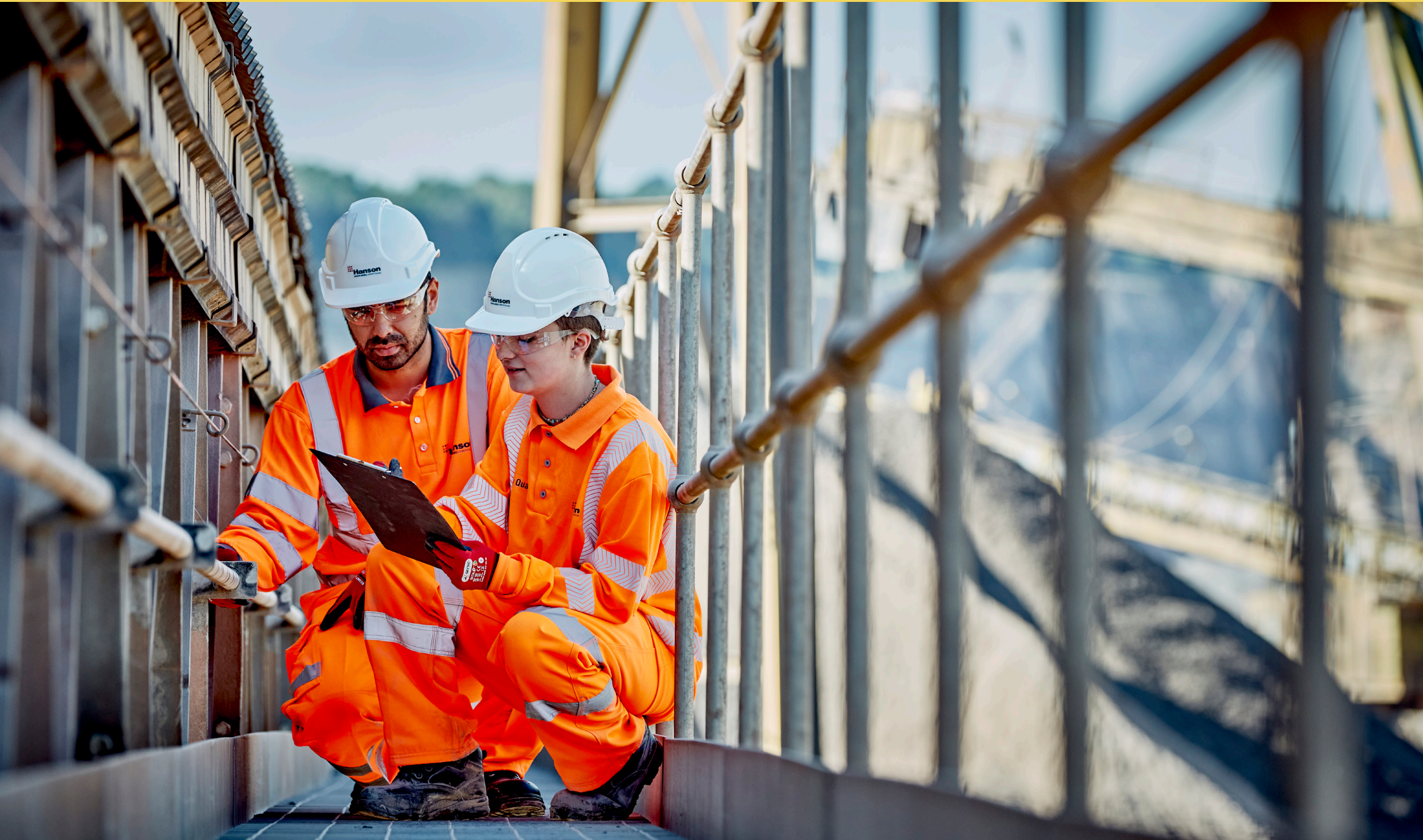


Gender pay gap report 2022



Welcome to our 2022 gender pay gap report. Our initiatives around being a fair, respectful and inclusive organisation continue to grow.

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

We do acknowledge we have a gender pay gap, though remain confident we have equal pay. This is mainly down to having fewer women in senior positions and in the operational production roles that attract weekly bonuses and shift premiums.

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

We are committed to improving our position 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 Hanson Quarry Products Europe Limited and Castle Cement Limited is accurate.

Simon Willis
chief executive officer, Hanson UK



Gender pay gap report 2022

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 includes details of our wider initiatives around equality, diversity and inclusion.

Government regulations require all companies with 250 or more employees on 5 April 2022 to publish gender pay and bonus gap details. As Hanson UK, we have two employing entities

required to publish this data and their information is on [page eight](#).

We are publishing the consolidated data from both businesses, in table one, 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 2022.

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 work of equal value, 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.

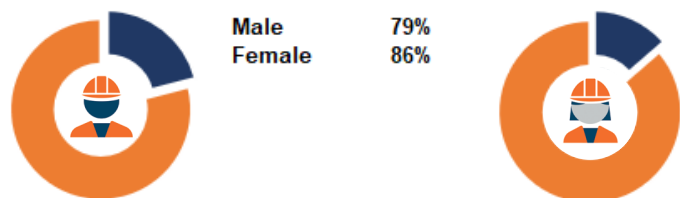
Equal pay

Equal pay for equal work is a key commitment for us. 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 ONE
HANSON UK GENDER PAY GAP

	Mean	Median
Gender pay gap	20.8 %	27.5 %
Gender bonus gap	36.9 %	25.1 %

Proportion who receive a bonus



Proportion of employees in pay quartiles

Pay Quartile	Male	Female
Upper	89.8 %	10.2 %
Upper Middle	89.9 %	10.1 %
Lower Middle	81.6 %	18.4 %
Lower	64.0 %	36.0 %



I joined the graduate scheme in 2020 in the concrete business line. I was immediately integrated into our London operations, trusted to undertake responsibilities and tasks that helped develop my knowledge. From front end loader and working at height training to vocational education in concrete studies, the business has supported my growth. I'm now in a role where I'm working closely with the CEO and the executive team.

Aarti Barot
business executive
assistant to CEO

The gap does remain...

Between 2021 and 2022 we increased the number of female employees across almost all pay quartiles, excluding the lower middle category. As many 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 2022, 80% of our employees were male, 3% less than in 2021. 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 figures are also affected by having significantly fewer women in operational roles, though this is also improving with a 2% rise from 5% in 2021 to 7% in 2022. These roles have different compensation structures, including weekly production bonuses that can make up a significant proportion of overall take-home pay, which is different to non-operational, similar level roles that attract yearly pay percentage bonuses based on company performance.

Our industry is known for its long hours which makes attracting and retaining women a challenge, especially in operations. Many of our employment contracts have now been reduced from 55 hours to 45 hours with no impact on pay. We are continuing to work towards a more diverse future by making incremental changes. We are committed to reducing the gender pay and bonus gaps but recognise it will take time.

“

My journey so far has been fun and exciting – I joined in 2021. I've had several opportunities to grow, with exposure to various amounts of training increasing my knowledge about the business and developing my skillset. I've also been surrounded by motivated, helpful and supportive people and am treated as an equal. I'm looking forward to building my career here.

”

Janique St Prix
graduate trainee manager





My development has been led by the operational functions as I joined directly rather than through the apprenticeship or graduate schemes. My training and progression have been a priority for my managers – in four years, I've advanced from an assistant manager to a unit manager running two sites. This wouldn't have been possible without the continued support and encouragement from my colleagues and managers.



Jenna Roberts
unit manager,
aggregates



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

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

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

To support this, we have a Fairness, Awareness, Inclusion and Respect (FAIR) committee, recently renamed to include our awareness-raising activities. Led by an executive board member and drawn from a range of diverse backgrounds, they shape our FAIR 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.

Our diversity and inclusion policy covers all colleagues along with our clients, customers, suppliers and contractors, and we target contracts with customers who share our FAIR outlook. It must be upheld across all interactions with both internal and external stakeholders.

As part of our drive towards a culture that values performance, openness, fairness and transparency, we also consider the communities we work in to ensure we are supporting different socio-economic groups.

Tracking strategy progress

Our business is becoming increasingly complex and we need diverse teams with members who do not share the same frame of reference and can challenge each other to reduce blind spots.

Gender balance remains a challenge and to address this, we continue to work towards our five-year strategy plan to increase the number of women in our business, with particular focus on middle and higher management roles.

As of quarter one 2022, we are on track in middle management grades and in our top and senior management roles. In addition, overall female headcount has improved on previous years.

Network of Women (NOW)

We continue to support and grow our NOW, who have fortnightly committee meetings to review progress.

As well as holding events to support International Women's Day and Women in Science and Engineering (WISE), the network

Leading people metrics		2020	2021	2022
Women in top and senior manager roles	%	12	12	14
Women in middle manager roles	%	17	18.28	20.28

hosts regular knowledge sharing sessions open to anyone in the business.

During 2022, we expanded our NOW links with parent company Heidelberg Materials. As part of a wider network, we are able to support and discuss local challenges and share best practice, along with ideas on initiatives to change our workplace culture to ensure it is inclusive and attractive to diverse people.

LGBT+

Our LGBT+ network has grown to include a wider range of people since launching in 2021. It provides a community space for LGBT+ people and allies to communicate and share experiences, as well as offering peer-to-peer support to any employee.

The network assists our FAIR committee by generating and sharing material to inform, raise awareness and educate our business of LGBT+ issues and experiences, and also fundraises for LGBT+ charities.

They foster relationships with supporting organisations such as Building Equality, an alliance of construction businesses who are

keen to drive LGBT+ inclusion in our industry to ensure it is welcoming and supportive.

The network attended Bristol Pride in 2022 along with two of our construction vehicles re-branded in pride colors.

The Clear Company

We are now accredited to The Clear Company following our earlier partnership with Women in Science and Engineering (WISE).

We are building on the great work done with WISE with the Company, who are supporting

us across the full spectrum of equality, diversity and inclusion as well as gender balance.

We are an affiliated foundation member and are working through activities to gain their bronze accreditation. Their benchmarking is helping us

shape our future strategy.

They have been key in supporting us through training and awareness sessions and with the launch of 25 trained Inclusion Champions across our business.



Inclusion Champions

Our Inclusion Champions aim to:

- be a visible focal point for questions and queries around situations involving equality, diversity and inclusion
- escalate issues or questions to our FAIR committee
- role model positive equality, diversity and inclusion practice.
- educate and demonstrate on constructively challenging non-inclusive situations
- conduct education and awareness sessions such as toolbox talks.

Inclusion campaign

Our Be Your Best You campaign launched in 2022 celebrating difference is good. We believe people with different backgrounds and perspectives make us a stronger business, and one that better reflects the world we live in.

Following this, we have launched a recruitment campaign that highlights our commitment to being a fair, respectful and inclusive company by celebrating diversity and encouraging a culture that values openness and transparency, and recognises achievement. It features a range of employees wearing uniquely

designed hard hats to showcase that we embrace diversity and individuality, and to inspire more people to consider careers in our industry.

Disability Confident

The government scheme is helping us think differently about disability and take action to improve how we recruit, retain and develop disabled people. We renewed our three-year accreditation in 2021.

Agile working policy launched

It follows the flexible working developed during the pandemic and our employee feedback that, in the main, showed people enjoyed the work-life balance it enabled. Our policy allows agile working automatically for certain posts and enables requests to work in an agile way for other roles.

Family-friendly and sabbatical leave policies

We have launched neonatal and sabbatical leave, and enhanced our paternity provision.

Parents of babies needing neonatal care can take up to 12 weeks paid leave in addition to other leave entitlements while

people with five or more years' continuous service can apply for sabbaticals for work-life balance or personal development.

With our improved paternity policy, eligible employees can now take two weeks paid leave.

Recruitment processes

Our continued focus on equality, diversity and inclusion focus informs our recruitment processes. Enhancements include:

- implementing an updated recruitment charter
- updating our policy to ensure we shortlist 50% of female candidates for roles where possible and have gender balance in our interview panels
- continuing our apprenticeship and graduate schemes
- ensuring job advert wording is gender neutral
- introducing a questionnaire to measure the inclusivity of our onboarding process.

Young people

As part of our sustainability objectives, we aim to play a role in attracting a diverse range of young talented people into our industry.

Our mature employment and skills infrastructure promotes wide-ranging and accessible entry-level employment and training opportunities, including apprenticeship and graduate programmes. As a member of employers' group The 5% Club, we continue to surpass their target of having a minimum 5% of our workforce on apprenticeships, sponsored student and/or graduate development schemes. We now have 13% enrolled on our early talent programmes, up from 10.5%.

Youth Employment UK

A shortage of skills and work experience has given young people limited understanding of what careers exist and has created a disconnect between young people and employers. The employer network gives organisations the tools and support they need to ensure they are positioned to maximise the potential of the young people they engage with as employees, customers or other stakeholders. We also work with Youth Employment UK to share and showcase our career opportunities.

Schools outreach

Strengthening our links with schools and colleges is a key way of addressing our gender balance and age demographic, and supports our focus on recruiting from diverse backgrounds and socio-economic groups.

We have joined the Education Business Partnership (EBP) to work on a schools outreach programme with support from our own STEM ambassadors and the new Minerals Matter ambassadors.

The initiative will boost recruitment into our apprenticeships and graduate programmes as universities are included in our EBP work.

The EBP network with schools on our behalf to raise awareness of career opportunities in our industry through newsletters, webinars and attending career days. They also provide CV writing and interview support, and run employability workshops.

Ex-armed forces support and recruitment

An important part of our corporate social responsibility is supporting under-represented groups like ex-services personnel to make the most

of their transferable skills. We have signed up to the Armed Forces Covenant to support and recognise people with a forces background, and have already achieved their bronze standard for the support we offer employees who have served or are reservists. A key focus is to recruit through organisations like the Career Transition Partnership, which helps ex-services men and women move into civilian life.

Social Value UK

We are now accredited with Social Value UK, the professional body for social value and impact management, and are the first building materials business to gain their level one certification.

We work with them to better understand and measure social value impacts within our communities, which includes factors like career opportunities and our working environment.

Statutory Disclosure

We have several companies in the UK and together they employ more than 3,500 people.

Only two companies, however, have 250 or more relevant employees as of 5 April 2022. While the consolidated Hanson UK outcomes are on

page three the figures for these two businesses are in tables two and three. The methodology used to produce them is consistent with the 'ACAS managing gender pay gap reporting guidance' of March 2017.

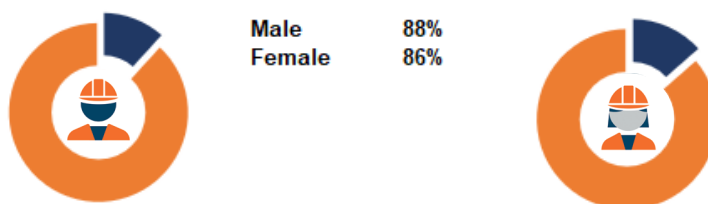
Calculations include regular UK employees as well as expatriates

where the employment relationship suggests a strong connection to the UK. The pay and bonus figures shown are the mean (average) and the median (middle number) of payroll data taken on 5 April 2022.

TABLE TWO
HANSON QUARRY PRODUCTS EUROPE LIMITED

	Mean	Median
Gender pay gap	17.4 %	21.9 %
Gender bonus gap	50.0 %	45.9 %

Proportion who receive a bonus



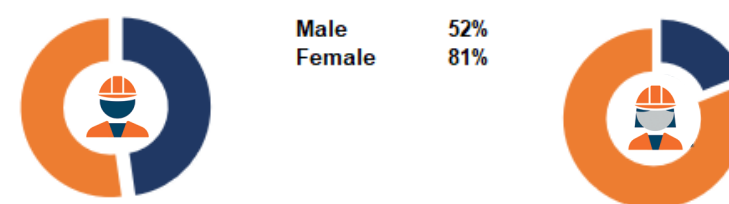
Proportion of employees in pay quartiles

Pay Quartile	Male	Female
Upper	85.3 %	14.7 %
Upper Middle	83.5 %	16.5 %
Lower Middle	79.4 %	20.6 %
Lower	60.5 %	39.5 %

TABLE THREE
CASTLE CEMENT LIMITED

	Mean	Median
Gender pay gap	29.7 %	29.7 %
Gender bonus gap	-92.7 %	-21.8 %

Proportion who receive a bonus



Proportion of employees in pay quartiles

Pay Quartile	Male	Female
Upper	98.2 %	1.8 %
Upper Middle	97.6 %	2.4 %
Lower Middle	96.3 %	3.7 %
Lower	87.8 %	12.2 %

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