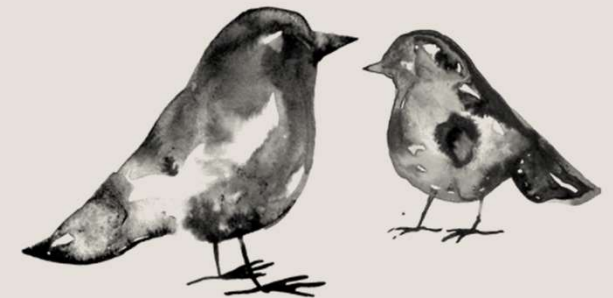




Gender Pay Gap

April 2023 Snapshot



James Tugendhat – Chief Executive Officer



At HC-One, our purpose is to support those in our care to lead their best life. We want to be the kindest care home provider, and along the way be the first choice for those we care for, their families, colleagues and commissioners, serving at the heart of each of our communities. Our colleagues (around 80% of whom are female) are crucial to how we do this, and we know that having well-paid, well led, well trained and well supported workforce is key to ensuring that residents receive high quality, kind care.

Over the last three years, HC-One has invested substantially in colleague pay, particularly for our frontline and lowest paid colleagues, in recognition of the valuable role they play in supporting some of the most vulnerable people in our society and making a real difference to residents' lives. I am pleased that we have improved our gender pay gap further this year, with our Group wide mean gap now down to just 1%, and the median gap in favour of female colleagues by -0.44%, meaning that female pay at the median is higher than male pay.

Our more structured approach to bonuses has meant that we have seen an almost 10% improvement in our bonus gap position with the mean gap now at 17.75% and the median is now positive towards female colleagues at -13.29%.

Gender should never be a factor in deciding on pay, whether consciously or unconsciously. With our pay and bonuses operating within clear structures, we have confidence that there is no gender bias in our pay awards. The gaps that do exist are a function of the highest paying roles in our central support office and executive team being held by a higher proportion of male colleagues. However, over 60% of the senior team roles are held by female colleagues, and we very much hope that our wide-ranging learning and development offering at HC-One will support more women to develop in their careers over the coming years.

I can confirm that the information and data contained in this report is accurate as at the snapshot date of 5th April 2023.

Our reporting entities



As we continue to grow and restructure our Group the number of employing entities with over 250 colleagues employed continues to change. For 2023 we will formally be reporting on four companies within our portfolio.

We will also continue to disclose our Group wide position across all employees for complete transparency.

Our report will therefore contain information on the following employing companies:

- HC-One Limited
- HC-One Management Limited
- HC-One No1 Limited
- HC-One No2 Limited

Following our acquisition of the Ideal Care Home Group those colleagues employed by Ideal entities are not included in our 2023 report as we did not own the Group at the snapshot date, they will be included in future Group reporting as appropriate. Ideal Care Homes have separately reported their data for April 2023.



Our Group gender pay gap

The difference in male and female pay:

Median Pay Gap = -0.44%

Mean Pay Gap = 1%

Both our group mean and median have improved. Our median gap is now negative, i.e. female pay at the median is higher than male. Our mean gap improved again, this is due to the higher pay awards granted to our predominately female population in our care and Home based roles.

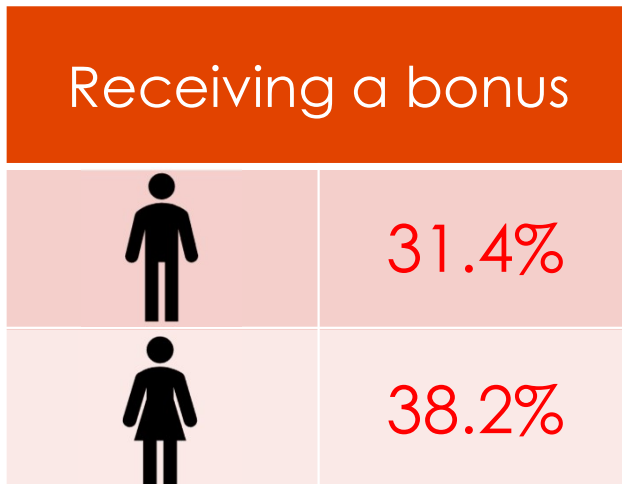
	Overall headcount	Lower quartile	Lower middle quartile	Upper middle quartile	Upper quartile
	19.7%	19.5%	21%	19.2%	18.9%
	80.3%	80.5%	79%	80.8%	81.1%

Our gender split, by quartile, shows how our organisation is predominately female. The Upper quartile % of female colleagues is higher than the group overall and this has supported a reduction in our gap. Our Gap is driven by the higher % of males in our Executive and Senior Management roles, but this section is still predominately female.

Our Group bonus gap

The difference in female and male bonuses: **Median Bonus Gap = -13.29%** **Mean Bonus Gap = 17.75%**

Our mean bonus gap has reduced, and our median has become positive towards female colleagues. This data includes the first year of our new standardised 15% HM bonus scheme which resulted in improved bonus payments over 2022, but fewer recipients. Whilst fewer LA's granted bonus funds this year, the impact of granting a bonus to home based colleagues meant that the median bonus was positive towards females where one was paid.



Fewer bonuses were paid out in 2023, this was in part due to the removal of the standard award management scheme in homes but mainly due to fewer bonuses from Local Authority and Government funds post COVID. We anticipated this change on last year's report.

Our Group companies overview

Our evolving company structures means a full year on year comparison for each entity is not possible but our year-on-year comparison for the Group, shown later in our report is favourable. Our Senior Management positions remain over 50% female, which compares favourably to other organisations of similar size and the UK norm.

	All companies	HC-One Limited	HC-One Management Limited	HC-One No1 Limited	HC-One No2 Limited
Difference between male and female pay					
Mean Gap	1%	-1.76%	6.23%	-3.76%	1.27%
Median Gap	-0.44%	-0.44%	-9.5%	-0.79%	0.75%
Proportion of employees receiving a bonus					
Male	31.4%	27.6%	45%	36.1%	23.9%
Female	38.2%	38.5%	57.2%	33.9%	38.5%
Difference between male and female bonuses					
Mean bonus gap	17.75%	-9.03%	25.73%	-3.87%	14.95%
Median bonus gap	-13.29%	-1.17%	-72.18%	18.37%	15.86%

Our Group companies quartile positions

HC One Management, which contains our Executive teams, Support Office Colleagues and Home Manager population has a larger proportion of male colleagues, however, this is still substantially less than the norm for the UK wider workforce.

	All companies		HC-One Limited		HC-One Management Limited		HC-One No1 Limited		HC-One No2 Limited	
% Female and Male employees in each quartile										
	Female	Male	Female	Male	Female	Male	Female	Male	Female	Male
Lower Q	80.5%	19.5%	81.1%	18.9%	68.8%	31.2%	78.2%	21.8%	84.1%	15.9%
Lower Middle Q	79%	21%	81.9%	18.1%	76%	24%	74.1%	25.9%	88%	12%
Upper Middle Q	80.8%	19.2%	82.6%	17.4%	78.3%	21.7%	75.8%	24.2%	80.5%	19.5%
Upper Q	81.1%	18.9%	83.2%	16.8%	78%	22%	81.2%	18.8%	85.1%	14.9%
Overall	80.3%	19.7%	82.2%	17.8%	75.3%	24.7%	77.3%	22.7%	84.4%	15.6%

Gender pay gap progression

Our pay gap has reduced at the mean level for the last 3 years, and for the last 4 reporting periods. There was no requirement to report in 2020 during COVID.

We are pleased to see the positive action we have taken to improve the pay within our Homes, with over 80% of colleagues paid at or above the “Real Living Wage” is also helping to address our gender pay gap.

	2019		2021		2022		2023	
	Mean	Median	Mean	Median	Mean	Median	Mean	Median
Gender pay gap	5.8%	0%	5%	0.5%	4.4%	1.26%	1%	-0.44%
Bonus gap	68.3%	38.5%	68.4%	0%	27.5%	1.05%	17.75%	-13.29%