

We are committed to building equity within Kindred. Throughout the year Kindred has invested significant time and resource in creating a wider pool of female talent at leadership and senior management level. We have also invested in industry-leading pay gap analytics software (Gapsquare) which will allow us to report on the pay gap every quarter and make real time changes towards closing the pay gap. Read more in our Sustainability Report.

In March 2022, we implemented this new software by uploading the April 2021 UK pay data, which is what we have used to generate the UK figures. Already, this has given us better insight than previously in terms of what the contributors are to our pay gap. One of the biggest contributors highlighted is not having enough women in the most senior roles (or upper pay quartile), in itself this contributes 12.26% to our overall mean pay gap of 9.8% (note the lowest pay quartile has a negative pay gap which conversely contributes to reducing the overall gap). The new software has also allowed us to view our 'adjusted pay gap' for the first time, which is the gender pay gap after taking into account factors such as job level and tenure. Kindred's adjusted pay gap is under 1% which is very positive, although we fully accept there is much more work to do.

The gender split at senior management remains unchanged at 19:81 (19:81 in 2020), which is not satisfactory. One challenge in achieving gender parity is the low turnover rate at this level. We continue to invest in extensive research to better understand our position with regards to gender parity and consider turnover rates at this level, external availability of female talent in the market and the gender ratio of internal successors. While positive for retention, a turnover rate

of 5% poses a challenge in balancing the gender ratio over the shorter term. We have therefore recalibrated our ambition of achieving gender parity from 2023 to 2025 and agreed to review this annually.

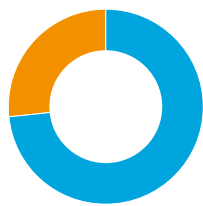
Internally, we have seen great success with our high potential development programmes, in 2021 our Future Senior Leader cohort for Alchemy consisted of 59:41 female to male ratios. This year, we are building a new senior Leader hiring process, setting our Senior Leaders and Exec's personal commitments and we are looking at innovative ways to create more diverse talent pools. In 2021, we also introduced a new all employee share plan which gives annual (and equal) share grants to all permanent employees and an opportunity to build a meaningful stake in Kindred and to share in the success of the business. We have invested in building parity in our parental leave policies and also in implementing a principles-based hybrid working policy. Both of which, we believe contribute towards building more parity in the household and create more career options for women.

To find out more, please see the Being Kindred section of the annual report which outlines in more detail the work we are doing on our Gender Parity commitment.

Pay quartiles

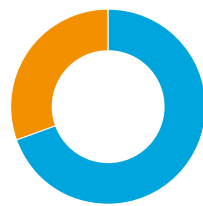
Quartiles represent the pay rates from the lowest to the highest for our UK employees split into four equal sized groups, with the percentage of men and women in each quartile.

Top quartile



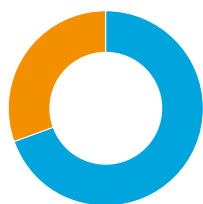
● Male 73.4%
● Female 26.6%
-1.4% female

Upper middle quartile



● Male 69.5%
● Female 30.5%
-5.9% female

Lower middle quartile



● Male 67.4%
● Female 32.6%
+5.5% female

Lower quartile



● Male 53.7%
● Female 46.3%
+2.4% female

Gender balance

All employees



Gender pay gap

Female median hourly pay at Kindred:

10.96%↑

lower than male colleagues
up from 7.3% in 2020

Female mean hourly pay at Kindred:

9.80%↑

lower than male colleagues
up from 7.7% in 2020

Gender bonus pay gap

Many employees are eligible to receive a bonus, either through participation in a quarterly or annual bonus plan.

Female median bonus pay gap:

2.24%↑

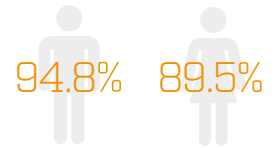
lower than male colleagues
up from 1.3% in 2020

Female mean bonus pay gap:

18.47%↑

higher than male colleagues
up from 15.1% lower than male colleagues in 2020

Who received bonus pay:



Declaration

We confirm that the information and data reported are accurate and in line with UK government's Equality Act 2010 (Gender Pay Gap Information) Regulations 2017.

Gavin Hayward
Chief HR Officer, Kindred Group