



MODERNISING OUR BUSINESS TRANSFORMING OUR CULTURE

GENDER PAY
SUMMARY 2019/2020



IN THIS YEAR'S REPORT

We have been undergoing an unprecedented cultural shift to become a modern, diverse and inclusive Company.

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WELCOME FROM OUR CHIEF EXECUTIVE

**“WELCOME TO OUR 2019/2020 GENDER
PAY GAP REPORT WHICH PROVIDES
A TRANSPARENT OVERVIEW OF OUR
PAY DATA FOR MEN AND WOMEN AT
ALL LEVELS ACROSS THE BUSINESS.”**

PETER TRUSCOTT
Chief Executive



**Our gender pay gap report is a
key tool for driving progress and
transparency in making us a fair,
diverse and inclusive employer.**

A more inclusive culture

We aspire to be an ethical and progressive employer that is removing the barriers which may prevent our people from being their best at work and fulfilling their career ambitions. By putting in processes and policies to ensure our people come from a diverse talent pool means we can benefit from the broadest range of ideas, perspectives and experiences, and together with a flexible approach to working practices, create an inclusive culture. Diversity and inclusion are very important to us. We strive to create an environment where everyone, regardless of who they are or what they do for the business, feel equally empowered, heard and involved in all areas of Crest Nicholson and our pursuit of our purpose.

New ways of working

Our Agile Working Policy, launched in 2020, has transformed the way we work. It provides far greater flexibility in terms of when, where and how our employees do their jobs. We ensure they have an agile work pattern which allows them to have an even fuller personal life. This includes managing childcare, managing pet care, being able to manage personal commitments, hobbies, volunteering and so on.

We are increasing employee engagement to drive a step-change in our inclusive culture, including through our Diversity and Inclusion Forum, among other initiatives.

Bridging the gap

The construction sector has traditionally been male dominated, which means we must be even more proactive in recruiting and developing female and diverse talent. Reducing the gender pay gap is part of our commitment to fair and transparent reward and building trust with our people. There is more work to do in this space, but we are committed to bridging the gender pay gap and providing more pay transparency and equity among comparable job roles. We believe that working to bridge the gender pay gap will create more unity across the business and highlight the mutual respect we at Crest Nicholson have for one another, which aligns to our core values.

Embarking on a new chapter

We are keen to encourage people from a wide-range of backgrounds to work for us, as we know that to be successful we need to attract and retain individuals who would not necessarily think to join the construction industry.

We are beginning to engage with schools and higher and further education establishments to attract trainees and graduates, with a keen focus on encouraging young people – particularly young women and those from disadvantaged backgrounds to best ensure they are aware of and can access the great opportunities housebuilding offers.

As we enter a new chapter, we will continue to develop these initiatives to improve our diversity and increase the proportion of female employees at Crest Nicholson. I see no reason why we should not aim to achieve a 50:50 gender balance in our future workforce, and I look forward to reporting on our progress in the coming years.

PETER TRUSCOTT
Chief Executive

WE ARE CREST NICHOLSON

Our purpose

Building great places for our customers, communities and the environment.

We strive to improve the quality of life for individuals and communities by building attractive homes in desirable surroundings. Our focus on place making ensures we create sustainable communities where people and nature can thrive.

Our values

Our values underpin how we implement our Group strategy, defining who we are and how we do business.

1

Work as One Crest

We work towards a common goal and see the bigger picture

2

Committed to success

We strive to be the best and deliver on our promises

3

Considered decision making

We act with integrity and make thoughtful decisions

4

Investing in our people

We empower our people to deliver our success

5

A positive legacy for our customers and communities

We deliver high quality, sustainable communities

Our culture

We aspire to have an open and honest culture, creating a positive, effective and collaborative environment, where all colleagues are empowered to deliver our success.

Working with integrity is fundamental to our Group strategy. We refreshed our values in 2019 and we have embedded these along with underlying behaviours. Our strengthened Environmental, Social and Governance (ESG) strategy and diversity and inclusion workstreams support our culture. We remain focused on the well-being of our people and developing talent.

[Read more about our strategy in our 2020 Annual Report, pages 23 to 29](#)

OUR CULTURE IN ACTION



My name is Victoria Pointon and I began my career with Crest Nicholson in 2019 as a Surveying Administrator covering maternity leave, with no previous experience in the construction industry. After a year within a fixed-term contract, Crest Nicholson offered to sponsor me to retrain as a Quantity Surveyor by studying for my MSc in Quantity Surveying and undertaking a role of a Trainee Quantity Surveyor within the Commercial Department. My studies were integrated into my working week which enabled me to gain valuable experience while obtaining my degree.

Working within the Midlands division as a part of the busy Commercial Department, the role has enabled me to work closely alongside other departments, expanding

my skills and providing a broader overview into the wider workings of the business. I am now responsible for the day-to-day running of a development!

I believe this is truly reflective of Crest Nicholson's entrepreneurial culture where they have created an open and collaborative environment – an environment where we allowed and supported to thrive and deliver our own success.

I would thoroughly recommend working for Crest Nicholson as they have continually supported my career development, learning and training, right from the start. They offer opportunities within different departments for people to learn and thrive within the construction industry, even without any previous sector experience.

DIVERSITY, INCLUSION & GENDER PAY

“WE ARE EMBRACING A CULTURAL SHIFT TO BECOME AN EVEN MORE MODERN, DIVERSE AND INCLUSIVE COMPANY.”

JANE COOKSON
Group HR Director



Our 2019/2020 Highlights

Number of women on the Board



Mean hourly pay gap between men and women



Mean ratio of pay



For every £1 a man earns at Crest, a woman earns 80 pence

2020



For every £1 a man earns at Crest, a woman earns 81 pence

Overview of our Gender Pay Gap for 2019 and 2020

Our gender pay gap report is a key tool for driving progress and transparency as we undergo a cultural transformation of our culture and the way we work. The data enables us to see positive trends, identify problem areas, prioritise Diversity & Inclusion activities and adjust our strategic priorities.

Gradual progress, but more to do, Crest Nicholson is becoming more gender balanced and diverse. Women now account for 36% of our workforce, compared to 14% in the wider construction industry.

We still have a long way to go before we achieve a 50:50 male to female ratio. We must focus on increasing female representation at senior levels. We are focused on removing barriers and unconscious biases, and providing inclusive opportunities for career development.

The picture is positive at Board level, with women making up 50% of the Crest Nicholson Board. I am especially pleased that we have some strong female role models on our Board to inspire the current and future workforce.

They include Louise Hardy (Non-Executive Director), who was listed as one of the top 100 Most Influential Women in the Engineering Sector in 2019 and who has responsibility for workforce engagement.

Increasing transparency

While we are fully committed to equal pay – our male and female employees unequivocally receive the same pay rate for the same or a similar job – we still have a mean hourly pay gap between men and women across all roles of 21% and a median hourly pay gap of 19%.

The gap is reducing slowly, but closing it completely will require a long-term, multi-tiered approach – from attracting women to join the construction industry in the first place to providing flexible opportunities and removing barriers to career development.

JANE COOKSON
Group HR Director

UNDERSTANDING OUR GENDER PAY GAP

This is the fourth year in which Crest Nicholson has reported on its gender pay gap. To provide a full and complete analysis, the data is compared with 2019 and 2020 figures.

The gender pay gap refers to the difference in pay by gender across an organisation.

It is not the same as unequal pay – paying men and women differently for the same or similar roles – which is illegal in the UK. Having a gender pay gap does not automatically mean that there is an equal pay issue.

Our data shows that Crest Nicholson unequivocally offers its employees, both male and female, equal pay.

The gender pay gap of an organisation is influenced by a range of internal and external factors, including the industry that a company works in, its policies and people culture, and the roles it has available for its workforce.

As we progress our gender pay gap reporting, we are better able to accurately identify trends and highlight areas of concern.

We are also developing our understanding of the combination of internal and external factors which need to be addressed to close the gap.

Mean versus median calculations

The mean pay gap is calculated as the difference in average hourly pay for women compared to men within the Company.

The median represents the mid-point of the employee population. If you lined up all the men and women in the Company, the median pay gap is the difference in hourly pay rate between the middle man and the middle woman.

These metrics provide a picture of what men and women earn in similar jobs throughout the Company. We use the results to monitor progress and identify issues, both internal and external, which we need to address.

WHAT IS THE GENDER PAY GAP?

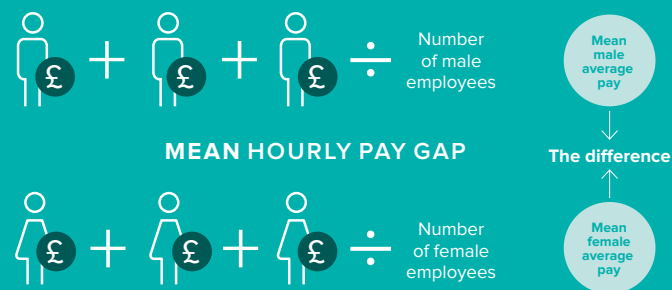
The gender pay gap is the difference in average hourly pay between men and women regardless of their role.

UK companies employing 250 or more people have to report their gender pay gap in a number of ways, including:

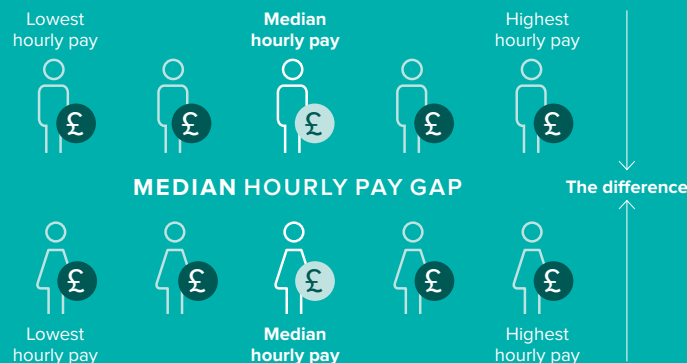
- mean and median gender pay gaps;
- mean and median gender bonus gaps;
- proportion of men and women who received bonuses; and
- the number of men and women according to quartile pay bands.

The gender pay gap is not the same as unequal pay. It is a reflection of labour market or workplace disadvantage, expressed as a comparison between male and female pay.

How we calculate the mean difference
The mean gender pay gap is the difference in the average hourly pay for women compared to men within a company.



How we calculate the median difference



Our 2020 gender profile

Women account for 36% of our workforce, compared to just 14% in the construction industry. We are working hard to increase diversity and gender balance within all roles at all levels. This includes proactively recruiting and developing female talent to transform our gender profile in what has been a typically male-dominated industry.

Total employees 2020

819

2019: 1,004

Employees by gender 2020

64% **36%**

2019: 64.6%

2019: 35.3%

Board diversity 2020

50% **50%**

2019: 56%

2019: 44%



HOW WE MEASURE UP IN 2019/2020

Under legislation passed in 2017, each employer with 250 or more employees must publish statutory calculations every year showing the pay gap between their male and female employees.

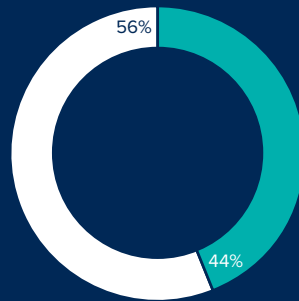
Mean gender pay gap using hourly pay

Average mean pay gap is:

21%

2019: 21%

This is the equivalent of:



● Women ● Men

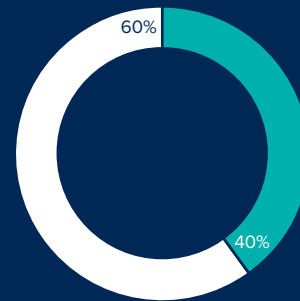
Mean gender pay gap using bonus pay

Average mean pay gap is:

32%

2019: 13%

This is the equivalent of:



● Women ● Men

Proportion of employees who received bonus pay

The number of employees:

822



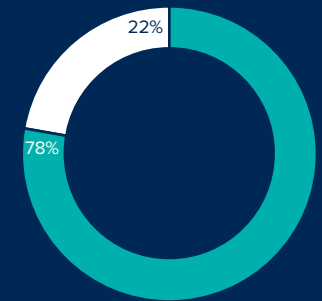
77%

2019: 86%



81%

2019: 87%



● Bonus ● No bonus

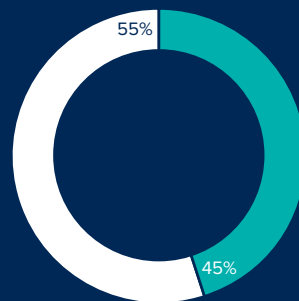
Median gender pay gap using hourly pay

Average median pay gap is:

19%

2019: 20%

This is the equivalent of:



● Women ● Men

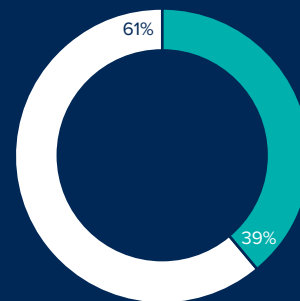
Median gender pay gap using bonus pay

Average median pay gap is:

36%

2019: 22%

This is the equivalent of:



● Women ● Men

It is purely as a result of share buy-out for PT that the bonus gap is so high. If that is removed the figure becomes 9%

➔ For an explanation of these figures and more about our pay and bonus bands see page 8

HOW WE MEASURE UP IN 2020

Our industry has traditionally been represented by a majority male workforce. However, we are continuously working to change the under-representation of women in our industry.

Proportion of employees in each pay quartile



Upper hourly pay quarter



Upper middle hourly pay quarter



Lower middle hourly pay quarter



Lower hourly pay quarter



We are committed to identifying and addressing the reasons that may create this gender imbalance in our workplace and have put in place systems to create more equal access to roles.

A higher proportion of men hold more senior roles, however the effect on our gender pay gap has been reduced because male employees on our sites also make up some of the most junior employees within the lower quartile. We are pleased to see a 2% increase in women represented in the upper pay quartile. Our bonus gap has also reduced overall when we take into account the share buybacks by senior management during the year.

However, we know that there is still more work to do if we want to bridge the gender pay gap. We will continue to focus on embedding diversity and inclusion into our policies, processes and procedures and building and supportive and energising environment that we trust will eventually help us to close the gender pay gap within our business going forwards.

KNOWLEDGE BUILDING



“CREST HAS PROVIDED ME WITH GREAT LEARNING AND DEVELOPMENT TOOLS SO THAT I CAN SUCCEED IN MY ROLE AND BEYOND.”

My name is Simran Bains. Starting a graduate job as a Trainee Strategic Land Buyer at Crest Nicholson has not disappointed at all. Right from the get-go I have been given invaluable training to help to build my knowledge of Crest’s internal targets and business model, as well as the wider housebuilding sector

as a whole. My colleagues have been extremely supportive in helping me to settle into the business and have made me feel more than comfortable to ask many questions, constantly assuring me that there are no stupid questions! The business has adapted extremely well to the threat of the COVID-19 pandemic, with good support for employees working from home. I would highly recommend Crest to anyone who is looking to learn from the very best within an inclusive environment where no two days are the same!

OUR PROGRESS SO FAR

We have strategies in place to increase our efforts to improve fair pay and progression opportunities for women.

Understanding our results

The mean pay gap remains at 21% and our median pay gap has reduced slightly at 19% for 2020 with more work to do to make improvements.

Our mean pay gap using bonus pay has been skewed by a Senior share buyout at 36%. Without this the gap would have been 9%, much reduced from 22% in 2019.

Actions

Crest Nicholson is committed to ensuring we are doing what we can to address our gender pay gap. The Equality and Human Rights Commission has identified ways in which employers may seek to address pay gaps. Having reviewed these, we have developed the following action points:

- In 2021 we will be launching a future talent programme. We will be recruiting circa 25 Trainees across the business providing a 'rolling' complement of circa 50 training roles in the Group
- In 2021 we will be launching a development programme aimed at Emerging Talent and Future Leaders
- Encourage applicants from genders not typical to the role by using different job boards to increase more diverse applications
- Ensure flexible working practices we already have in place are applied to all
- Review policies and practices that support childcare or other caring responsibilities ensure equal support is available to men and women
- Unlock the potential opportunities to upskill or retrain available through Trainee recruitment
- Continually review and monitor succession plans and development opportunities for men and women.

AGILE WORKING



Agile Working – providing flexible employment

“CREST HAS PROVIDED A SUCCESSFULL AGILE WORKING MODEL, ONE THAT SUITS OUR BUSINESS, BLENDING THE BEST OF OFFICE AND REMOTE WORKING FOR EVERYONE. THEY’VE BEEN FANTASTIC.”

SARAH NORMAN
Group Digital Marketing Manager

I enjoy having a hybrid working from home and office option, meaning I can be flexible where I work depending on my workload. Being at home is a really good way to have focused time, but still enjoy being in the office to work on tasks with my team. Everyone I work with has embraced online collaboration, and Teams has allowed me to work closely with partner agencies and colleagues far more effectively. I live in London, so having the flexibility to work at home also allows me to enjoy socialising in the evening more easily.

Living more sustainably is also important to me, so reducing my commute is another benefit.

MORE WE CAN DO

This report reinforces the need to do much more to attract, develop and retain women at management and operational levels. In rebalancing gender composition, we will in turn redress our gender pay gap.

Developing our talent pipeline

We operate within a challenging recruitment environment where there is fierce competition for the most talented people. Attracting and retaining talent is a high priority and we are focused on developing our talent pipeline to deliver our strategic objectives and long-term ambitions.

Diversity at a senior management level is a key priority within our inclusion initiatives.

The Talent Review Group identifies future managers, directors and those who are ready to take the next steps in their careers. It is working to identify opportunities to promote gender balance and its focus will extend to our early careers programme.

We are also strengthening succession planning. Managing Directors will be responsible for submitting succession plans for their businesses to the Talent Review Group, who will review them to ensure a robust, strategic and transparent approach to identifying emerging and future talent.

We also ask our recruitment agencies to source a range of CVs and shortlist a representative number of diverse candidates.

Commitment to equal opportunities

Our Equality and Diversity Policy ensures all employees are accorded equal opportunities for recruitment, remuneration, access to benefits, training and promotion, with ongoing emphasis on monitoring and developing the diversity of our workforce. Any matters raised under the policy are managed and resolved by the Group HR Team. Diversity and promotion statistics are reported to the Executive Leadership Team each month to ensure continuous and positive improvement.

A more modern, flexible workplace

Our most recent Employee Engagement Survey, conducted in 2020, made it clear that people want more time dedicated to discussing career development, training, flexible working arrangements and work life balance.

Our new Agile Working Policy launched in February 2020 is designed to give employees choice, within prescribed guidelines, about the hours or days they choose to work, and/or where they work.

Both site and office employees can now take advantage of a wide variety of practices – including flexible working hours, planned family leave, job sharing and return to work programmes – to suit their needs, and that of their team.

INSPIRING CONFIDENCE



“THE CULTURE AT CREST IS VERY WELCOMING AND OPEN. EVERYONE IS ENCOURAGED TO SHARE THEIR POINT OF VIEW.”

My name is Ed Blackmore and my role within Crest Nicholson is as a Strategic Land and Planning Trainee.

This involves identifying and assessing new land opportunities as well as managing projects in our strategic portfolio through the planning process. I am incredibly happy to join the

Company at this exciting time, and love the direction the Company is heading in.

Although my time at Crest has been short, I cannot praise the Company enough. Everyone is incredibly helpful and welcoming which has allowed me to fit into the Company seamlessly and hit the ground running, to help continue to maintain Crest’s position within the market and uphold its reputation of one of the most prestigious housebuilders within the country.

OUR FUTURE GOALS

“TO GALVANISE ACTION AND HOLD US TO ACCOUNT, WE HAVE SET FOUR HIGH-LEVEL OBJECTIVES. THESE AIM TO MAKE US AN ATTRACTIVE AND DIVERSE EMPLOYER, ENABLING WOMEN TO PROGRESS IN THEIR CAREERS AND BUILDING A SUPPORTIVE WORKING CULTURE.”

JANE COOKSON
Group HR Director

MODERNISING OUR BUSINESS TRANSFORMING OUR CULTURE



BECOME AN EMPLOYER OF CHOICE FOR ALL IN CONSTRUCTION AND HOUSEBUILDING

We have gone through a period of change and establishing our culture. We have more to do on our employer brand and what Crest stands for.

We aspire to have an open and honest culture that enables a collaborative environment that attracts and retains the best people within our sector.



FOSTER A CULTURE OF WORK-LIFE BALANCE THAT RESPECTS RESPONSIBILITIES OUTSIDE WORK

We understand the importance of work-life balance and how that leads to a more productive and motivated workforce, which is why we offer our people flexible working conditions. Our new 'Agile' working policy has transformed the way we work. It provides far greater flexibility in terms of when, where and how our people do their jobs.



REMOVE ANY BARRIERS TO CAREER PROGRESSION FOR WOMEN AND MEN EQUALLY

At Crest, we strive to provide equal access to career opportunities and progression for our people. We continually strive to foster a truly inclusive workplace where we actively assess and remove any barriers to career progression for all of our employees in an equal and fair way.



CONTINUE TO ENSURE SALARIES AND BONUSES ARE GENDER NEUTRAL, REGARDLESS OF ROLE

We have taken steps to bridge the gender pay gap and embedded processes to help ensure that salaries and bonuses are more transparent, fair and gender neutral. We still have work to do in this area, but are actively working to bridge this gap.



GET IN TOUCH

[www.crestnicholson.com/about-us/
integrating-sustainability](http://www.crestnicholson.com/about-us/integrating-sustainability)

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Declaration

I confirm that the information and data reported are accurate and in line with the UK government's Equality Act 2010 (Gender Pay Gap Information) Regulations 2017.

Peter Truscott
Chief Executive