

Gender pay gap report 2023



Heidelberg Materials



Welcome to our 2023 gender pay gap report, the first as Heidelberg Materials UK following our rebrand last October to align with our parent company's global identity.

While our name may have changed, our commitment to being a fair, respectful and inclusive organisation remains as firm as ever and our initiatives continue to grow.

We are striving to build a more diverse workforce, an aim that goes beyond our gender balance focus to include many other factors, to better reflect the communities we work in.

We do acknowledge we have a gender pay gap, but are pleased to report it is narrowing – the mean average figure has dropped two percent to 18.8%. We are confident we have equal pay for like-for-like jobs, but recognise we need to do more to make senior positions and key operational roles more accessible to women.

As recognised in previous reports, strengthening our gender balance and diversity is a gradual process.

We are committed to improving our position still further and are working to ensure everyone who works for us, and with us, feels respected and included, regardless of gender or any other characteristic.

I confirm the gender pay gap data in this report for our legal entities Hanson Quarry Products Europe Limited and Castle Cement Limited is accurate.

Simon Willis

Chief Executive Officer, Heidelberg Materials UK



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Gender pay gap report 2023

We are continuing our efforts to attract, develop and retain diverse talent to help us deliver our business objectives in a responsible way.

While this report focuses on gender pay and bonus gaps, it also outlines our wider initiatives around equality, diversity and inclusion (ED&I), along with information on our approach to recruitment, training, industry outreach and workforce wellbeing.

Government regulations require all companies with 250 or more employees on 5 April 2023 to publish gender pay and bonus gap details. We have two employing entities required to provide this data and their information is on [page eight](#).

We are presenting the consolidated figures from both businesses, in table 1, as we believe this is more meaningful.

The pay and bonus figures shown are the mean (average) and the median (middle number) of payroll data taken on 5 April 2023.

The gender pay gap is the difference in the average pay and bonuses of all men and women across an organisation.

While we are confident we have equal pay for equal work, we do have a gender pay gap when we compare the overall average pay and bonuses for men and women. This

is due to the unequal distribution of men and women across the company, not as a result of our pay practices.

Our latest figures show our mean gender pay gap has reduced by two percent – from 20.8% in 2022 to 18.8% – while our mean gender bonus gap has also improved, falling 2.7% to 34.2%.

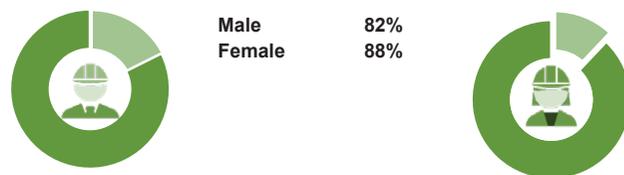
Equal pay

Equal pay for equal work is a key commitment. We objectively grade our roles using the Hay job evaluation methodology and this underpins our pay structure and practices. We regularly conduct a gender analysis to highlight discrepancies and review salaries to ensure equal pay.

Table 1 Heidelberg Materials gender pay gap

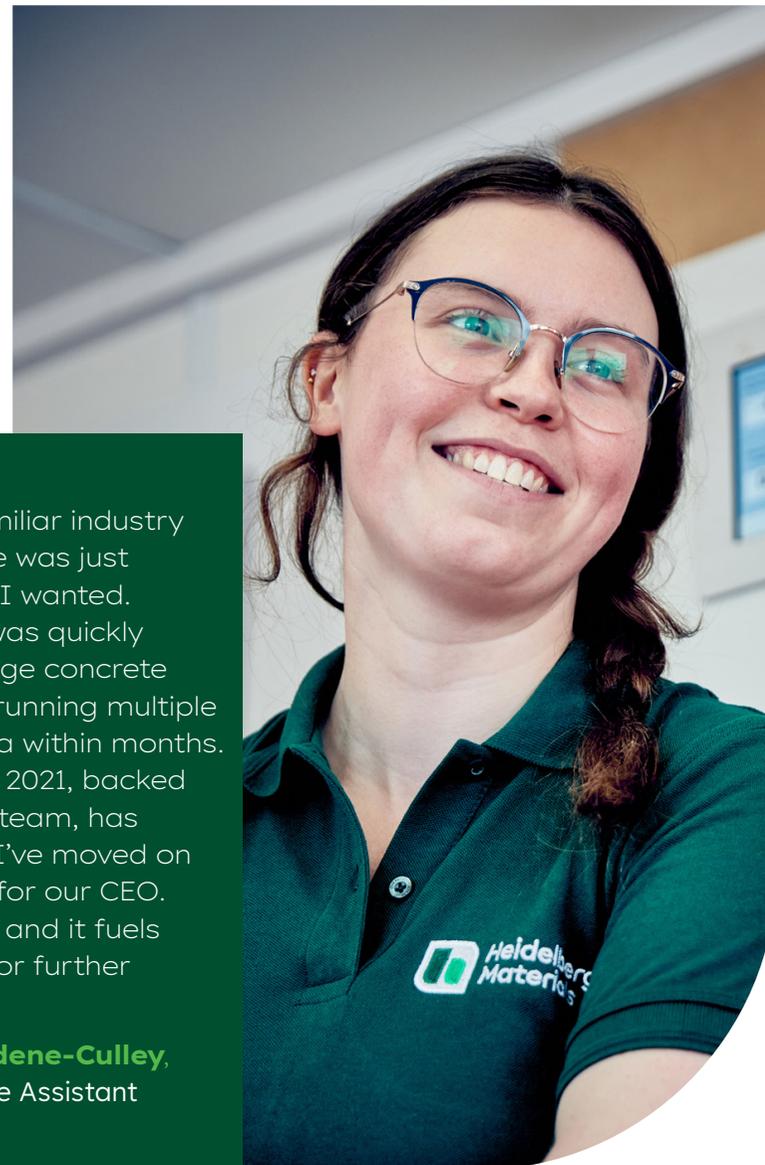
	Mean	Median
Gender pay gap	18.80%	24.30%
Gender bonus gap	34.20%	18.30%

Proportion who receive a bonus



Proportion of employees in pay quartiles

Pay quartile	Male	Female
Upper	87.20%	12.80%
Upper Middle	87.60%	12.40%
Lower Middle	81.20%	18.80%
Lower	64.20%	35.80%



“Joining an unfamiliar industry as an apprentice was just the opportunity I wanted. Embracing it, I was quickly helping to manage concrete operations and running multiple plants in my area within months. My growth since 2021, backed by a supportive team, has been rapid and I’ve moved on to work directly for our CEO. I feel supported and it fuels my confidence for further progression.”

Eleanor Cheseldene-Culley,
Business Executive Assistant to CEO

The gap does remain...

Between 2022 and 2023 we increased the number of female employees across all pay quartiles apart from the lower category. The biggest rise – 2.6% – was in the upper quartile. As many women are in future talent development roles, their career progression will be a further step towards closing the gender pay gap. Supported through a training plan, their salary will rise as they gain experience and responsibility. Wherever possible, we focus on developing people and promoting internally to retain and nurture our talent.

As in our industry, our workforce continues to be male-dominated, though our focus on gender balance is making an impact. In 2023, we saw a 10% rise in the number of female employees to 22% while at 78%, the number of men reduced by two percent. We continue to work towards a more diverse workforce, which includes increasing the number of women, as this leads to more ideas and innovation through a broader range of skills.

While we continue to aim to attract talent from all backgrounds, having more male middle and senior managers will always be a key driver of a gender pay gap.

Our commitments to Fairness, Inclusion, Awareness and Respect (FAIR)

We aspire to provide the best possible conditions so everyone can reach their full potential in a friendly and pleasant environment. We are committed to the elimination of unlawful and unfair discrimination, and value the benefits a

diverse workforce can bring.

We are also committed to being a fair, inclusive and respectful company, while raising awareness of key challenges both internally and across our industry.

To support this, we have an active Fairness, Awareness, Inclusion and Respect (FAIR) committee. Led by an executive board member and from a range of diverse backgrounds, they shape our ED&I strategy and promote our business as a place where

anyone, regardless of gender, background, age, ethnicity, disability or sexual orientation feels welcome and able to have a successful career.

The committee is supported by our LGBT+ Network, Network of Women and our newly-launched Armed Forces Network. Working together, they draw up our FAIR calendar that promotes themed training, activities and information each month.

Along with the calendar's success in raising essential topics like multiple sclerosis awareness and ethnicity in the workplace, our 30 trained Inclusion Champions are also key to our FAIR focus.

They are tasked with delivering toolbox talks on relevant subjects, such as appropriate banter, as well as challenging any non-inclusive behaviours they encounter, and to be a key contact for questions and signposting support.

Our ED&I strategy covers all colleagues along with clients, customers, suppliers and contractors, and we target contracts with customers who have a like-minded approach to fairness, inclusion and respect. The policy must be upheld across all interactions with both internal and external stakeholders.

We also consider the communities we work in to ensure we are supporting different socio-economic groups to help us build a culture that values performance, openness, fairness and transparency.



After eight years progressing through finance roles, I stepped out of my comfort zone into the world of recycled asphalt plantings (RAP). And it's been great – within five months I was promoted to RAP Manager, thanks to the support and guidance of the sales and operational teams. My confidence and knowledge have grown and I'm given an equal opportunity for everything.

Adele Stapleton,
RAP Manager



Tracking our progress

As our business becomes increasingly complex, we need diverse teams that challenge each other to reduce blind spots and who do not share the same frame of reference.

Gender balance remains a challenge and to support this, we continue to follow our five-year strategy plan to increase females in our business, especially in middle and higher management roles.

Strategy plan targets

Leading people metrics: gender balance	2023	2024	2025
Women in top and senior manager roles	14%	16%	20%
Women in middle manager roles	18.88%	20%	22%

In 2023 we saw a 10% rise in women in senior roles and an impressive 17% increase in the number of female middle managers.

Our targets for 2024 and 2025 are supported by a range of actions, including implementing gender neutral job advertisements, mixed gender interview panels, mandating unconscious bias training for all recruiting managers and launching a suite of 26 new ED&I training courses.

The Clear Company

We continue to partner with ED&I specialists The Clear Company and are now working through activities to achieve their gold level accreditation by 2025.

Recruitment policy

Our comprehensive recruitment and retention policy, which covers permanent and agency employees, is designed to attract top talent, foster a supportive environment and promote long-term commitment by offering opportunities for growth and advancement.

Our Recruitment Charter underpins our approach. It's a guiding framework that sets out our requirements to ensure fair, legal and ethical recruitment practices and outlines the standards that govern every stage of the recruitment journey. From initial candidate sourcing to final selection and continuous professional development, it serves as a blueprint for excellence, setting high benchmarks and expectations.

Recruiting the right talent

Our recruitment process is driven by an annual review of needs, which enables the allocation of budgets and the forecasting of business requirements. Our agile approach allows for ad-hoc assessments of resourcing, ensuring flexibility to adapt to changing demand and development





opportunities. To attract local applicants, our recruitment efforts target platforms including Jobcentre Plus, Youth Employment UK and LinkedIn while also incentivising employee referrals. We are dedicated to attracting and retaining young talent, creating a pipeline of future professionals and embracing diversity.

Retention and development

To encourage our teams to outperform, we ensure people are in the right roles and are engaged and empowered. We have robust processes and systems that allow us to identify, support and deliver development requirements for people in their roles and for future potential careers.

Our Pathway learning management system hosts training matrices for all roles allowing identification of mandatory, site-specific and person-specific training requirements. Our annual review process is used to discuss career aspirations and highlight further career opportunities. Development objectives are set and people are supported by our Talent and Development team.

Creating a diverse and inclusive environment to attract and retain top talent

We believe our success is founded on a diverse and inclusive environment where

everyone is able to bring their true self to work, where they are empowered to challenge the status quo, bringing in new and innovative ideas and where everyone feels valued and recognised for their achievements, regardless of background.

By fostering a diverse and inclusive environment, we not only attract top talent but also ensure their long-term retention as they experience a sense of belonging, empowerment and recognition.

Our overarching People Strategy encompasses our equality, diversity and inclusion strategies, Dignity at Work policy, Recruitment Charter and Code of Business Conduct.

It also reflects our 2030 commitments, which are built on four key pillars. The Safe & Inclusive pillar includes a Fairness, Awareness, Inclusion, and Respect (FAIR) key performance indicator with achieving 25% of women in senior roles as one of its targets.

Learning, development and succession planning

We recognise our people are our biggest resource, and we ensure everyone is sufficiently trained and competent to carry out their roles. Personal development plays a crucial role in creating a pipeline of future talent as well as supporting our people to build their skills and talents to ensure they are able to reach their full potential.

Our Pathway learning management system allocates, tracks and manages all our training. It works in conjunction with our people management system, Workday, which managers use with our HR team to set role-specific targets, development plans and to identify succession opportunities.

Training plans are established for each role, tailored to suit the needs of our business lines and our clients. Our training and development team identify requirements in line with National Occupational Standards and use them as the foundation to develop further qualifications with sector experts and professional bodies.

Succession planning is a key part of our People Strategy plan, which addresses our industry's ageing workforce and the resulting potential skills shortage.

Succession plans are created and reviewed quarterly with line managers and business line directors. Potential candidates are supported with career progression routes and development opportunities discussed in their Personal Development Review meetings, which are tracked and monitored in Workday and Pathway.

The success of these measures ensures a pipeline of rising talent.

Apprenticeships

We are committed to attracting and retaining young people, building our talent pipeline to ensure knowledge and skills are not lost as well as bringing in new perspectives to challenge the status quo.

We are engaging with SME partners with a view to embedding a collaborative approach to early talent recruitment, particularly for organisations who struggle to market their roles effectively. This will enable us to collectively recruit a broader range of prospective talent, providing more opportunities for young people while also supporting smaller organisations to grow.

We joined The 5% Club in 2019, committing to maintain at least 5% of our workforce on formalised training or apprenticeship programmes. We quickly surpassed the target through our apprenticeship and graduate programmes along with our company-wide development training qualification delivery. We have now achieved the Club's highest standard, platinum by maintaining 13.3%.

Since 2016 we have recruited and retained 50 apprentices and 35 graduates. We aim to grow these numbers by attracting a further 17 Leadership, Education and Development (LEAD) management apprentices and 15 graduates each year.



Supporting young people's career choices

Through consultation with local stakeholders, our STEM ambassadors and site teams deliver STEM activities like careers and CV advice, and industry presentations. We also host site visits to increase industry awareness and, where practical, offer placements for pupils from school and colleges.

We are members of the Minerals Matter working group of the Mineral Products Qualifications Council, supporting their awareness-raising to attract more young people into our industry through STEM engagement. We also have a schools' outreach programme targeting areas with the highest levels of free school meals, allowing us to focus opportunities on young people most at need.



Looking after our workforce's wellbeing

Investing in the wellbeing of our workforce is a priority for us and it plays a pivotal role in our retention strategy. Our caring approach fosters a positive work environment that entices and motivates people to stay with us. To achieve this, we:

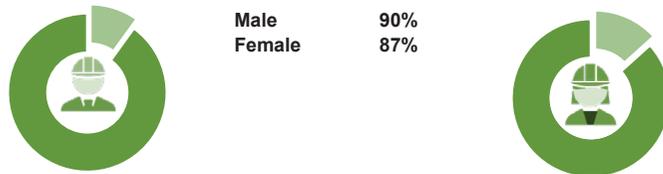
- create a healthy workplace with measures to support effective fatigue management and avoiding double-shifts, along with benefits such as contributory pension plans, a cycle to work scheme and an employee assistance programme.
- provide a Leading by Example programme to train the best practices of treating others with care and promoting a harmonious, respectful work culture.
- participate in the Disability Confident scheme, providing an inclusive and accessible environment that values diversity and equal opportunities.
- have achieved the silver level of the Armed Forces Covenant, supporting and recognising the contributions of our services' personnel, veterans and their families.
- offer a sabbatical policy that recognises the importance of work-life balance and personal development, whether from life-long learning or charity work, or enjoying leisure activities, travel or other interests.
- promote our agile working policy that allows working from home or more flexible hours for better work-life balance.
- support families through an enhanced range of policies including paternity and neonatal leave, and the menopause.

As well as our consolidated gender pay gap figures on [page three](#), we also include the results for our two employing entities in tables 2 and 3.

Table 2 Hanson Quarry Products Europe Limited

	Mean	Median
Gender pay gap	14.3%	19.3%
Gender bonus gap	45.4%	36.6%

Proportion who receive a bonus



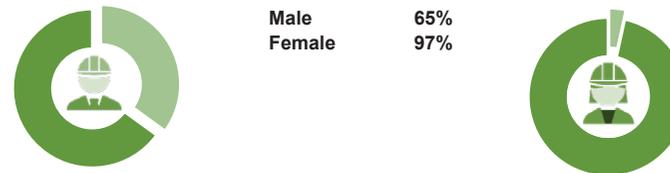
Proportion of employees in pay quartiles

Pay quartile	Male	Female
Upper	80.7%	19.3%
Upper Middle	84.6%	15.4%
Lower Middle	77.5%	22.5%
Lower	61.8%	38.2%

Table 3 Castle Cement Limited

	Mean	Median
Gender pay gap	34.2%	34.2%
Gender bonus gap	-22.9%	1.3%

Proportion who receive a bonus



Proportion of employees in pay quartiles

Pay quartile	Male	Female
Upper	92.3%	7.7%
Upper Middle	98.3%	1.7%
Lower Middle	83.8%	16.2%
Lower	88.0%	12.0%

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