



GENDER PAY AT YARLINGTON

“YARLINGTON BELIEVES THAT A COMMITMENT TO EQUALITY, DIVERSITY & INCLUSION AND THE VALUE IT BRINGS IS A KEY FOUNDATION OF OUR EFFECTIVENESS AS A BUSINESS”.

Yarlington is working to address the issues highlighted by our gender pay gap and we will continue our work to improve the gender balance in our pay quartiles.

The good news is that we have already seen an improvement in our gender balances within the pay quartiles and we have also reduced our gender pay gap from last year.

However, any pay gap is still not good enough. Ours is not surprising in a sector where such a significant proportion of our colleagues work in care roles. Most of these colleagues are female and such roles in society have typically attracted lower salaries. We're not complacent and still want to redress the balance.

What is the Gender Pay Gap and why does it exist?

The gender pay gap is an equality measure that shows the difference in average earnings between women and men. It does not show differences in pay for comparable jobs – i.e. equal pay. Legislation has been in place for over 45 years to ensure that women and men are paid equally for comparable roles.

The national pay gap is caused by many factors including that a higher proportion of women are in roles that typically receive lower pay.

Nationally, you are far more likely to be part time if you are female and on average, will therefore earn less. There is also a greater proportion of men who progress into senior and higher paid roles.

Yarlington's Pay Gap at 2018/19

| Pay | |
|-------------------------|------|
| Gender Pay Gap (Mean) | 9.7% |
| Gender Pay Gap (Median) | 8.8% |

| Distribution in pay quartiles | Female | Male |
|-------------------------------|--------|--------|
| Lower | 61% | 39% |
| Lower middle | 63% | 37% |
| Upper middle | 41.70% | 58.30% |
| Upper quartile | 46.70% | 53.30% |

| Bonus | Female | Male |
|----------------------|--------|-------|
| % receiving bonus | 70.3% | 58.7% |
| Bonus gap (Mean) % | 16.9% | |
| Bonus gap (Median) % | 0.00% | |

BONUS PAYMENTS

We are confident that both male and female colleagues have an equal opportunity to receive a bonus payment. Our bonus payments are linked to performance. The required calculation simply looks at amounts paid and does not factor in that our bonus is paid on a pro-rata basis to our part-time colleagues, most of whom are female. As a result, there is a differential, albeit reduced from last year's findings.

Removing the pro-rata element from the bonus payment calculation reduces our gap to just 6.7%.

Yarlington also embraces flexible working and this is reflected in the significant percentage of part-time workers in the organisation, most of whom are female.

The proportion of male colleagues who received a bonus has decreased since 2017 - 2018. This was affected by an increase in the number of new starters in our trade team, who had not been in post long enough to meet the qualifying criteria.

WHAT WE DO

Yarlington is absolutely committed to equal pay and addressing the issues highlighted by our gender pay gap.

Our pay arrangements are designed to make sure that remuneration is approached fairly and that men and women are paid equally for work of equal value. This ensures fair processes producing fair results.

All our salaries are benchmarked to ensure that there is a fairness and consistency.

Our recruitment practices are fair and transparent and we are working to attract men and women equally into roles.

WHAT ARE WE GOING TO DO

We remain passionate about increasing our overall focus on inclusion and will look at how we can narrow the gap and will continue to focus our energy towards attracting both genders into each of our imbalanced quartiles to address the balance.

We will review how we identify and nurture talent to enable all colleagues, regardless of gender, to reach their maximum potential. It is important that we recognise that almost a fifth of our colleagues work on a part-time basis and we need to ensure that our succession plans and promotional opportunities reflect this demographic.

Yarlington will continue to develop working arrangements that are attractive, flexible and agile in order to encourage retention and development regardless of gender.



Gary Orr
Group Chief Executive

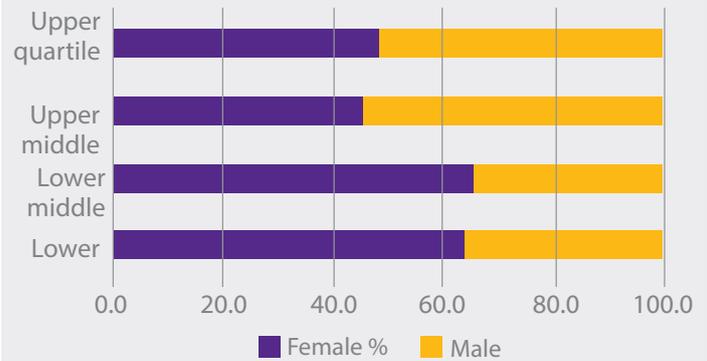


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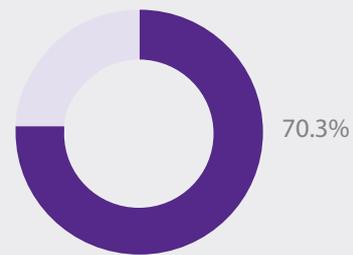
Gender pay gap - mean and median



Distribution in each quartile of the pay range



Female employees receiving a bonus



Male employees receiving a bonus

