

Churchill Retirement Living Ltd – Gender Pay Gap Reporting

In April 2017, the government introduced Gender Pay Gap Reporting, which is legislation that requires companies with over 250 employees to report on and publish their gender pay gap figures each year.

The legislation requires Churchill Retirement Living Limited (CRL) to report pay gap figures in two ways, the mean and median. The mean pay gap is the difference in the average hourly pay for women compared to men; and the median pay gap represents the difference in the hourly pay mid points of female and male Colleagues within the Company.

Bonus pay figures reflect the number of Colleagues who have been paid bonus pay within the last 12 months and is also reported via mean and median figures.

CRL Gender Pay Gap Reporting figures 2017 and 2018

| | | CRL 2017 | CRL 2018 |
|------------------------------------|-------------------------|----------|----------|
| Mean gender pay gap hourly pay | | 16% | 23% |
| Median gender pay gap hourly pay | | 13% | 24% |
| Bonus Pay figures | % Men paid | 59% | 61% |
| | % Women paid | 72% | 70% |
| Mean gender pay gap in bonus pay | | 10% | -14% |
| Median gender pay gap in bonus pay | | -18% | -50% |
| Gender pay gap quartile figures | % of men lower | 46% | 45% |
| | % of women lower | 54% | 55% |
| | % of men lower middle | 53% | 49% |
| | % of women lower middle | 47% | 51% |
| | % of men upper middle | 52% | 66% |
| | % of women upper middle | 48% | 34% |
| | % of men upper | 70% | 67% |
| | % of women upper | 30% | 33% |

As can be seen from the above figures the mean and median hourly pay gaps are 23% and 24% lower for female than male Colleagues. These figures are indicative of the construction industry

and in line with the reporting of our competitors and reflects a common spread of the Colleague population within different roles in our industry.

However, CRL is within the top 10% of Companies in the housebuilding industry that have reported higher mean and median paid bonuses for women. This not only reflects the higher proportion of female Colleagues who have received a bonus, but also that these payments have been 50% higher when compared to male Colleagues. This is primarily due to the demographic of our sales teams being largely female and being a bonus (commission) based segment of our workforce (this also is the major reason for the differences noted above for mean and median hourly pay gaps). In addition, CRL bonus pay figures for both male and female Colleagues are higher than the construction industry average and double the UK average.

CRL has an even distribution of Colleagues throughout all pay quartiles compared to the construction industry, but also has a higher percentage of women working in senior level roles at 33%, which is more than double the construction industry average.

CRL is committed to continuing to reward its Colleagues based on their performance, and maintains an equal and fair reward strategy to ensure that we are recruiting and retaining the best people, whilst encouraging diversity within our industry sector. Our overall placing of 2nd in The Sunday Times Best Companies to Work For and a position of 4th for Fair Deal, the category representing Reward, reflects our success in this area.