N&C Building Products Limited

Gender Pay Gap Reporting -

Our commitment to equality

At N&C Building Products Limited we take pride in having a workplace which aims to ensure our people are respected and valued, whoever they are and rewarded fairly based on their skills, ability and the requirements of their role.

We operate in the construction sector which employs many more men than women. As a consequence some of the benefits of a diverse work force have not been fully realised. We are determined as a company to continue to encourage women to develop their careers here at N&C Building Products Limited and to move into more senior roles. We are working hard to improve the gender balance. However the balance can be impacted when one of our senior staff leaves. Notwithstanding this we are committed to improve the gender balance in the company and have recently appointed women into senior managerial roles.

Identifying a gap

National statistics show that generally men are paid more than women. Companies with more than 250 employees have been asked by the Government to publish the pay difference experienced by men and women (it's referred to as the 'pay gap'). How that pay gap is calculated is set out by the Government who wanted every private business to measure pay on 5 April each year. This started in 2017 and this is the third year of reporting (due to the suspension of the 2019/20 reporting year as a result of COVID-19). The statistics below reflect our pay gap at 5 April 2018 and 2020.

The Gender Pay Gap

Our average pay gap for 2020 is 10.45%. This decreased from 15.3% in 2018 reflects the impact of staff who were on furlough on the snapshot date and during the relevant pay period being excluded from these calculations (in line with the guidance). We anticipate that the gap in 2021 will increase as a result of less staff being on furlough which will result in an increase of full-pay relevant employees.

| Mean and median pay and bonusi gap | | | | | | | | |
|------------------------------------|--------|--------|--------|--------|--|--|--|--|
| | MEAN | | MEDIAN | | | | | |
| YEAR | 2018 | 2020 | 2018 | 2020 | | | | |
| Gender Pay Gap | 15.30% | 10.45% | 7.00% | 10.75% | | | | |
| Gender Bonus Gap | 7.40% | 42.35% | 25.60% | 34.08% | | | | |

The proportion of men and women receiving a bonus in the twelve months before 5 April 2020

| Proportion of employees receiving a bonus | | | | | | | |
|---|--------|--|--------|--------|--|--|--|
| MALE | | | FEMALE | | | | |
| 2018 | 2020 | | 2018 | 2020 | | | |
| 37.00% | 41.63% | | 23.60% | 40.35% | | | |

The bonus payments we make includes commission for sales and is intended to reward past performance and incentivise our people for the future. No bonus payment will be made to an employee who is serving notice at the time of payment. The difference in the proportion of men and women receiving a bonus in the twelve months before 5 April 2020 has reduced significantly since 2018 and the figures reflect improved sales and performance at various sites.

| Proportion of employees in each quartile pay band | | | | | | | | |
|---|--------|--------|--------|--------|--|--|--|--|
| | MALE | | FEMALE | | | | | |
| PAY QUARTILE | 2018 | 2020 | 2018 | 2020 | | | | |
| Upper | 92.50% | 90.00% | 7.50% | 10.00% | | | | |
| Upper Middle | 74.60% | 75.00% | 25.40% | 25.00% | | | | |
| Lower Middle | 79.10% | 80.00% | 20.90% | 20.00% | | | | |
| Lower | 80.60% | 71.43% | 19.40% | 28.57% | | | | |

Please be aware that the 2020 figures have been distorted by a significant number of employees being on furlough at the snapshot date.

It's important to say that these results don't mean we pay employees differently for doing the same job but they do show that we employ significantly more men than women and that we have a lower proportion of women in leadership and senior roles in our organisation. The upper and lower quartile have mainly been affected by furloughed employees whilst the upper middle and lower middle have remained fairly static in comparison to 2018. It is our continued aim to develop all our staff and as a consequence we expect to be able to employ more female senior managers in the future.

We believe that these figures reflect the lack of women in senior roles in the organisation. We do have several women in middle management roles and they make a significant contribution to the success of our company. However going forward, whilst our requirement is to recruit the best available talent for the group, we will aim to bring women into more senior roles.

We will be able to achieve this by encouraging more flexible working practices and supporting families with small children. We do have a good history in supporting our staff and our aim must be for this to continue. We are working to ensure that we have a sufficient pipeline of female staff ready to move into our senior management team and we are looking at a range of initiatives to help us meet and address diversity imbalances as part of our inclusion strategy.

Whilst the pandemic has delayed our strategy, as mentioned previously, we have still managed to recruit and promote a number of women into senior managerial and directorship roles during the past year.

Miss M L Holmes Finance Director