

GENDER PAY GAP REPORT

2023

McCARTHY STONE
Life, well lived

OUR GENDER PAY REPORTING TO APRIL 2023

This report provides aggregated gender pay data across all group companies, in addition to our regulatory requirements.

We believe this approach represents our wider employee population and helps us to understand pay and diversity across our entire organisation

Separate disclosures by the three entities required to report are detailed on the final pages.

All figures in this report relate to a snapshot of pay gap data at McCarthy Stone, as correct on 5 April 2023, and the 12 months prior to that for the bonus gap.



“AT MCCARTHY STONE WE AIM TO BE AN INCLUSIVE ORGANISATION, VALUING DIFFERENCE AND RECOGNISING THAT IT CAN ENHANCE THE WAY THAT WE WORK.”



OUR CURRENT ACTIONS

In the period up to April 2023, we have continued to prioritise creating a fully inclusive workplace.

Despite the organisation employing many more females than males (78.2% v 21.8%) we continue to see disparity in the gender pay ratios overall. Partly this can be explained by having more males than females in management roles, where higher total reward packages are paid. In the non-management roles, we have a high representation of females in our organisation.

We have continued to focus on actions that will help address the pay gap.

- Continuing to support and advocate hybrid working, in roles where this is possible, and champion flexible working to help our employees find a healthy work-life balance.
- Dedicated focus on recruitment and the talent pools that we use to attract a diverse workforce across all areas of the business.

We now need to continue to address the need for more females in senior roles, increasing the representation of males in Management Services and attracting more females into our Development business.

BACKGROUND TO GENDER PAY REPORTING

The gender pay gap legislation requires all companies with more than 250 employees to report their data against six key metrics:

- Mean hourly gender pay gap
- Median hourly gender pay gap
- Mean gender bonus gap
- Median gender bonus gap
- Proportion of male and female employees who received a bonus
- Proportion of male and female employees in quartile pay bands

EQUAL PAY v GENDER PAY GAP

Equal pay

Equal pay means that men and women performing equal work should receive equal pay. This is a legal requirement.

Gender pay gap

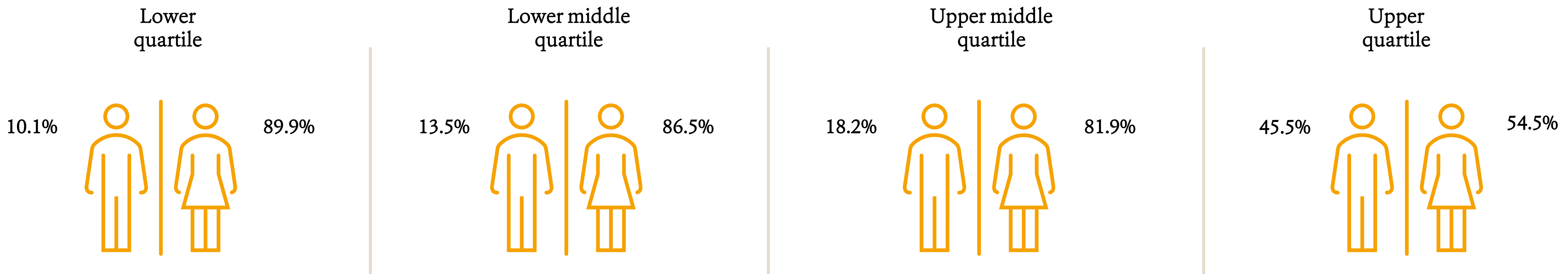
The gender pay gap is the difference between average male and female pay across an organisation calculated in line with the regulations, regardless of the nature of work.

OUR 2023 FINDINGS

PROPORTION OF MALE AND FEMALE EMPLOYEES IN EACH PAY QUARTILE.

These charts show the gender makeup of the McCarthy Stone group workforce in each of our salary “quartiles”.

Quartiles are calculated by ordering the hourly rates of pay for each employee across the business from lowest to highest, splitting the list into four equal-sized groups (quartiles), then calculating the percentage of males and females in each quartile.



Proportion of employees receiving a bonus

Across all McCarthy Stone group employees, 45.9% of men and 68.4% of women received a bonus or commission payment in the 12 months prior to April 2023.



OUR 2023 FINDINGS

This section sets out the mean and median hourly pay gaps (based on April 2023 payroll data), as well as our mean and median bonus gaps (based on bonus and commission data from 6 April 2022 to 5 April 2023).

Mean Pay Gap – 39.2% - The mean pay for women is 39.2% lower than that for a man

Median Pay Gap – 36.6% - The median pay for women is 36.6% lower than that for a man

Mean Bonus Pay Gap – 52.1% - The mean bonus for women is 52.1% lower than that for a man

Median Bonus Pay Gap – 66.7 % - The median bonus for women is 66.7% lower than that for a man

The report includes the following employing entities:- McCarthy Stone (developments) Ltd – 120 people; McCarthy Stone Retirement Lifestyles Ltd – 503 people; McCarthy Stone Management Services Ltd – 521 people; McCarthy Stone Your Life Management Services Ltd – 1500 people

Definitions

The data shows our mean and median hourly pay gaps (based on April 2023 payroll data), as well as our mean and median bonus and commission data gaps (based on bonus data from 6 April 2019 to 5 April 2023)

Mean:

The mean calculation considers basic average pay/bonus across all of our employees.

Median:

The median calculation focuses on those employees in the middle of pay/bonus ranges, thereby reducing the impact of our highest and lowest paid employees.

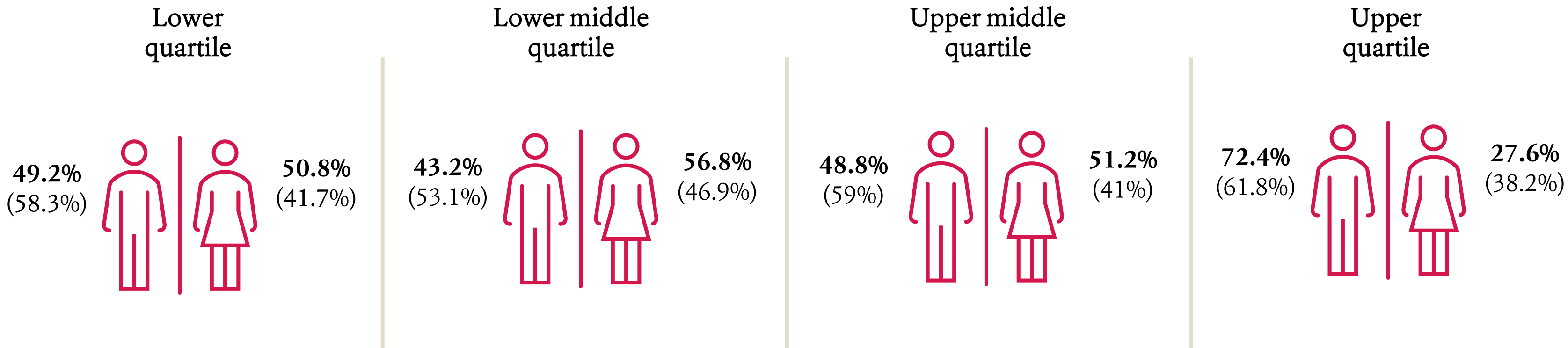
STATUTORY DISCLOSURE

MCCARTHY STONE RETIREMENT LIFESTYLES LIMITED

McCarthy Stone Retirement Lifestyles is our main divisional development and sales operating business.

McCarthy Stone Retirement Lifestyles (RL) employs 503 people. Of these 269 (53.5%) were male and 234 (46.5%) were female.

Mean hourly pay gap	16.6% (4.7%)
Median hourly pay gap	-0.17% (6.8%)
Mean bonus gap	-145.8% (-29.6%)
Median bonus gap	-988.6% (-28.3%)



Proportion of employees receiving a bonus

Note: 2022 figures shown in brackets.



Median Hourly Pay Gap – for every £1 of pay that a man received, a woman received £1

Median Bonus Gap – for every £1 of bonus that a man received, a woman received £10.89

Note: 2022 figures shown in brackets

STATUTORY DISCLOSURE ANALYSIS

MCCARTHY STONE RETIREMENT LIFESTYLES LIMITED

McCarthy Stone Retirement Lifestyles is our main divisional development and sales operating business.

The mean hourly pay difference between men and women rose from 4.7% in 2022 to 16.6% in 2023. This means that when comparing mean (average) hourly pay, women's mean hourly pay is 16.6% lower than men's. In this entity, women occupy 27.6% of the highest paid jobs and 50.8% of the lowest paid jobs.

Women earn £10.89 for every £1 that men earn when comparing median bonus pay. Their median bonus pay is 988.6% higher than men's. When comparing mean (average) bonus pay, women's mean bonus pay is 145.8% higher than men's.

Over the past six years we have seen women's mean bonus within Retirement Lifestyles to be considerably higher than men's, with notable peaks in the 2021 and 2023 figures. The high number of women in our sales operating business partly accounts for the large disparity in mean bonus pay. This is because a higher proportion of total remuneration is paid through bonus and commission as opposed to through salary in our sales related roles.

STATUTORY DISCLOSURE

MCCARTHY STONE MANAGEMENT SERVICES LIMITED

This is the area of our business that looks after the day-to-day operations and provision of lifestyle services in our Retirement Living developments, as well as the support services and management for Your Life Management Services.

McCarthy Stone Management Services (now known as Your McCarthy Stone internally) employs 521 people. Of these, 362 (69.5%) were female and 159 (30.5%) were male.

Proportion of employees receiving a bonus

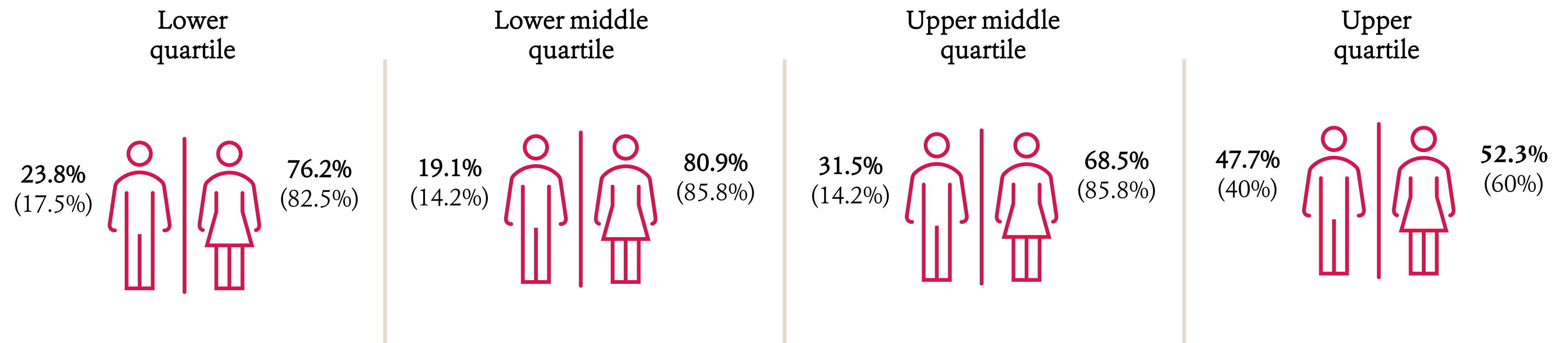
Note: 2022 figures shown in brackets.



Median Hourly Pay Gap – for every £1 of pay that a man received, a woman received 79 pence

Median Bonus Gap – for every £1 of bonus that a man received, a woman received 46 pence

Mean hourly pay gap	23.9% (18.1%)
Median hourly pay gap	21.4% (5.1%)
Mean bonus gap	37.7% (41.8%)
Median bonus gap	53.8% (43%)



Note: 2022 figures shown in brackets

STATUTORY DISCLOSURE ANALYSIS

MCCARTHY STONE MANAGEMENT SERVICES LIMITED

This is the area of our business that looks after the day-to-day operations and provision of lifestyle services in our Retirement Living developments.

The mean hourly pay difference between men and women rose from 18.1% in 2022 to 23.9% in 2023. This means that when comparing mean (average) hourly pay, women's mean hourly pay is 23.9% lower than men's. In this entity, women occupy 52.3% of the highest paid jobs and 76.2% of the lowest paid jobs.

Women earn 46p for every £1 that men earn when comparing median bonus pay. Their median bonus pay is 53.8% lower than men's. When comparing mean (average) bonus pay, women's mean bonus pay is 37.7% lower than men's.

The disparity in the gender pay ratios can partly be explained by having more males than females in senior management roles (and a number of operational management roles moved from Your Life Management Services to Management Services in 2022), where higher total reward packages are paid and a high representation of females in the non-management roles.

STATUTORY DISCLOSURE

MCCARTHY STONE YOUR LIFE MANAGEMENT SERVICES LIMITED

This is the area of our business that looks after the day-to-day operations and provision of lifestyle services in our Retirement Living Plus developments.

Your Life Management Services (YLMS) employs 1500 people. Of these, 93.7% were female and 6.3% were male.

Proportion of employees receiving a bonus

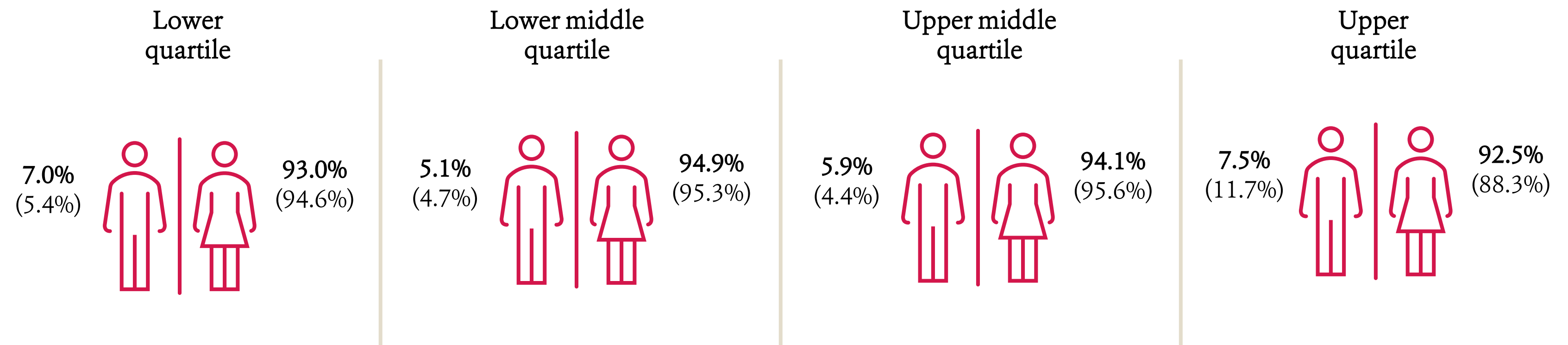
Note: 2022 figures shown in brackets.



Median Hourly Pay Gap – for every £1 of pay that a man received a woman received 97 pence

Median Bonus Gap – for every £1 of bonus that a man received a woman received £1

Mean hourly pay gap	-13.5% (10.5%)
Median hourly pay gap	3.1% (2.1%)
Mean bonus gap	8.9% (66.2%)
Median bonus gap	0% (0%)



Note: 2022 figures shown in brackets

STATUTORY DISCLOSURE ANALYSIS

MCCARTHY STONE YOUR LIFE MANAGEMENT SERVICES LIMITED

This is the area of our business that looks after the day-to-day operations and provision of lifestyle services in our Retirement Living Plus developments.

The mean hourly pay difference between men and women decreased from 10.5% in 2022 to -13.5% in 2023. This means that when comparing mean (average) hourly pay, women's mean hourly pay is 13.5% higher than men's. In this entity, women occupy 92.5% of the highest paid jobs and 93.0% of the lowest paid jobs.

Women earn £1 for every £1 that men earn when comparing median bonus pay. Their median bonus pay is 0% lower than men's. When comparing mean (average) bonus pay, women's mean bonus pay is 8.9% lower than men's. These results are explained by the high representation of females in both the highest paid and lowest paid jobs within this entity, and we also saw the transfer of several operational management roles from Your Life Management Services Limited to McCarthy Stone Management Services Limited in 2022.

OUR ONGOING COMMITMENT

As a business we continue to be committed to gender diversity and inclusivity.

Our Gender Pay report has shown that we still need to address gaps in both our pay and bonus awards, and we will continue to look at opportunities through our attraction and recruitment approach, the rewards and benefits we offer and our focus on diversity and inclusion.

We are committed to undertaking a detailed review of our reward and benefits across all employee groups to offer total reward packages that meet the differing requirements across our diverse workforce.

Our inclusive networks continue to strengthen – we have launched a Men's Network and the Women's network continues to grow including the creation of subgroups focussing on important subjects such as menopause, disability and maternity/early years.

