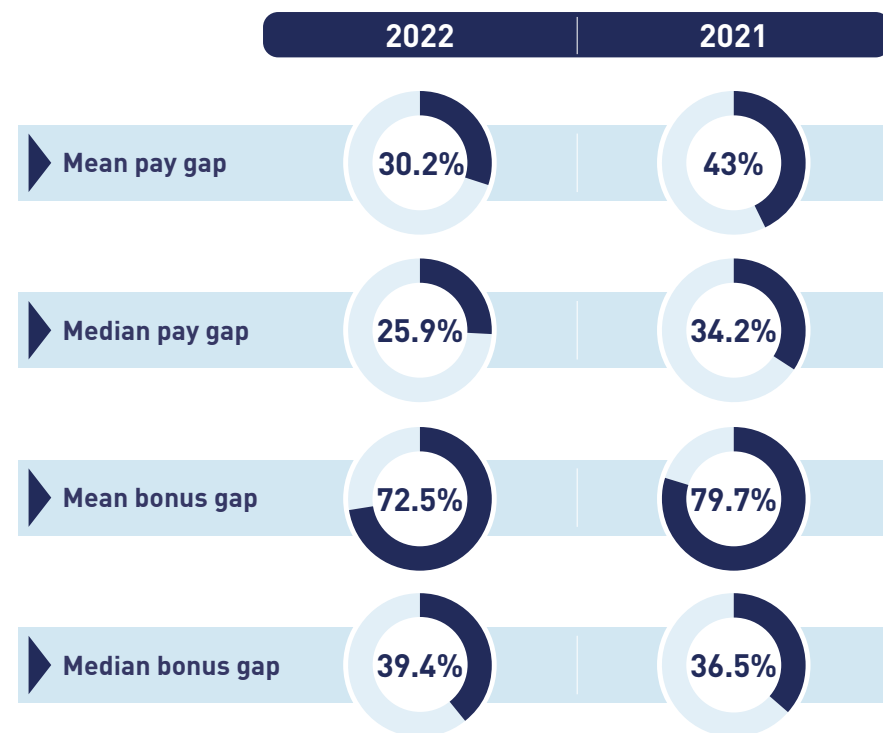
Pay quartiles



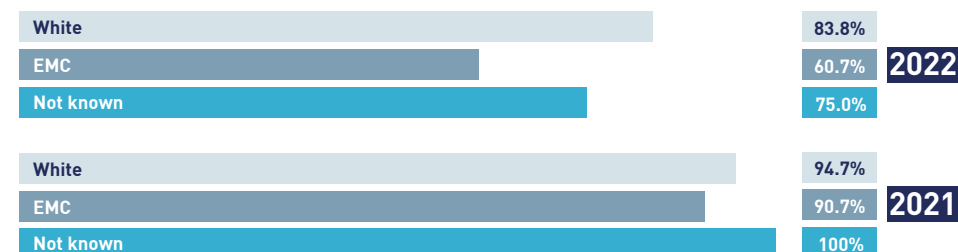
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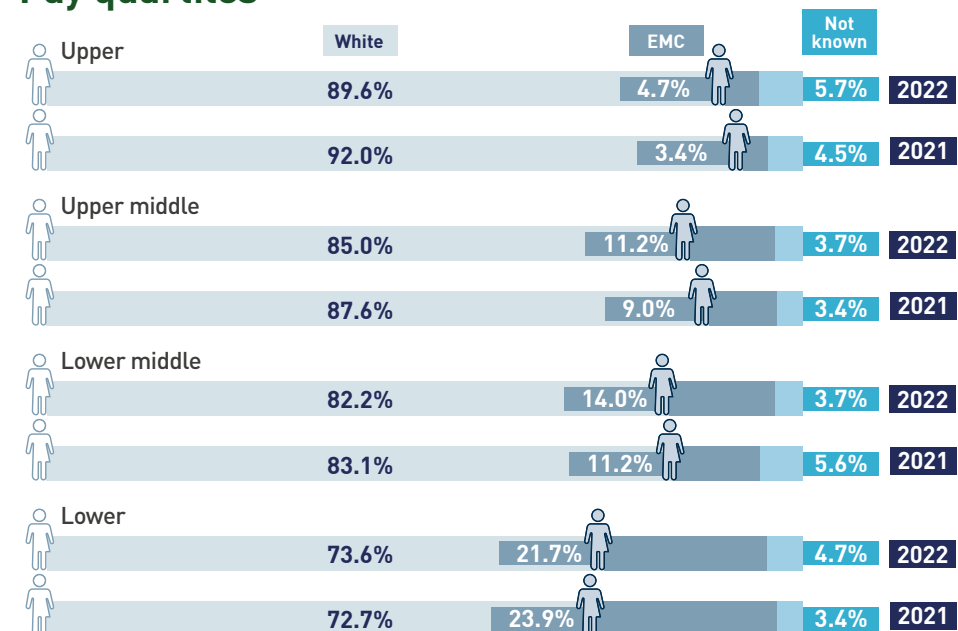
Ethnicity pay figures: Barratt Developments PLC



Proportion of employees receiving a bonus



Pay quartiles





Carlos Gomez, Pamela Joseph, Rob Bartlett, Neil Dipple, Cherelle Greenaway, Jo Williams, James Kidner