

Gender and Ethnicity Pay Gap Report 2023



Introduction

At Barratt we know that a diverse team makes better business. It enables us to better serve our customers, reflecting the diverse communities we work alongside, and it ensures that all colleagues can thrive. We want to create an environment where all colleagues experience inclusion and respect, and have the opportunity to realise their full potential.

Traditionally, the construction industry has consisted of a majority male workforce, and our business is no different, but we are committed to addressing this imbalance as a priority. Although our mean (9.6%) and median (7.4%) gender pay gaps are smaller than the average for UK businesses in 2023 (13.2% and 14.3% respectively), we remain committed to further action in this area and delivering against our 2025 Diversity & Inclusion Strategy.¹

Several external factors, including the housing market downturn, cost-of-living challenges, a persistent skills shortage in the UK construction industry, and the aftermath of Covid-19, have resulted in a small increase in our mean and median gender pay gaps this year. Sales commission declines, affecting predominantly female sales teams, and wage adjustments to retain predominantly male site-based tradespeople due to economic pressures, have contributed to this rise. Despite these challenges, a short-term cost-of-living salary supplement for all our colleagues at middle manager level and below was implemented which mitigated the overall impact.

The role of leadership in shaping an inclusive culture is crucial, and we're proud of our progress in gender representation, particularly at the divisional director level where nearly 20% are female. Our talent pipelines, including the graduate and Rising Stars programmes, emphasise diversity, with the latter achieving an equal gender split for 2023 and an increase in colleagues from ethnic minority backgrounds.

Our policies, training, and colleague network groups, like Mosaic (for race and religion), Under One Roof (for gender) and others, underscore our commitment to inclusivity, with an executive leader sponsoring each group and a 30% increase in overall membership. Fundamentally, diversity and inclusion are integral to our business, and we are dedicated to building a workplace where differences are embraced. As we navigate challenges in the market, we are committed to continuous improvement, proactively addressing pay disparities, and reinforcing our belief in equal opportunities and recognition for every colleague, regardless of background.

Sally Austin
Group HR Director



¹Office for National Statistics (ONS), released 1 November 2023, ONS website, statistical bulletin, [Gender pay gap in the UK: 2023](#).

Strategy overview: Building an inclusive team

We are committed to developing an environment that is inclusive for everyone. We want to ensure that every colleague feels valued, that they feel they are treated equally and fairly, and that they can succeed in their role regardless of their background.

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 colleagues, and any prospective colleagues, feel respected and valued.

We have a clear Diversity and Inclusion strategy that is focused on three key areas:



Talent: 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.

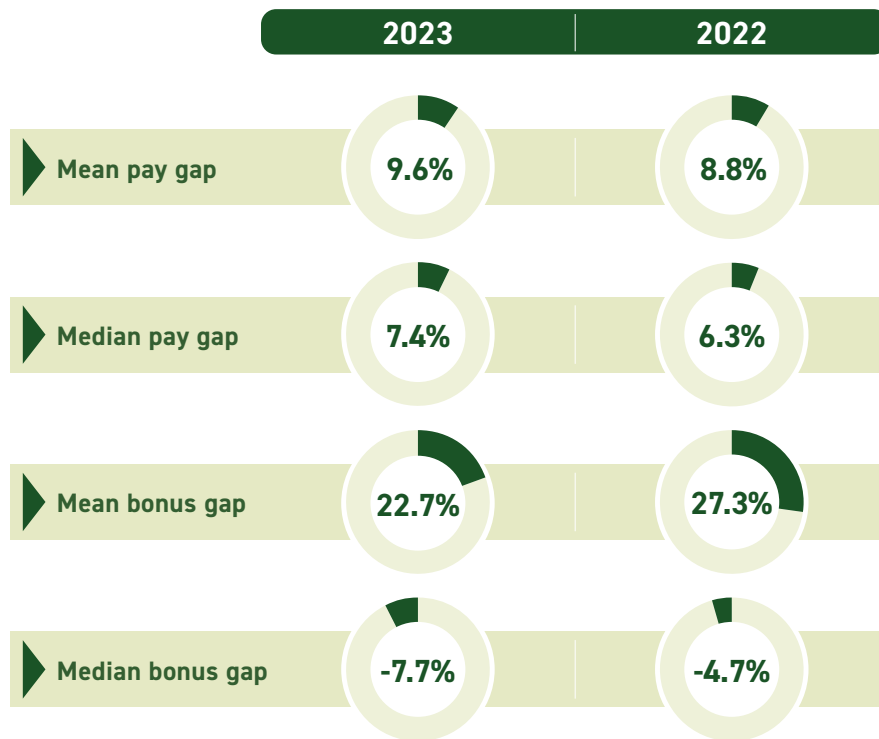


Pamela Joseph

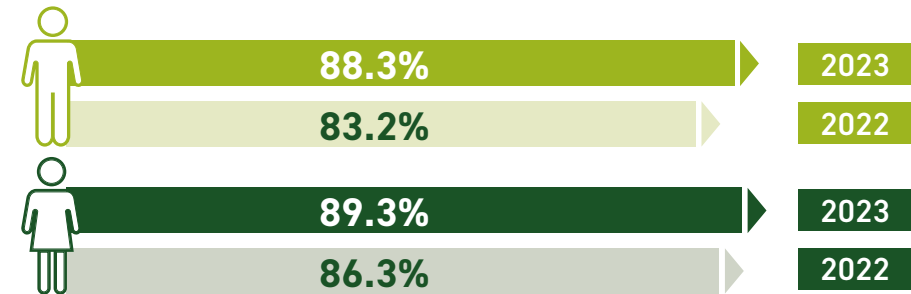
Gender pay gap

2023 results: Barratt Developments UK

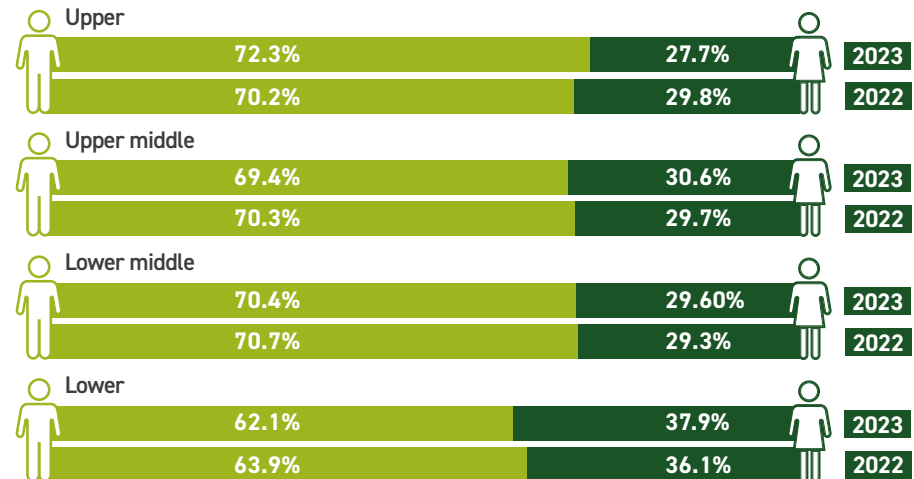
Gender pay gap results



Proportion of colleagues receiving a bonus



Pay quartiles



Explanation of the gender pay gap

The construction industry has traditionally consisted of a majority male workforce, and we are committed to addressing this imbalance over time.

Despite our ongoing commitment to gender pay equality, due to a combination of external and internal factors, both our mean and median gender pay gaps increased compared to 2022, rising to 9.6% (from 8.8%) and 7.4% (from 6.3%), respectively.

Challenging conditions in the wider housing market led to a 17% reduction in sales commissions, predominantly affecting our sales teams, where the majority of colleagues are female. The construction skills shortage also continues to impact the industry as a whole, with increasing demand for – and scarcity of – skilled site-based tradespeople, triggering a wage increase in the UK. This prompted us to raise hourly rates for trade roles in some of our regions, primarily occupied by male site-based colleagues. This helped to address external economic pressures but contributed to the pay gap increase.

Despite these challenges, a cost-of-living salary supplement for all team members in middle management and below has helped to mitigate the overall gender pay gap.

In contrast, the mean gender bonus gap decreased from 27.3% to 22.7%, and the median gender bonus gap moved further in favour of females at -7.7% (from -4.7%).

Factors influencing this include a higher proportion of female new starters in sales roles, which offer higher variable pay (including monthly bonuses and commission) compared to salary. Consequently, female new starters received higher bonus payments than their male counterparts, particularly impacting the median bonus gap. Secondly, senior managers experienced a 52% reduction in share vesting compared to 2022, with males constituting 75% of this group. Lastly, short-term adjustments to the post-Covid-19 bonus scheme timeline had a specific impact on the 2022 calculation, with a bonus not paid during the last reporting period. In 2023, we reverted to our normal bonus timeline, meaning that figures between the two reporting periods are not directly comparable.

As we navigate changes in the market, we remain committed to continuous improvement, implementing proactive measures to address any pay disparities.

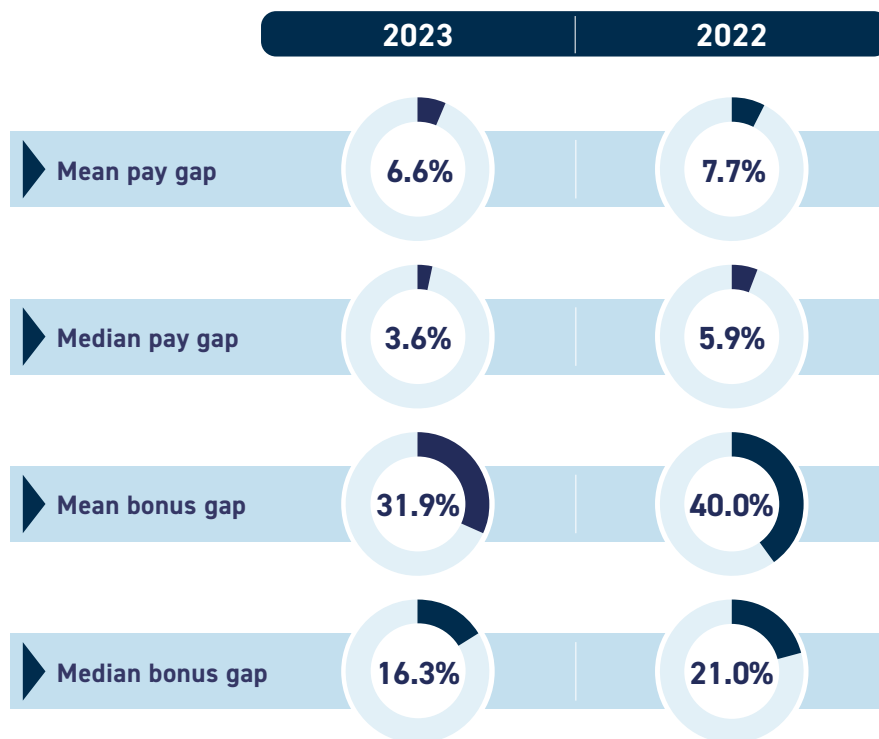


Mark Doyle, Katia Forlin, and Poonam Shah

Ethnicity pay gap

2023 results: Barratt Developments UK

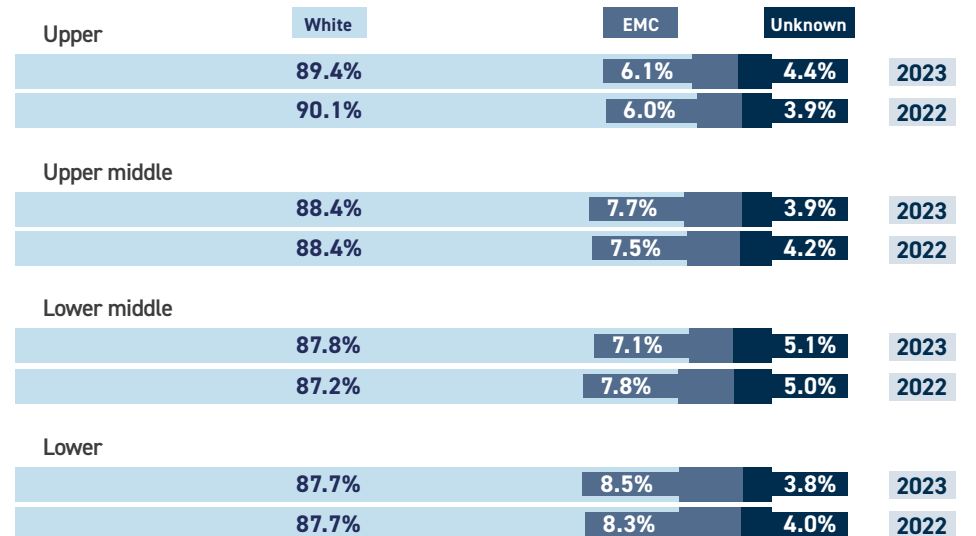
Ethnicity pay gap results



Proportion of colleagues receiving a bonus



Pay quartiles



Explanation of the ethnicity pay gap

Although not statutorily required to disclose our ethnicity pay gap data, we are committed to diversity and inclusion. Understanding the context of this data is vital for our ongoing efforts in this domain.

In 2023, the mean ethnicity pay gap decreased to 6.6% from 7.7%, and the median gap decreased to 3.6% from 5.9%. This shift is partly attributed to 17 colleagues updating their self-declared ethnicity, notably a change in declaration from “Do not wish to state” to identifying with the Ethnic Minority Community (EMC). The median ethnicity pay gap has also reduced due to comparatively larger salary increases for middle managers within the EMC community compared to white colleagues.

Similar to the ethnicity pay gap, both mean (31.9%) and median (16.3%) ethnicity bonus gaps decreased from 40% and 21%, respectively. This reduction is mainly due to reduced share vesting for senior managers, who currently have a 3.5% representation from EMC. Short-term adjustments to the 2022 bonus payment timeline, related to Covid-19, also played an isolated role, with a bonus not paid during the last reporting period. In 2023, we reverted to our normal bonus timeline, meaning that figures between the two reporting periods are not directly comparable.

We remain committed to implementing proactive measures to address any pay disparities.



Gemma McCoy, Jamie Moore, and Jason Powell

Action for change

Action for change

Our commitment to fostering a diverse and inclusive workplace is reflected in our strategy, launched in 2022, which reinforces transparency and inclusivity across our business. For the financial year 2023/24, we have also introduced diversity and inclusion targets for our most senior leaders to reflect our focus in this area.

Leadership: Striving for balance

We have run a series of senior leadership workshops, with internal and external facilitation, focused on creating an inclusive culture and ensuring everyone is treated with dignity and respect. This programme continues into 2024 with all of our top 300 leaders taking part.

2023 saw several changes in our Executive Committee and, with the appointment of Sally Austin as Group HR Director, we are pleased to have 43% female representation at this critical senior level.

At divisional director level, we have maintained nearly 20% female representation across the Group. In addition, Claire Jarvis has joined as Managing Director for Barratt and David Wilson Homes North West, doubling the female population within our MD cohort. To ensure we continue this trajectory, female participation in our flagship development programme for Divisional Managing Directors has also increased to 25%.



Talent pipelines

Early careers and internal development remain a key focus despite challenging market conditions. Our graduate programme has a strong focus on diverse resourcing, and 86% of our 2023 intake are either female, from an ethnic minority background, or both.

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

Our support programme for ethnic minority colleagues, Spotlight, ran a highly successful pilot programme in 2023 with 35 colleagues, supporting them to achieve their career aspirations, network and connect across the Group.

Policies

In 2022 we reviewed and updated our Diversity and Inclusion policy to clearly outline our expectations. We also extended our family policies, increasing our support for carers, extending maternity leave and doubling paternity leave.

Colleague network groups

Our colleague networks, supporting gender, race and religion, disability, parents and carers, and LGBT+, have experienced a remarkable 30% increase in membership this year. They play a vital role in creating a welcoming and supportive environment, addressing specific challenges faced by different groups. The launch of SheBuilds, specifically for women working on site and tools, further underscores our commitment to providing a safe and inclusive space for women in construction. Every network group is sponsored by an executive leader and is open to all colleagues, with both members and allies playing a valuable role in generating discussions, widening knowledge and understanding, and creating a space to share and listen.

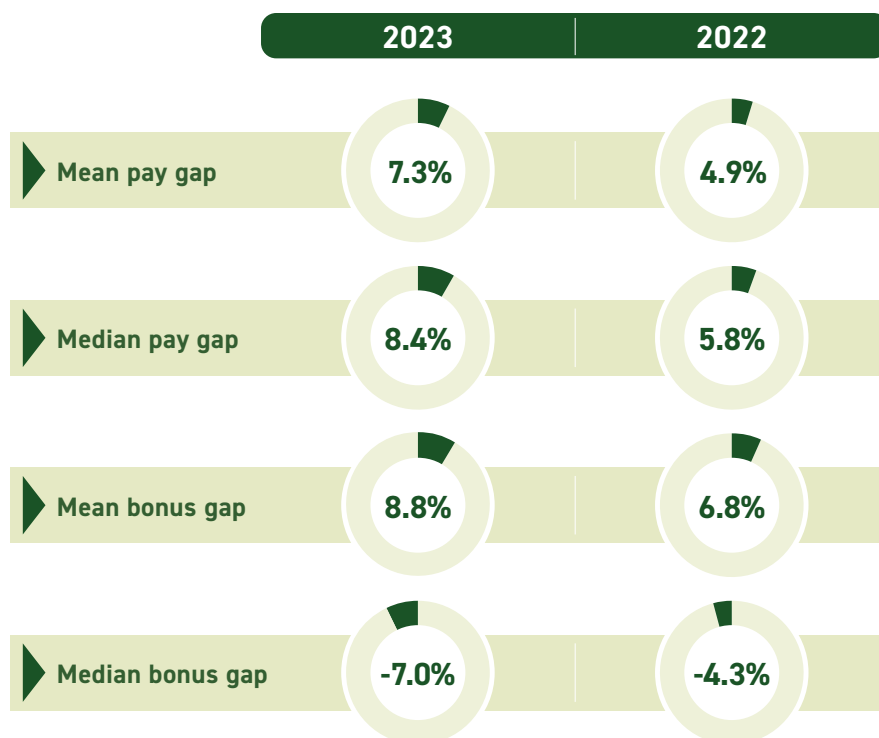
Appendix: Our three employing entities

Gender pay gap figures: BDW Trading Ltd

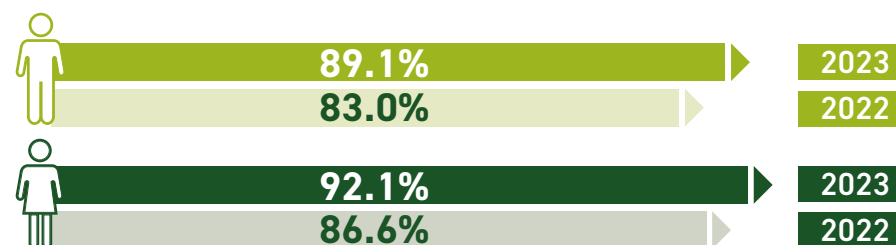
While we provide the total figures for our entire business as set out on page three for gender and five for ethnicity, we are required to provide a total breakdown for any separate employing entities within our business which employ more than 250 people.

Our three employing entities are BDW Trading Limited, which consisted of 6,080 colleagues across the UK, Barratt Developments PLC which consisted of 500 colleagues, and Oregon Timber Frame, which, for the first time this year, consisted of 288 colleagues at the snapshot date on 5 April 2023.

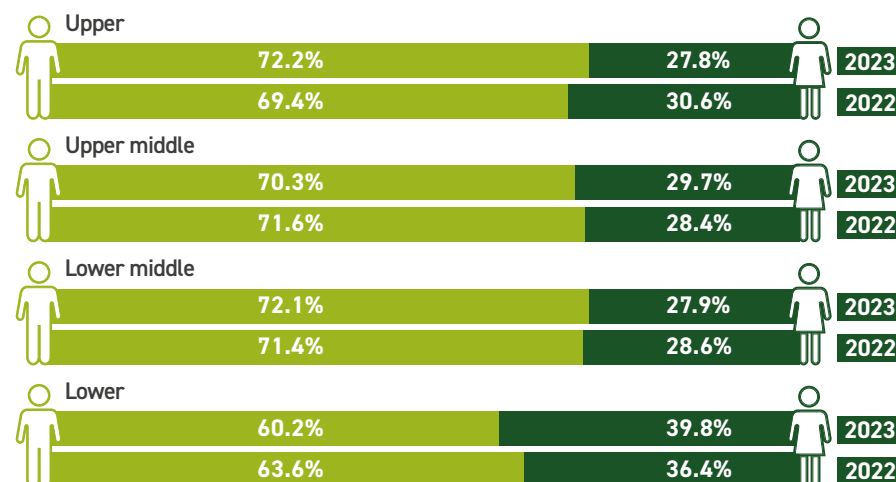
Gender pay gap figures: BDW Trading Ltd



Proportion of colleagues receiving a bonus



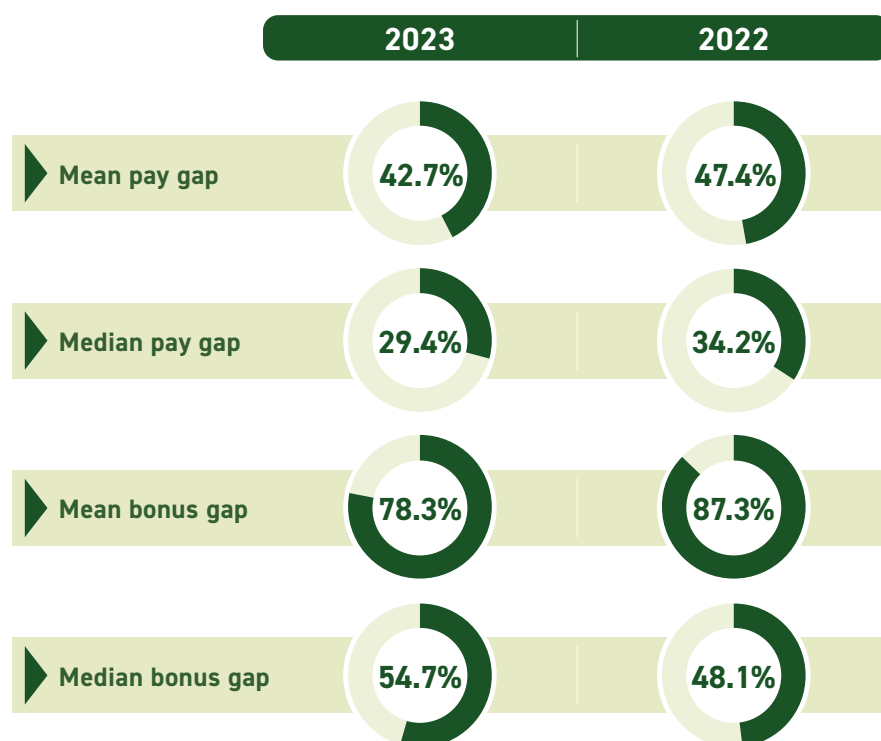
Pay quartiles



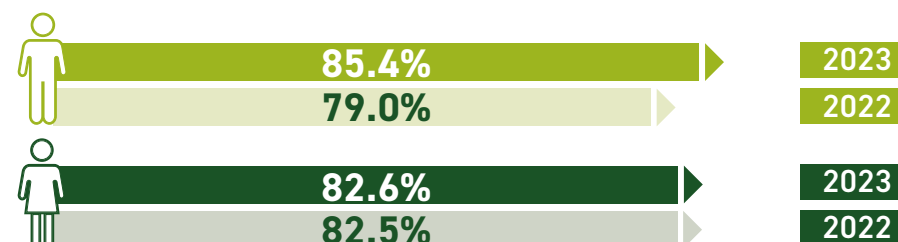
Appendix: Our three employing entities

Gender pay gap figures: Barratt Developments PLC

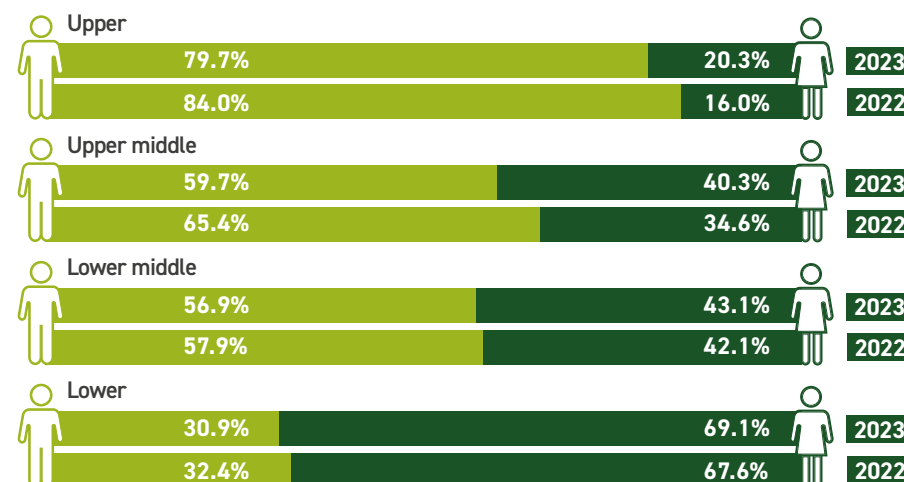
Gender pay gap figures: Barratt Developments PLC



Proportion of colleagues receiving a bonus



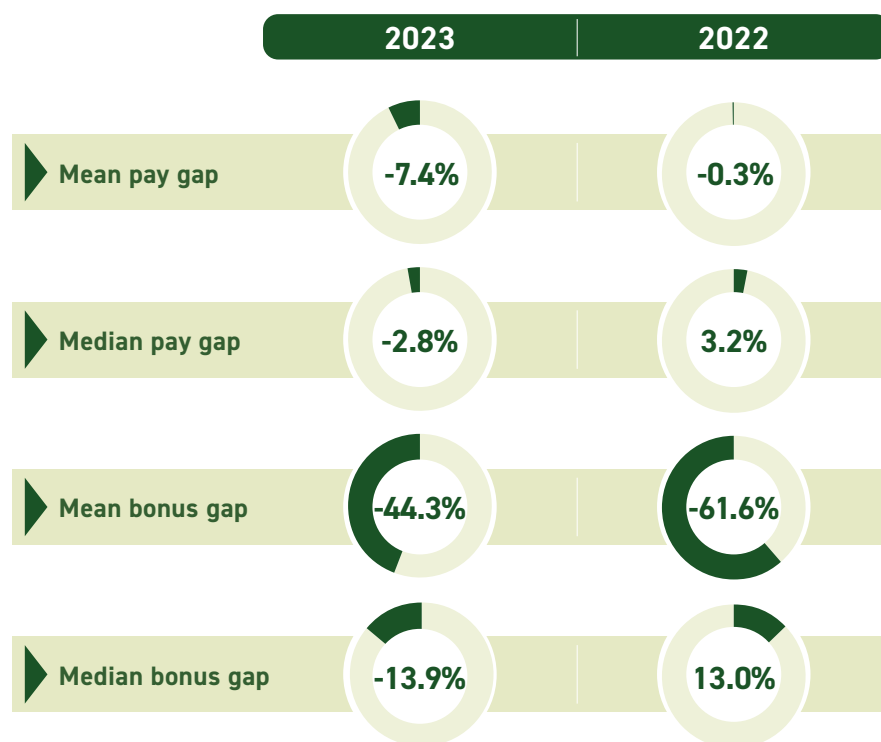
Pay quartiles



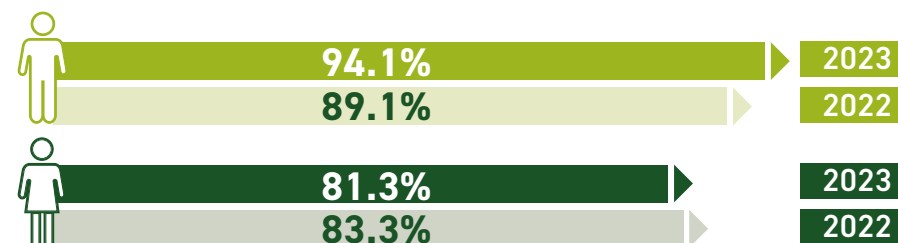
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Gender pay gap figures: Oregon Timber Frame

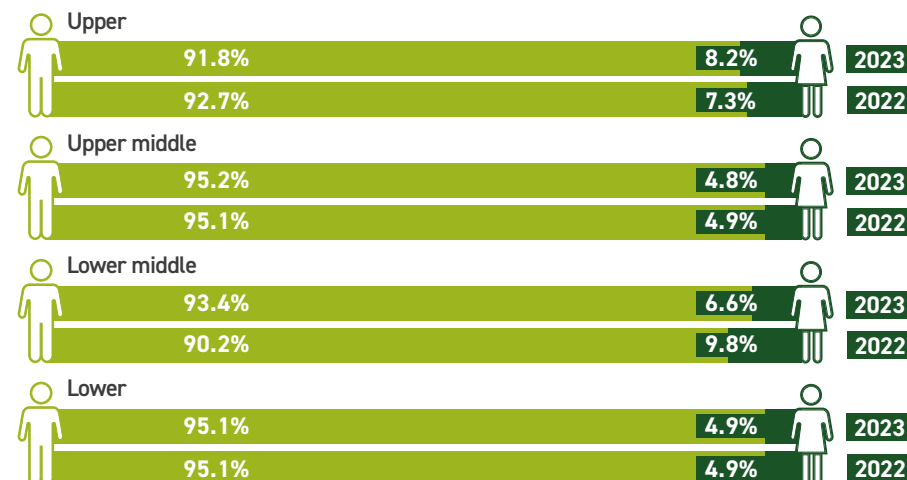
Gender pay gap figures: Oregon Timber Frame



Proportion of colleagues receiving a bonus



Pay quartiles



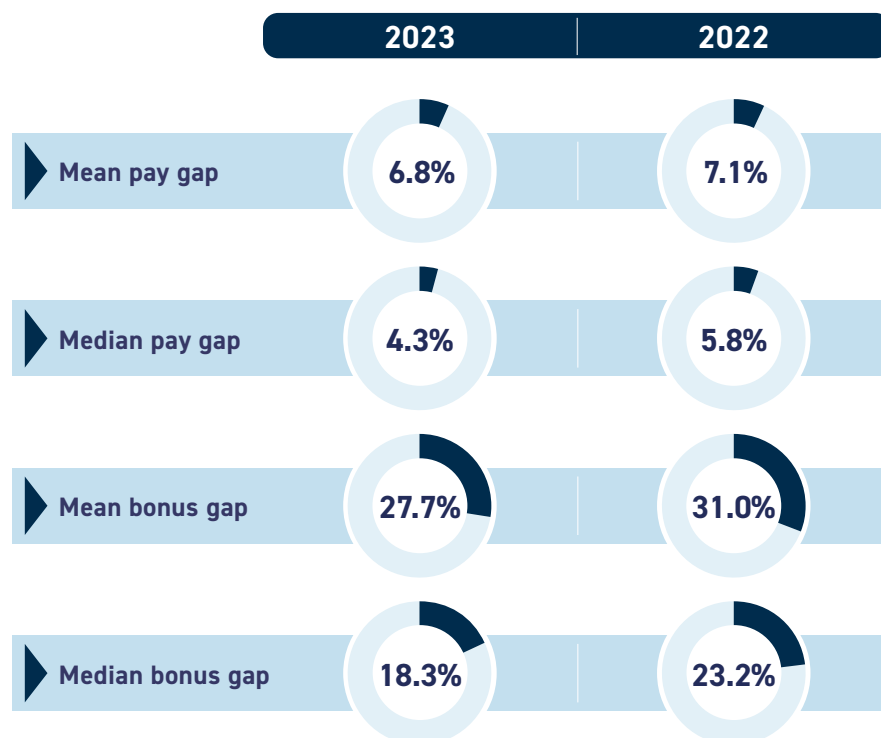
Appendix: Our two employing entities

Ethnicity pay gap figures: BDW Trading Ltd

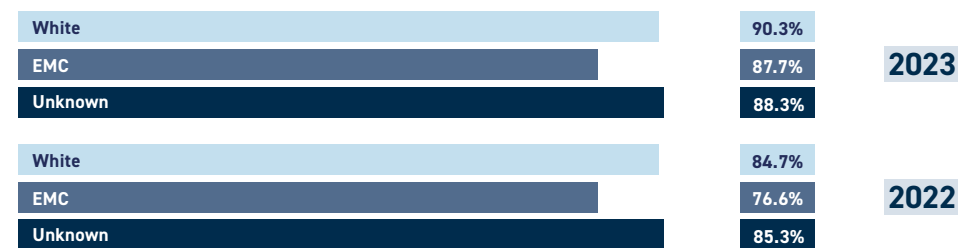
In 2022, although not statutorily required to, we published our ethnicity pay gap data. We have adopted the same approach for this reporting period for our two largest employing entities - BDW Trading Limited and Barratt Developments PLC.

The workforce of our third employing entity, Oregon Timber Frame, was 98.6% white on the snapshot date. Ethnicity pay gap information has therefore not been calculated on this occasion for that employing entity.

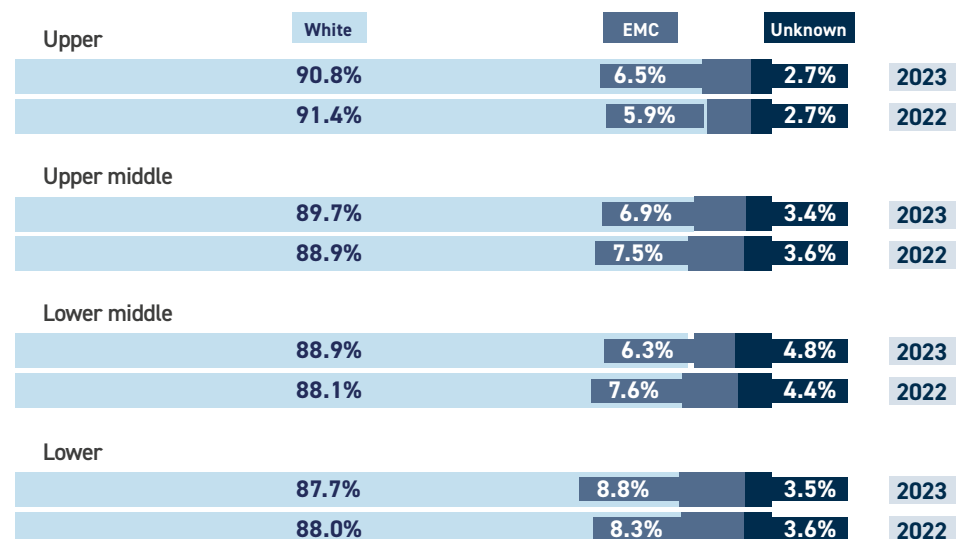
Ethnicity pay gap figures: BDW Trading Ltd



Proportion of colleagues receiving a bonus



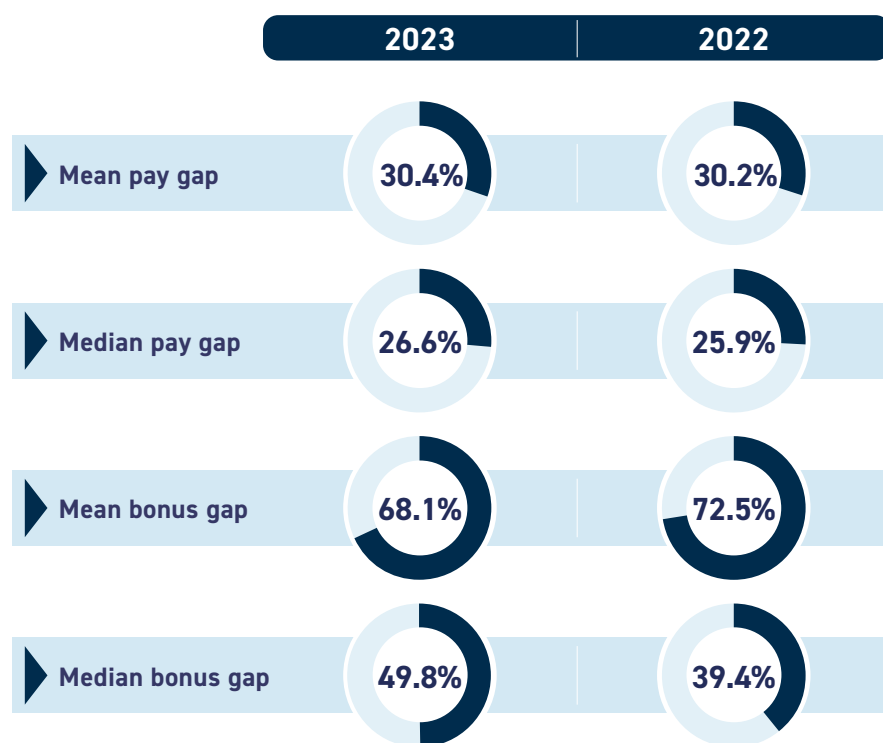
Pay quartiles



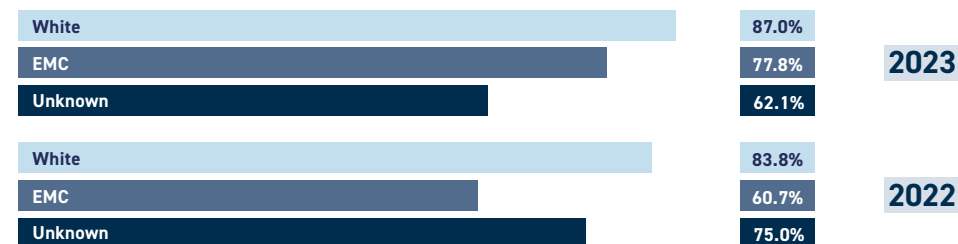
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Ethnicity pay gap figures: Barratt Developments PLC

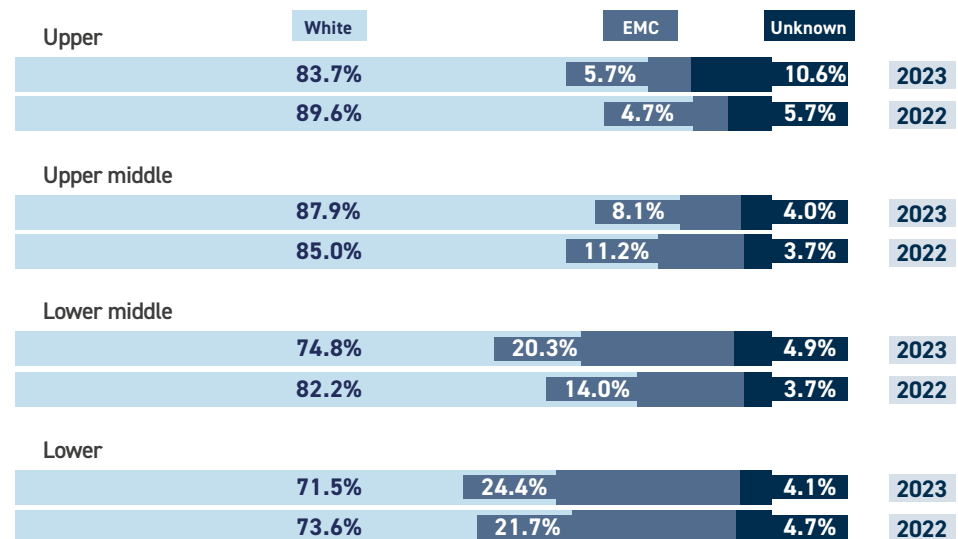
Ethnicity pay gap figures: Barratt Developments PLC



Proportion of colleagues receiving a bonus



Pay quartiles





Our 2022 ASPIRE graduate cohort



DAVID WILSON HOMES
WHERE QUALITY LIVES

BARRATT
— LONDON —

