



LRH Homes Gender Pay Gap Report

At LRH Homes, we're committed to promoting diversity and gender equality. We offer all of our staff the same growth and development opportunities within a positive, open and inclusive environment.

The gender pay gap looks at the difference in the average earnings received by male and female employees, irrespective of their role or seniority. It is therefore distinct from equal pay, which compares men and women carrying out equivalent work.

LRH Homes overall workforce is 72% female and 28% male. This profile is the industry norm particularly across the care sector and there is nothing to indicate that it has any significant influence over the gender pay gap.

We are confident that men and women are paid equally for doing the same job. However, the greater proportion of men than women in our senior executive positions affects a gender pay gap.

Being a place where people love to work is a must. We pride ourselves on promoting a diverse and inclusive culture. We embrace our differences, knowing that they make us stronger and reflect the needs of our customers. We know there's work to do to close the gender pay gap. As a first step, we're committed to developing a deeper understanding of the reasons we have a gender pay gap, and where appropriate, defining and implementing appropriate action to help us make positive changes.

The statistics reported below are based on the data taken on 5 April 2017.

Mean and Median Gender Pay Gap

The mean pay gap is the difference between average hourly pay of men and women. The median pay gap is the difference between the midpoints in the ranges of hourly pay of men and women. It takes all earnings in the sample, lines them up in order from lowest to highest and picks out the middle earnings.

| | Mean | Median | National Average |
|-----------------------|------|--------|------------------|
| Gender Pay Gap | 4.2% | 6.3% | 18.1% |



The main reasons underlying our mean and median gender pay gaps are that there are more women than men in our lower paid roles and at all leadership levels in LRH Homes except at the senior executive level where there are a greater number of men than women. Therefore the mean pay gap, in particular, is skewed by a small number of men on senior executive salaries.

The median pay gap is less influenced by outliers and therefore is more representative of our workforce and at 6.25% is significantly below the national average of 18.10%.

Proportion of employees receiving Bonus Payment

| | Male | Female |
|--|-------|--------|
| | 26.1% | 19.0% |

Mean and Median Bonus Pay Gap

| | Mean | Median |
|---------------|-------|--------|
| Bonus Pay Gap | 41.6% | 47.4% |

Proportion of Males and Females in Pay Quartiles

The number of males and females in each quartile of their pay distribution is shown in Table below:

| Quartile | Male | Female |
|--------------|-------|--------|
| Upper | 34.8% | 65.2% |
| Upper Middle | 29.8% | 70.2% |
| Lower Middle | 22.7% | 77.3% |
| Lower | 24.9% | 75.1% |

Actions to balance our gender pay gap

We aspire to reduce the LRH Homes gender pay gap over time and to continue to be placed well compared to sector and national benchmarks. We believe the LRH Homes gender pay gap is not due to a pay policy issue or an equal pay issue, we have a standard approach to pay which applies to all our jobs and we use a robust benchmarking process to define salaries, alongside a review of market rates and experience. We will focus on our recruitment and



Learning & Development practises as areas where we can revisit our current approach and consider appropriate actions and strive to set a good example by:

- Constantly reviewing our hiring practices and the workplace environment to ensure not only women, but all those in under-represented groups have equal opportunities to progress.
- Encouraging managers to consider where possible appropriate flexible working arrangements at all levels across the organisation, especially in managerial positions.
- Reviewing our reward processes and pay structures to ensure consistency in their approach and application.
- Progression/development tactics.

Arnon Rubinstein

Director