National Veterinary Services Limited (NVSL) 2022 Gender Pay Gap Report



National Veterinary Services Limited are a part of Patterson Companies Inc.. In this report you will find our gender pay analysis across NVSL for the 12 month period including 5 April 2022.

UK employers with more than 250 employees are required to publish their gender pay gap.

What is the gender pay gap?

The gender pay gap shows the difference in the average hourly rate of pay between women and men in an organisation, expressed as a percentage of average male earnings. Organisations follow a <u>calculation</u> <u>methodology</u> set out by the Government Equalities Office to report their mean and median gender pay gap, bonus gap, and distribution across pay quartiles.

It is different to <u>equal pay</u>, which means that a Company must pay men and women the same for equal or similar work. NVSL is an Equal Pay employer, which means that men and women performing equal work receive equal pay.

Our gender pay gap report shows that, on average, women's gross hourly earnings are slightly lower than those of men. We are committed to fair pay irrespective of gender and will continue to promote policies and initiatives to support equal opportunities for our entire workforce.

All Relevant Employees by Gender, at the 5 April 2022





Full pay staff (all male and female relevant employees who were <u>not</u> absent in the pay period including 5 April 2022) remains stable year on year.

Employee Gender Pay Gap

Our mean gender pay gap, based on full pay employees, for 2022 has seen an increase from 1.33% in 2021 to 4.5% in 2022, in favour of males. Our median gender pay gap has flipped from -3.2% (female weighted) in 2021 to 3.4% in 2022 (male weighted).

	2021	2022
Mean gender pay gap – the difference in the average hourly rate of male and female		
employees	1.33%	4.5%
Median gender pay gap – the mid-point when all the hourly rates are listed, lowest to		
highest, by gender	-3.20%	3.4%

(a negative pay gap indicates female employees are paid more on average)

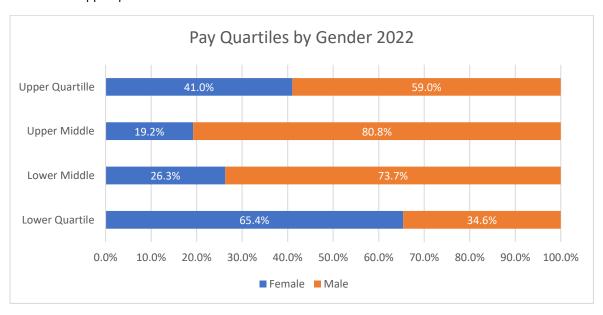
For every £1 a male employee earns, a female employee earns £0.95 (mean), or for every £1 a male employee earns female employee earns £0.97 (median).

Pay Quartiles by Gender

The proportion of male and female employees are split into quartiles based on their ordinary pay. The chart below identifies that the upper quartile is the most equal split between male and female employees.

The lower middle and upper middle quartile are dominated by male employees, with only 26% and 19.2% of these groups respectively being female, which is a change to previous years.

We anticipated some change to our gender pay gap as a result of introducing a new pay structure to our drivers, 94% of whom are male. Furthermore, an additional 156 employees are choosing to pay pension contributions via Pension Salary sacrifice, reducing normal earnings for those earning over a minimum level, mostly affecting those in the Upper quartile.



Employee Gender Bonus Pay Gap

	2021	2022*
Mean gender pay gap for bonuses – the difference in the bonus payments received by male and		
female employees	49.65%	45.93%
Median gender pay gap – the mid-point when all the bonuses are listed, lowest to highest, by		
gender	41.68%	0%

^{*}Relevant employees receiving a bonus in the 12 month period including 5th April 2022.

Proportion of male and female employees to receive a bonus	Male	Female
	80%	88%

For 2022, we anticipated some changes to our bonus gender pay gap, having paid a flat rate one-time exceptional recognition award to all staff who met qualifying criteria in acknowledgement of commitment to the business during the Covid pandemic. Particularly the median gap achieving 0% in 2022, down from 46% in 2021.

Due to the volume of one-off flat rate recognition awards paid out, we projected some reduction in the mean gap which is down by 3.72% year on year.



Due to the one-off bonus, there was a considerable change in total number of relevant employees that received a bonus in the 12 month period, this saw an increase from 9.48% (40) of male employees in 2021 to 80% (351) in 2022, this change was also evident for our female employees, in 2021 14.71% (40) female employees received a bonus, in 2022 increasing to 88% (242) female employees.

As this was a one-off payment, we expect the mean and median bonus gaps to revert in 2023, as will the proportion of individuals receiving a bonus.

DECLARATION

I confirm that the data reported is accurate and meets the requirements under the regulations.

Martin Riley

Managing Director