

## 2020 Ibstock Brick Limited – Gender Pay Reporting

### Introduction

We are pleased to report our Gender Pay Gap results for 2020. This is the fourth year of reporting in accordance with UK Government requirements, which were implemented to demonstrate the gap between the pay of female and male employees per hour and also information about bonus payments. We have wholly embraced the new reporting regulations and believe firmly in providing equal opportunities regardless of gender, age, race, sexual orientation or disability.

We believe the diversity of our people strengthens our judgement, independence and decision making. We also know that attracting a more diverse workforce widens our pool of talent which is key for our succession planning and sustainable growth. Our commitment is backed by our Diversity & Inclusion Policy.

The results will demonstrate that our gender pay gap worsened. However, in line with the Regulations that determine how our gender pay gap is calculated all employees who were furloughed in April 2020 have been excluded from the calculation (but not the gender bonus gap calculation). As a consequence, it is difficult to make a meaningful comparison with previous years and as such the results should be viewed with caution.

Our current employee population reflects the traditional nature of our industry across all diversity characteristics including age, race, gender, sexual orientation and disability. We recognise the challenge we face with 85% of roles being occupied by men including a higher percentage of men in factory based production roles. Our office based roles have a more even split of male and female employees including a higher representation of women in customer service roles.

The reality of 2020 has reinforced the importance of inclusion and diversity at Ibstock. Sadly, we lost two of our most senior females from our Executive Leadership Team during the year setting us back in our efforts to improve our gender balance at the most senior level.

During the year the HR team presented a paper setting out a proposed Diversity and Inclusion strategy to the Executive Leadership Team and the Sustainability Board. A number of other actions to improve our performance in this area were also completed including:

- Upgrading our maternity policy
- Supporting and enabling home working with remote working equipment and software fortuitously rolled out just prior to the COVID-19 pandemic
- Bringing our recruitment in house giving us greater insight and control and enabling us to see a more diverse range of candidates
- Investing in automation to reduce manual work which enables us to attract more diverse candidates into production roles.
- Reviewing our corporate imagery to reflect our commitment to diversity.

Events over the past year have raised the significance and awareness of the social divides that exist in the UK for the general public but also for our leaders, our colleagues and our stakeholders. In tandem, we have witnessed work and home life collide in a very unexpected way. We have found that our shared experience of 2020 has reinforced the value of an inclusive corporate culture. We begin 2021 with a greater awareness of our role and commitment to evolving our culture to be more inclusive and shift the dial on diversity in Ibstock and in our sector in the coming years.

Our focus on building our culture of fairness, inclusion and respect will be supported next year by the commitment to appoint a senior sponsor in the business for diversity and inclusion.

**What impacts the pay and bonus gap at Ibstock?**


Manufacturing and the Building Materials industries continue to face a challenge in attracting more women into the sector. Ibstock Brick Limited is no different in this regard.

Due to the demographics of our workforce, there is an under-representation of women holding managerial and senior roles in production and in central functions, which is the main factor causing our mean and median pay gaps in favour of men.

Bonus pay gaps are impacted by the following factors:

- The vast majority of our people are employed in production with the roles filled predominantly by men. At Ibstock Brick Limited, the pay structure includes an element of weekly variable pay which is linked to the delivery of production targets. This is captured in bonus pay. As a result, a higher proportion of male employees receive bonus compared to females (who on the whole are in salaried roles that have less variable pay elements).
- Where women earn a bonus, it is earned based on company and personal performance, including women in senior management roles who participate in the management bonus scheme. This management bonus can contribute a significant proportion of overall pay and is of a higher amount than the weekly paid production bonuses. These factors result in a bonus gap in favour of women when looking in aggregate across the entire organisation.

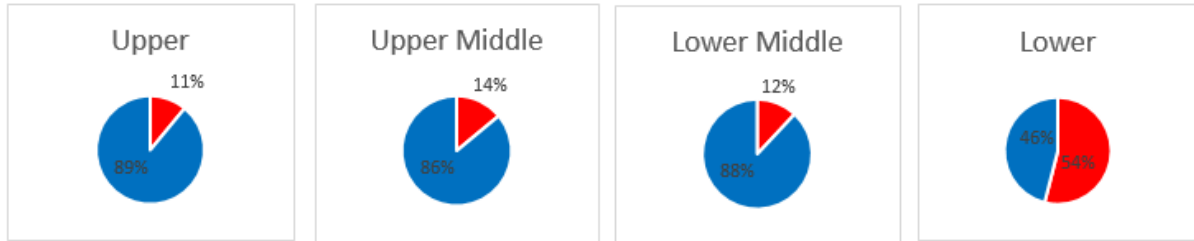
**Ibstock Brick Limited’s gender pay gap 2020**



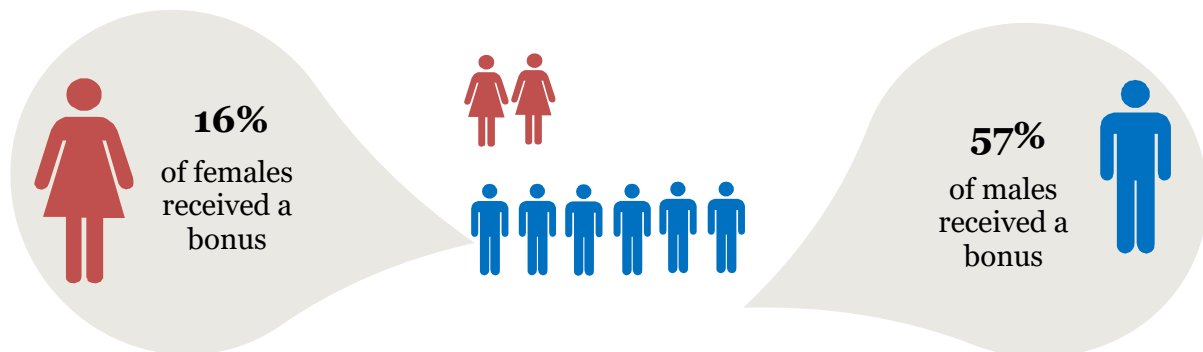
Differences in pay and bonus between men and women		
	Pay (by hour)	Bonus
Mean	14%	-106%
Median	40%	-11%



### Number of males and females in each pay quartile



### Proportion that received a bonus payment



### Taking action

Our results show we have more work to do. Our mean gender pay gap of 14% is lower than the national average of 15.5% (ONS 2020) and we are committed to regular analysis, monitoring and continuing work to remedy the gap that we have.

At Ibstock Brick we are committed to providing equal opportunities and increasing the diversity of our workforce. We are already undertaking several initiatives to increase diversity across our business:

We are taking a number of steps aimed at encouraging a diverse and wide range of candidates internally and externally for all roles within the company, for instance in our production areas where there is a significant under representation of women.

The following illustrates what we are doing to tackle under representation of women in the work place:

<b>Policy and Practices</b>	
Improving our maternity policy	Our maternity policy and pay has been improved with effect from 1 January 2020.
Encouraging more flexible working practices to be more family friendly	There has been a positive acceleration in this area prompted by the Covid-19 lockdown that we intend to develop and build on.
<b>Recruitment and Brand</b>	
Reviewing our recruitment processes to reduce unconscious bias	This area continues to be work in progress. We have delivered on some actions but have had to postpone some of our plans due to Covid-19.
Improving website imagery that demonstrates our commitment to diversity	We have updated the brochures and the careers webpage to reflect the equality and diversity we aspire to.
Partnering with organisations who promote our roles to an exclusive audience of women	We continue to partner with organisations who can raise the share our vacancies reaching a female audience.
<b>Developing Apprenticeship, Technical and Managerial Role</b>	
Expanding our Group Engineering Apprenticeship Scheme with a focus on recruiting women	We expect an intake of apprentices during 2021.
Promoting Engineering and Technical roles to girls at Schools	We were unable to engage with schools and colleges during 2020 due to Covid 19 but will seeking to do so when it appropriate to do so.
<b>Networking</b>	
Hosting events for our 'Supporting Women in Business' network	Hosting a series of seminars, talks and peer networking events to share experiences, learn and discuss how we can encourage more women to join our company and encourage female colleagues to build long term careers with us.

We know it will take a long-term commitment to significantly change the make-up of our workforce – and of the manufacturing sector. We will continue to drive these efforts to make Ibstock Brick a diverse employer of choice.

**Nicola Hale**

Human Resources Director