



Gender pay gap

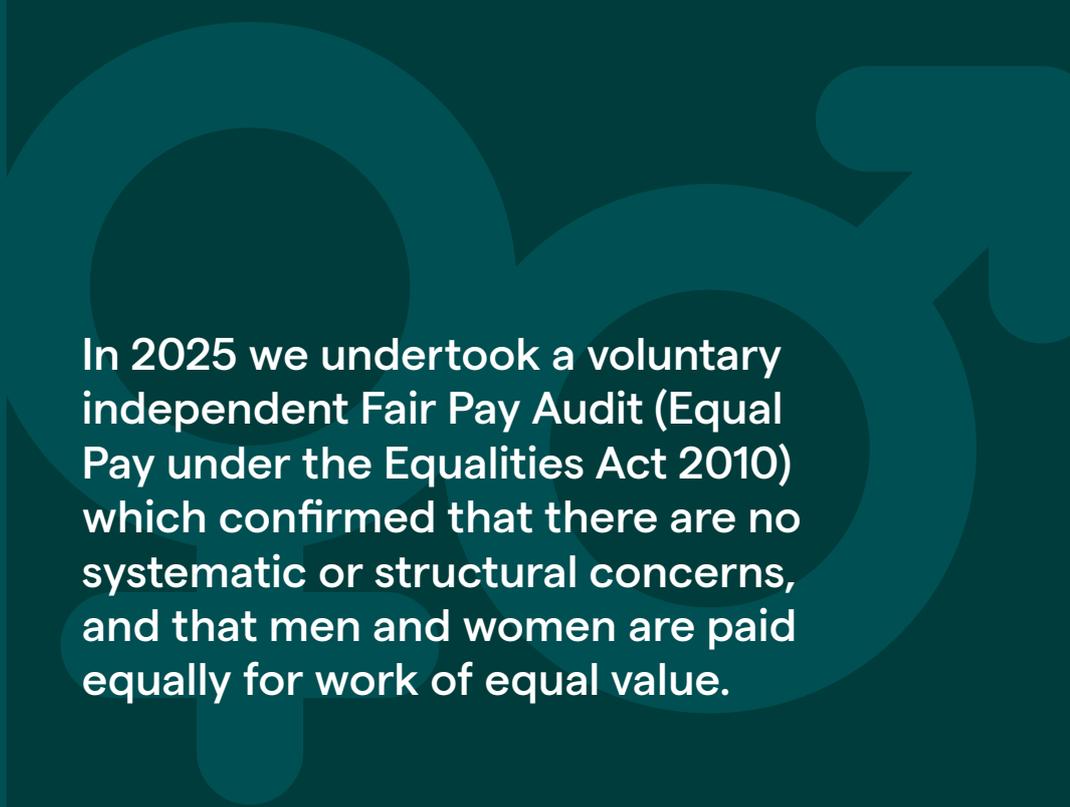
Report 2025





Background

The **gender pay gap** is the percentage difference between the average hourly earnings of men and women in a workforce.



In 2025 we undertook a voluntary independent Fair Pay Audit (Equal Pay under the Equalities Act 2010) which confirmed that there are no systematic or structural concerns, and that men and women are paid equally for work of equal value.

Sage Homes' gender pay gap

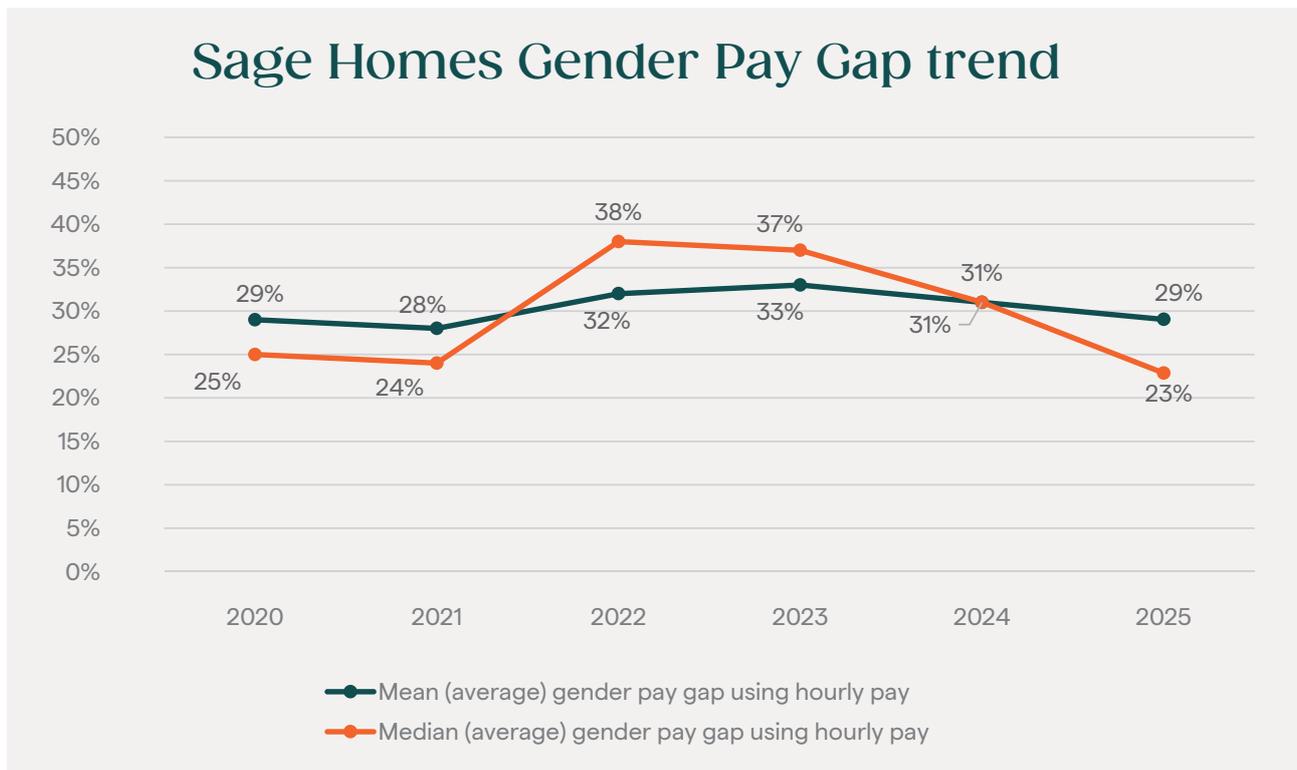
Reporting and progress

This is our third gender pay gap report (GPG) and is a snapshot based on data from 5 April 2025, when Sage Homes' employee headcount was 391, split 46% male to 54% female.

Sage Homes' Board and Leadership team take fairness to all employees seriously. We consider pay fairness from a number of perspectives, one of which is the gender pay gap.

Our median gender pay gap is 23%, an improvement (decrease) of 8% from last year. We're pleased to see a continued reduction from a high of 38% three years ago in 2022 and are determined to continue our work in closing this gap.

Our data shows that, once again, the extent of our gender pay gap, for both ordinary pay and bonus pay, is driven by the lower proportion of women in the upper quartile, eg leadership roles (32%, an increase of 2% from 2024). There has also been an increase from 2024 in female representation within the two middle quartiles, with the upper middle quartile increasing by 5% to 49% female representation, and the lower middle quartile increasing by 3% to 68%.



Reporting and progress (continued)

NEW HIRES AND PROMOTIONS

In relation to new hires, while the average male starting salary (£51,198) is a drop of 3.3% from 2024, the average female starting salary (£43,796) is 1% higher. 50% of all new hires over the past year were female, compared to 54% in 2024. However, female employees took the majority (63%) of in-role promotions over the last year.



CONTINUING TO DRIVE CHANGE

In 2023 we introduced a new pay and grading structure based on defined salary bands for each grade, with salary levels being determined by role, rather than characteristics of the job holder or their previous salary. We continued this approach and also focused on ensuring consistency in terms and conditions, flexible working policies, development opportunities, benefits and recruitment.

Almost half (49%) of all 'exceed' ratings for the 2024 performance year, paid in March 2025, were for women, resulting in a 5% uplift to the value of their individual bonus percentage.

We're confident that our focus on increasing female representation among more senior roles and recruiting carefully as each senior vacancy arises, will have a long term, sustained and material impact on our GPG in the future, as shown by our year-on-year improvement. We acknowledge that it will take a few years to close this gap as recruiting at a senior level is dependent on labour turnover, with turnover being historically low amongst our senior team. However, Sage management will take actions that could have an indirect impact, such as investing in senior leadership development and succession planning. We have already seen an improvement with median GPG reducing from 38% in 2022 to 23% in 2025, and the mean reducing from 33% in 2023 to 29% in 2025.

What do we report?

The main measure reported is the gender pay gap for the **median hourly pay**. We also present similar figures for the **mean hourly pay**, a comparison of bonus payments (both median and mean) and a breakdown of the proportion of men and women in each quartile of our pay range.

The main measure is the **median hourly pay**. This is calculated by taking the hourly rate of all the men, from lowest to highest and selecting the middle point. We do the same with all the women's hourly rates. The **median gender pay gap** is the difference between these two middle points.

We're also required to publish the difference in **mean hourly pay**. This is a good indication of how salaries of men and women are spread throughout an organisation. This is calculated by adding all the men's hourly

rates together and dividing it by the number of men at Sage Homes. We do the same for all the women's hourly rates. The **mean gender pay gap** is the difference between these two numbers.

We've also published the percentage of men and women who were paid a bonus (in the 12 months prior to 5 April 2025) and the difference between their median and mean figures too.

This report excludes colleagues who've identified as gender neutral.

Median

The **median** is the number in the middle



The median of this set of numbers is **3** because:
it's the middle number in the set



Mean

The **mean** is the sum of the numbers, divided by the total amount of numbers



The mean of the same set of numbers is **4** because:

- the sum of the numbers (1+3+3+3+4+5+9) is **28**
- the total amount of numbers is **7**
- and $28 / 7 = 4$



Hourly gender pay gap

The **hourly gender pay gap** illustrates the difference between the average (or median) pay for all male employees and the average (or median) hourly pay for all female employees, regardless of role.

Hourly pay comprises salary and allowances paid in April 2025. Our 2025 median hourly pay gap shows an improvement (a reduction) of 8% compared to the previous year.

Median

Our median gender pay gap is 23%.



Mean

Our mean gender pay gap is 29%.



Further insight

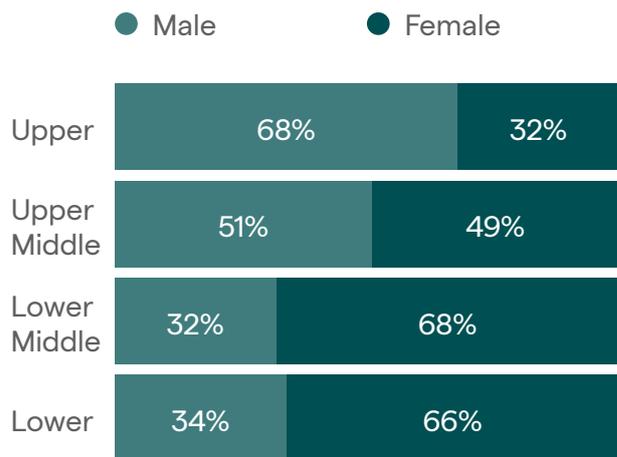
Gender distribution by quartile

On 5 April 2025 (the snapshot date), Sage Homes’ overall gender representation was relatively balanced, at 46% male and 54% female. The median gender pay gap is 23% and we’re pleased to see a year-on-year improvement of an 8% decrease.

When analysing the gender pay gap within the four quartiles seen below, it’s within the upper quartile that a more challenging gender representation (32% female) can be seen, however this reflects a 2% year-on-year increase. It continues to be the main contributing factor towards Sage’s current gender pay gap results.

PROPORTION OF MEN AND WOMEN IN EACH HOURLY PAY QUARTILE

This is calculated by sorting the hourly pay for all employees from lowest to highest. The list is then divided into four equal groups (quartiles), and the percentage of males and females in each quartile is shown.



Gender pay gap and equal pay

It’s worth noting that **gender pay gap** and **equal pay** are not the same thing:

- **Gender pay gap** is the percentage difference between the average hourly earnings of men and women in a workforce
- **Equal pay** is covered by the Equality Act 2010, and is the legal requirement for men and women doing the same job to be paid the same.

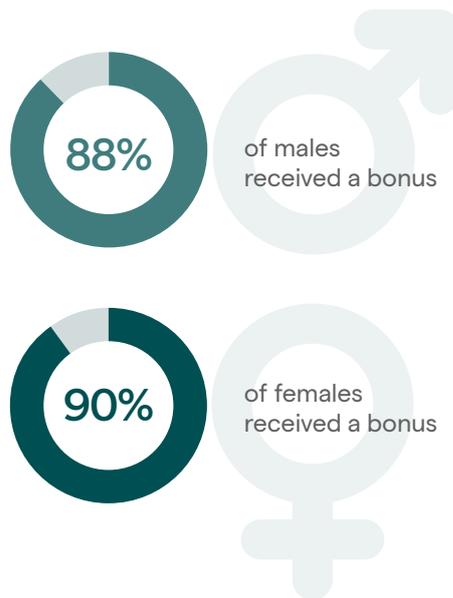
Bonus gender pay gap

Who received a bonus?

Our discretionary annual bonus scheme is based on both company and individual performance measures. The distribution of the March 2025 bonus saw an increase from 83% in 2024, with 90% of female employees and 88% of male employees receiving a bonus.

Employees in post by 1 October 2024 were eligible for a bonus payment, payable in March 2025 (the reference period for reporting). Our rigorous moderation process includes gender monitoring of the performance management system.

Of the employees who 'exceeded' their objectives, 49% were female (down 6% from 2024). This resulted in an additional 5% uplift to their individual bonus. For example, an employee with the opportunity to receive a bonus of up to 10% would instead have had the opportunity to receive a bonus of up to 15% for the 2023 performance year.



Median

Our median gender bonus gap is 49%.



Mean

Our mean gender bonus gap is 62%.







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