

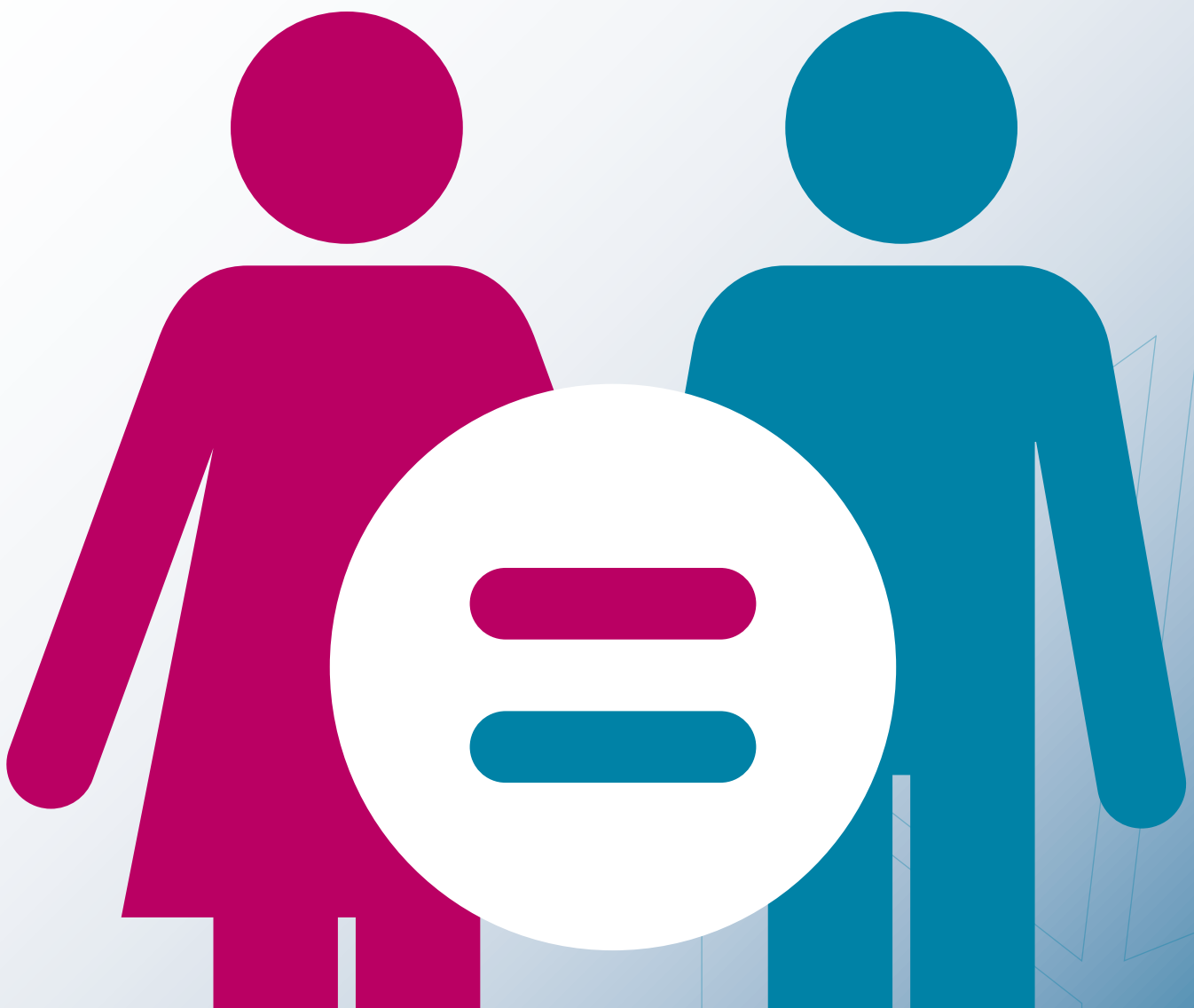
Stonewater Gender and Ethnicity Pay Gap Report 2025



Background

Welcome to Stonewater's Gender and Ethnicity Pay Gap report based on the snapshot data from April 2025.

The gender/ethnicity pay gap is the difference between the average pay of men and women/non-ethnically diverse and ethnically diverse employees across a business; it's not a comparison of pay rates between men/women and white/ethnically diverse employees doing the same job.



Foreword

As Chief Executive, I'm proud of how far Stonewater has come over the past decade, growing into one of the UK's leading social housing providers - supporting over 93,000 customers in more than 40,000 homes.

While we continue to expand, with an ambition to reach 50,000 homes by 2030, we know that true success is measured not just in numbers, but in how we support our people and create an inclusive, equitable workplace.

At Stonewater, we've always embraced change. We value individuality, encourage innovation, and know that it's our colleagues' dedication that drives our impact. We've made good progress over the years, particularly in improving gender balance in senior roles and increasing overall diversity across our workforce. Recognition, such as being named in the Top 10 Outstanding Employers at the national Ethnicity Awards, reflects this progress, and we're proud to be ranked alongside major employers making a difference.

However, this year's pay gap figures show we still have work to do. While our workforce is made up of 67% women and 33% men, many women remain in lower-paid roles, and this continues to influence our gender pay gap. So, while progress in some areas is encouraging, we are realistic about the scale and pace of change needed to close the gap meaningfully.

That's why our focus over the next year will remain on targeted, strategic action to promote fair pay and equitable opportunities for all colleagues. Our pay gap action plan is embedded in our broader EDI Strategy – and together, they drive our commitment to long-term, sustainable progress.

We will continue to listen, learn, act and hold ourselves accountable. And we'll report openly on how we're doing.

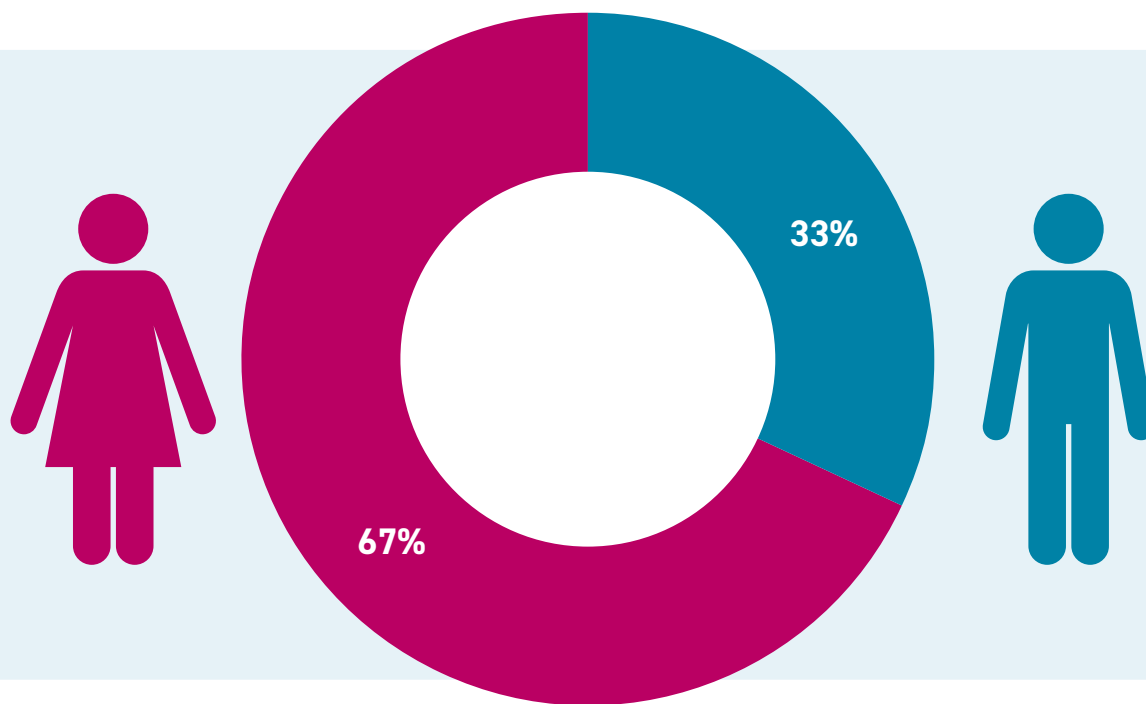
I, Jonathan Layzell, Chief Executive, confirm that the information in this statement is accurate.

Signed:

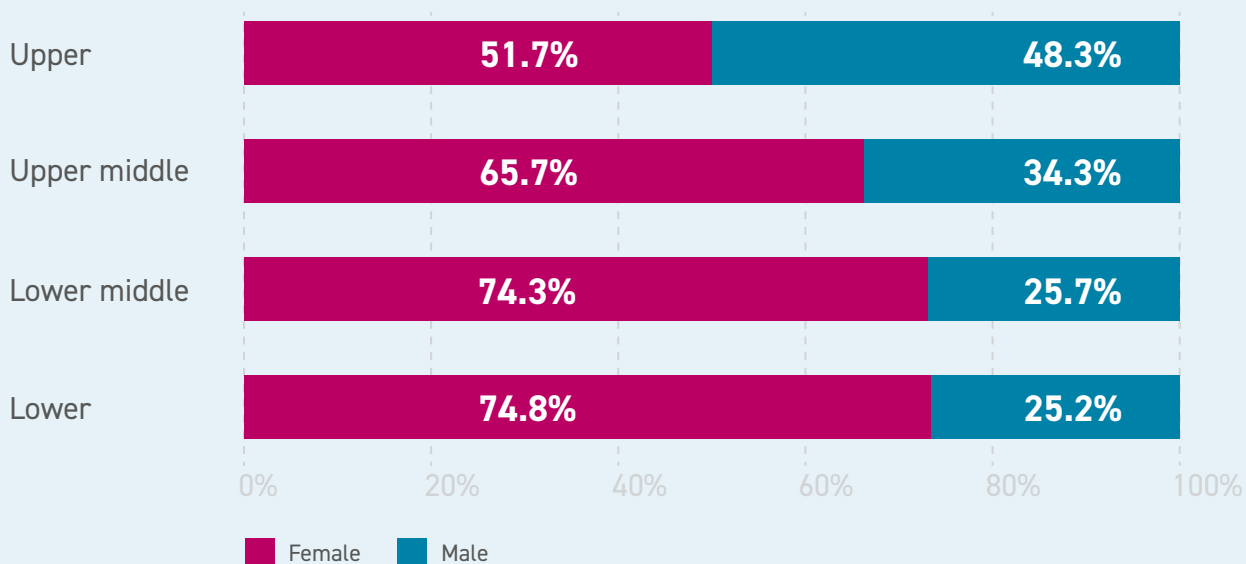


Our workforce

As of April 2025, Stonewater employs more than 800 people and our overall female population for full-pay relevant employees is 67% in contrast to 33% male.



Our gender profile



We recognise our gender imbalance at the lower quartiles of our employee population, which is the key contributing factor to our gender pay gap.

While the upper middle quartile does not show balance, it is aligned with Stonewater's overall gender split.

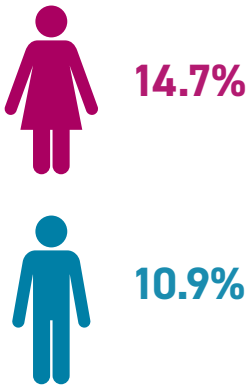
Our gender pay gap

Mean gender pay gap		Median gender pay gap	
2024	2025	2024	2025
19.56%	19.61%	20.49%	20.99%
The mean gender pay gap is the average difference in hourly pay between men and women in an organisation.		The median gender pay gap is the difference between the middle hourly rate of pay for male and female employees.	

Evaluating the 2025 calculations, nominal increases at both the mean and median outcomes can be viewed, showing a 0.05% and 0.50% increase/change from 2024 figures.

Our bonus gender pay gap

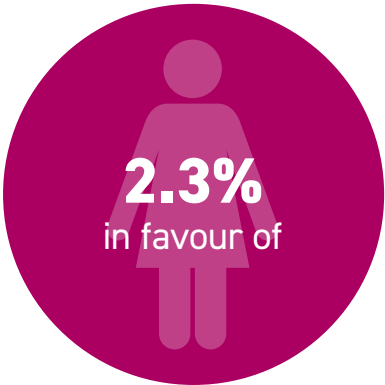
Proportion of employees receiving bonus payments, as a percentage of all employees.



Mean bonus gender pay gap

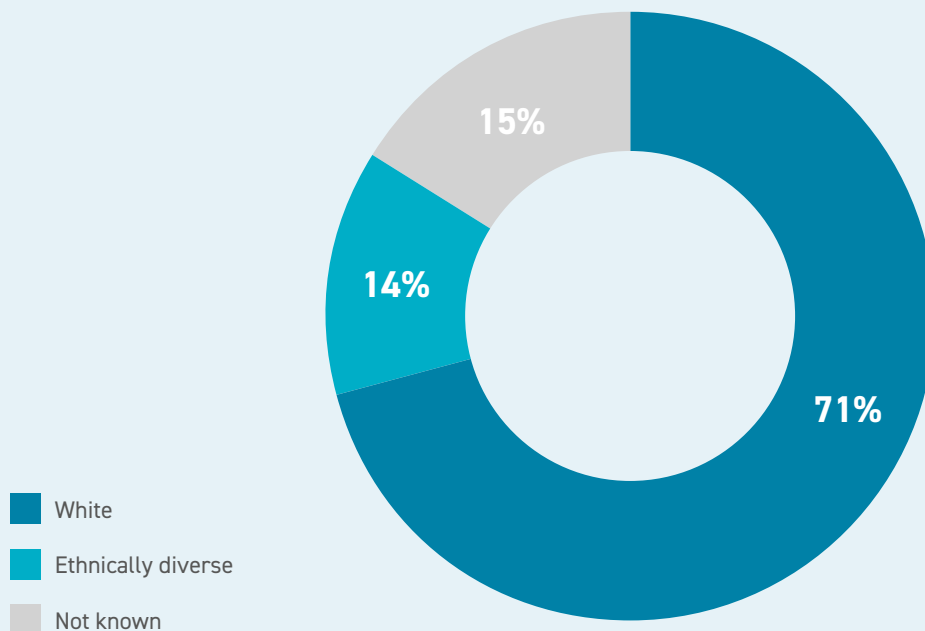


Median bonus gender pay gap

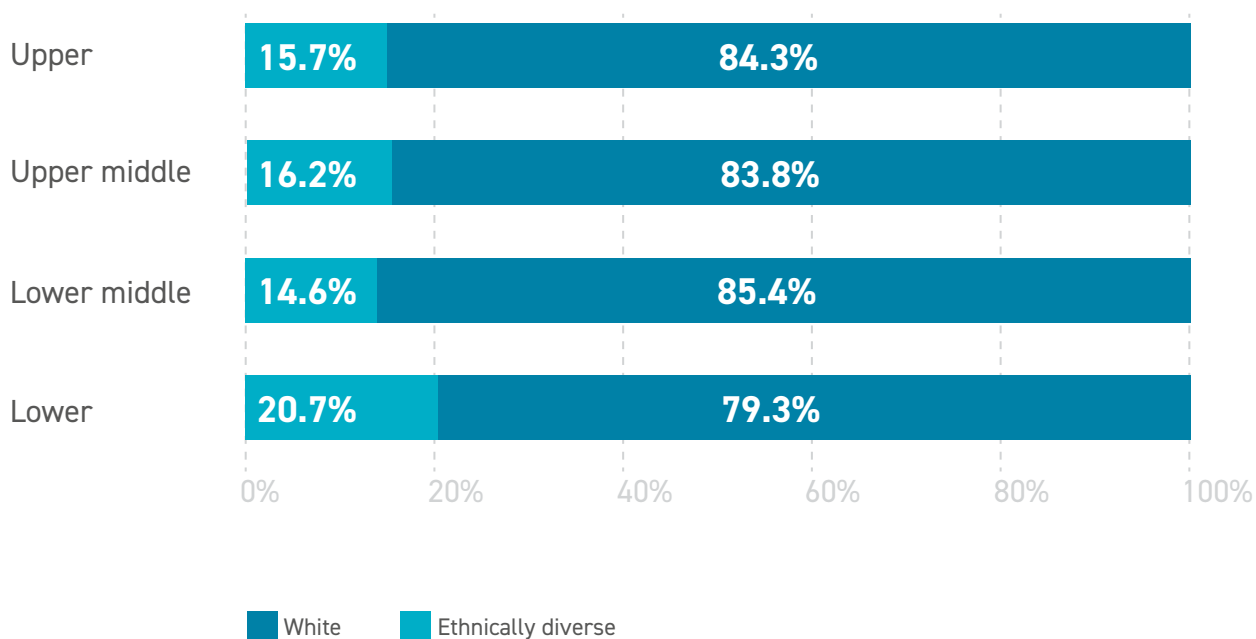


Our ethnicity pay gap

As of April 2025, across our full-pay relevant employees, 71% of the population are White, with 14% Ethnically diverse. 15% are either Not known or Prefer not to say and we are working hard to engage with employees to reduce this percentage. When the 'Not knows' are excluded, the ethnicity profile changes to 16.8% Ethnically diverse and 83.2% White.



Our ethnicity profile



Our ethnicity profile across all quartiles, when 'Not knows' are excluded, is close to the UK average of 81% White and 19% Ethnically diverse.

Our ethnicity pay gap

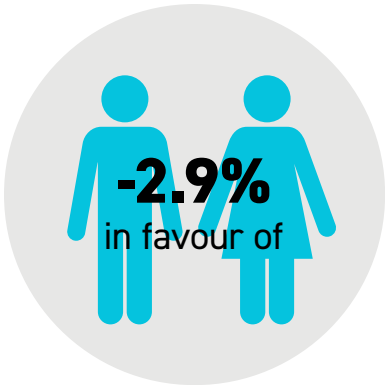
Mean ethnicity pay gap		Median ethnicity pay gap	
2024	2025	2024	2025
7.07%	8.31%	15.21%	9.29%
The mean ethnicity pay gap is the average difference in hourly pay between White and Ethnically diverse employees in an organisation.		The median ethnicity pay gap is the difference between the middle hourly rate of pay for White and Ethnically diverse employees.	

Our bonus ethnicity pay gap

Proportion of ethnically diverse and white employees receiving bonus payments, as a percentage of all employees.



Mean bonus ethnicity pay gap



Median bonus ethnicity pay gap



Our pay gaps explained

In April this year, we recorded nominal increases in both the mean and median gender pay gap results, from 19.56% and 20.49% to 19.61% and 20.99% respectively. In our ethnicity pay gap, we recorded a small increase in the mean, from 7.07% last year to 8.31% in 2025. The median ethnicity pay gap fell from 15.21% to 9.29% over the same time.

The key driver for the continued pay gaps recorded above is similar to last year and due in part to the gender composition of the workforce being 67% female, and the distribution of women across our structure. The majority of front-line, customer-facing, lower paid roles are held by females. While we have achieved gender parity in the upper quartile overall, with 51.7% female to 48.3% male, significantly, a higher proportion of our male employees currently appear in this upper quartile.

This bonus pay gap is based on a small proportion of the employee population receiving a bonus. For 2025 this was just 13.13% of white employees and 6.47% for ethnically diverse relevant employees, which is nine individuals.

Given the smaller numbers of ethnically diverse employees who receive a bonus there is a greater potential for the results to be influenced by "outliers", the majority of whom are the Chief Executive, chief officers and wider leadership team. We recognise that this makes it very difficult to interpret the results effectively.

Our commitment to bridging the gaps

Having a diverse and inclusive culture is critical to who we are and how we perform best as a business. Positioned at the intersection of our strategic framework, equality, diversity and inclusion is at the heart of everything we do. The work we are doing includes:

1) Improving our recruitment practices

We work hard to ensure that all decisions relating to employment practices are objective, free from bias, and based solely on work criteria and individual merit. For example, we have applied the principles of the Rooney Rule into our 'Opportunity Pledge'. We aim to appoint recruitment panels that are diverse in terms of gender, ethnicity and other protected characteristics. We monitor job applicant data and share key data, such as for more senior roles, with our Colleague Voice group.

2) Listening and engaging

In areas where we have lower gender and ethnicity representation, we have built focus groups to seek views on our working practices so we can learn how to build exceptional cultures in areas which are traditionally male dominated, or less diverse. Our four colleague networking groups make a significant contribution to our EDI agenda. These are 2GeTher – our ethnicity network, Spectrum – LGBTQ+ network, Inspire – our disability network, and Alliance – our gender equality network.

We also have a number of listening groups for topics that really matter to colleagues such as menopause, men's health, carers and neurodiversity. These groups ensure that colleagues from under-represented parts of our workforce have an opportunity to use their voice to effect change and shape our policies. They play a huge part in our organisation's commitment to be a diverse and inclusive place to work.

3) Building sustainable and tailored action plans

We recognise that progress within Stonewater has been uneven. While we celebrate achieving gender balance in our upper quartile, the quartiles below that show an imbalance, explained by our overall gender profile of 67% female to 33% male.

While nationally, the Office for National Statistics has published a reduction in overall gender pay gap in the UK for all employees in April 2024, the type of work and the level of responsibility within an occupation is still impactful. Professional occupations that traditionally attract more men, such as IT and finance, show higher pay gaps.

We recognise these challenges within our own business and therefore in 2024, specific directorates looked to develop bespoke five-year plans, with annual measures and goals to support our holistic approach to:

- a. Build on our successes in the upper quartile by continuing to support female and ethnically diverse employees to reach their full potential.
- b. Ensure we have robust employment and recruitment practices that attract, retain and support an inclusive workforce at all levels.
- c. Ensure our rewards, benefits, support networks, and engagement processes enable employees to bring their whole selves to work.

These plans will be reviewed, monitored and reported on every six months to the Chief Officer Group and the Board.

4) Strengthening career paths

Examples of this work are already seeing success, for instance through the development of our recruitment and career path support programmes, such as Step up to Manager. This supports aspiring managers get the experience they need to feel confident in stepping up to the next level.

Parts of our Routes into Stonewater programme have also seen positive results in areas such as tech and IT, supporting women into these areas. Routes into Stonewater is a collection of initiatives aimed at attracting and supporting a diverse range of people into entry level roles such as apprenticeships and our graduate programme.

As we look towards 2026

Moving into our second decade, our aim to promote "inclusivity" for all is as clear as ever. We are working toward ensuring that there are no barriers to joining or developing in Stonewater, ensuring accessibility and breaking down perceived barriers.

Unlike many housing associations, we do not operate a direct labour organisation, for property repairs and maintenance, which is typically male-dominated. This structural difference contributes to a comparatively higher gender pay gap for us. We can only narrow this through increasing the proportion of lower-paid male employees or achieving a gender split across all pay quartiles that reflects our overall organisational ratio of 67% female to 33% male. Already, through various targeted actions, we have successfully achieved near gender parity in the top quartile, with 52% female and 48% male representation.

Listening and accountability

- Gathering insights from our Colleague Voice network and other engagement initiatives, we will hold ourselves to account using surveys, for example, as well as the Social Housing Equality Framework.

Bias-free recruitment

- Continuing to monitor and ensure our recruitment processes are free from bias.

Career and management pathways

- Strengthening our professional career and management pathways including launching a Learning Organisation Coaching Programme and Women's Leadership Programme..

Flexible working arrangements

- Embedding our commitment to genuine flexible working arrangements. This uses improved technology to keep people connected, well equipped, engaged and supported wherever they work. Our hybrid model works to our advantage, attracting greater diversity, as the talent pool is not limited by specific geographical areas.

Commitment to our culture

We will work to increase further engagement, awareness and personal responsibility around our commitment to building a culture where everyone can bring their whole self to work. This will include being open as to why this is important. It will be delivered through our internal networking groups, manager training and building stronger links with external partners and training providers to support change.

Data collection and monitoring

Data collection and thorough interrogation will help us monitor progress and inform our decision-making. We already look across gender and ethnicity, doing deeper dives into our directorates, but we are committed to going further. We will look to understand our data across all stages of our employee life cycle, from application responses, interviews, promotions, ability to work flexibly at all levels, and exit interviews.

Our People Team KPI reports, reviewed monthly by the Governance & People Challenge and Assurance Panel on behalf of the Board, now include internal promotions, which gives visibility of movement of genders and race.

Directorate accountability

Greater accountability in each of the directorates will build tailored, specific goals and approaches that meet individual market challenges, with performance monitored and evaluated formally by the Chief Officer Group every six months.

We will also focus on the use of Equality Impact Assessments to understand the impact on the pay gap when undertaking restructures and changes to working practices, such as policy and procedures.

In December 2024, Henley Reward Consulting delivered a deep dive into our gender and ethnicity pay gap data to help support us to identify the core areas of concern within the organisation, as well as provide suggestions on how these may be addressed.

Any actions that are taken forward as a result of this report will be added to our existing plans.

Find us at www.stonewater.org or follow us on



If you'd like more information about Stonewater,
please get in touch with us by emailing
investor.relations@stonewater.org