



Gender Pay Gap

April 2024 Report

Foreword

We are really pleased to see an improvement in both the median and mean gender pay gap for CVS this year. We continue to make a conscious effort to ensure we have an inclusive culture that welcomes everybody and we believe this approach will ensure we continue to make progress. The CVS (UK) Ltd median gender pay gap on the snapshot date of 5 April 2024 was 37.61%, a significant decrease from 42.22% in 2023.

Our aim is to continue to reduce the gender pay gap within our organisation and we will do this by providing all of our colleagues with opportunities to develop and progress their career with CVS.

We support this by having fair and transparent policies and processes in place to ensure equal access to opportunities for learning and development, promotion and recruitment of external colleagues into CVS.

The CVS (UK) Ltd gender pay gap reflects the average pay for men and women across our UK business. It is not a comparison of pay rates for men and women doing work of equal value, and is influenced by the mix of women and men in the various roles across our organisation.

Within CVS, like the rest of the veterinary sector, there is a significant skew towards female employment within certain roles. CVS' workforce is made up of a high proportion of female veterinary nurses, patient care assistants and receptionists and 86% of our overall UK workforce is female. This is the primary reason why we have a gender pay gap, despite aiming to pay the same amount for people with the same skills and experience, regardless of their gender.

For veterinary surgeons the data demonstrates that the gender pay gap is considerably better than the overall company average and also the national UK-wide gender pay gap. The median gender pay gap for this role was 8.54% on the snapshot date 5 April 2024. The overall UK-wide median gender pay gap for April 2024 was estimated to be 13.1%. For nurses in CVS the gender pay gap is more favourable to women than to men with a median gender pay gap for this role of -0.72%.

This report provides further information on our key areas of focus to drive future progress, including further improvements in salary banding, recruitment practices and training and development as well as our ongoing commitment to equity, diversity and inclusion.

Richard Fairman
Chief Executive Officer, CVS (UK) Ltd

Reporting requirements

CVS (UK) Ltd will report and publish results using the following six calculations

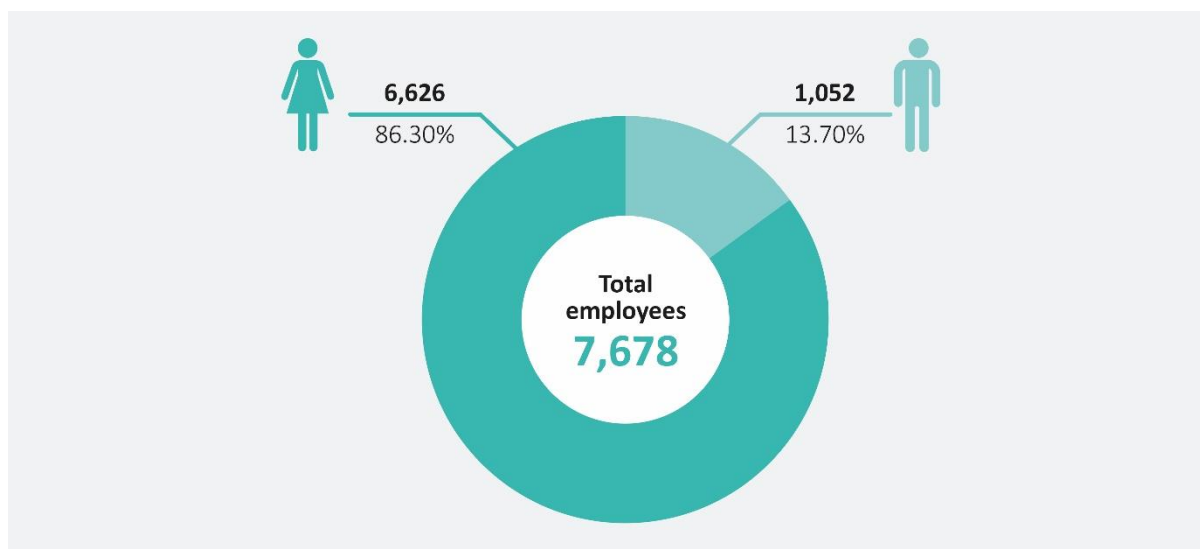
- | | |
|--|--|
| 1 Mean gender pay gap in hourly rate | 4 Mean bonus gender pay gap |
| 2 Median gender pay gap in hourly rate | 5 Median bonus gender pay gap |
| 3 Proportion of male and female employees in each quartile | 6 Proportion of male and female employees in each quartile |



Understanding our gender pay gap

Employees included in the gender pay gap

This report includes UK based employees and excludes those that were in receipt of statutory maternity/adoption pay or statutory sick pay at the snapshot date of 5 April 2024. Employees outside of the UK are not included in this report.



CVS demographics

The gender split in CVS is shown above. As for the veterinary profession in general, the proportion of female employees in CVS is significantly higher than the number of male employees. The ratio of female to male employees within CVS is 6:1.

The CVS median and mean gender pay gap figures are behind the UK figures because we have considerably more women working in our key roles such as veterinary surgeons, nurses, patient care assistants and receptionists. Male staff represent a considerably smaller proportion of our overall workforce, with most of them working as vets or in specialist clinical roles as well as in IT, property and facilities, warehousing and logistics and managerial roles. This is changing and it has been encouraging to see an increasing number of women appointed or promoted into senior clinical, managerial and executive roles.

Throughout this report we refer to mean and median

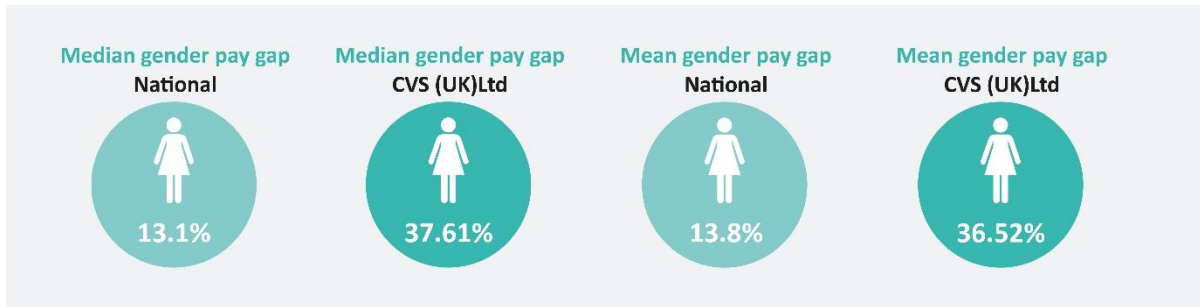
The mean, commonly known as the average, is calculated when you add up the basic pay of all employees and divide the figure by the number of employees. The mean gender pay gap is the difference between mean male basic pay and mean female basic pay.

The median is the figure that falls in the middle of the ranges when all employees' basic pay is arranged from the smallest to the largest. The median gender pay gap is the difference between the employee in the middle of the range of males' basic and middle of the range of females' basic pay.

Salary

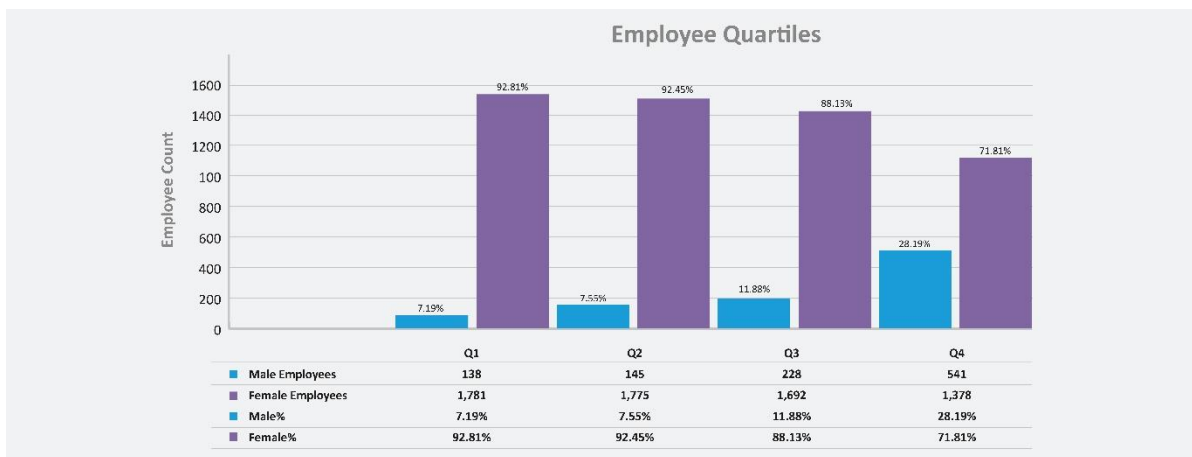
Salary: CVS gender pay gap

Gender pay calculations are based on basic pay excluding anyone receiving statutory maternity pay or statutory sick pay. The calculations exclude any overtime payments, including part-time staff working extra hours, which are mainly paid to front-line staff where there are more women than men.



Salary Quartiles: CVS (UK Ltd)

The chart below shows the full pay of the relevant employees, by quartile, from lowest to highest paid and the percentages of males and females in each quartile.



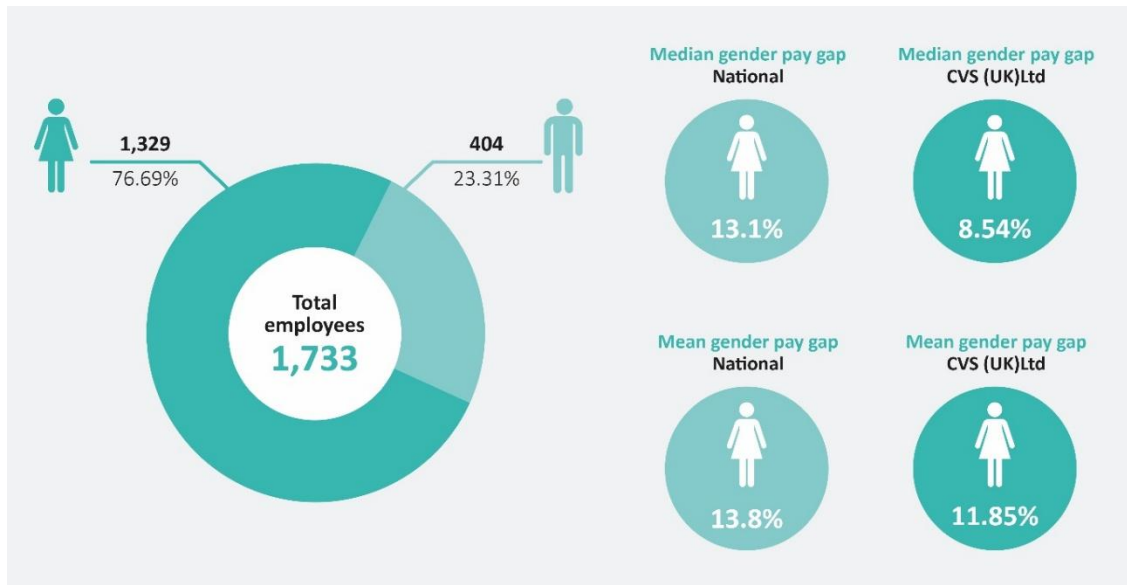
This demonstrates the high number of women compared to men in every quartile. Men remain under-represented in many roles in the first three quartiles industry wide and as such recruitment of men continues to be more challenging than for women. Our EDI committee continue to review how we recruit into these roles for example by minimising gendered language in our job adverts.

The recruitment of women has been helped by a continued increase in part-time contracts. Flexible working is an essential part of our recruitment and retention strategy, especially to encourage women back to work after maternity leave.

Veterinary Surgeons and Nurses

As part of our overall action plan we have continued to focus on ways to eliminate any gender imbalance in pay within key roles such as veterinary surgeons and veterinary nurses as these are two of the largest and most critical job categories within CVS.

Veterinary Surgeons

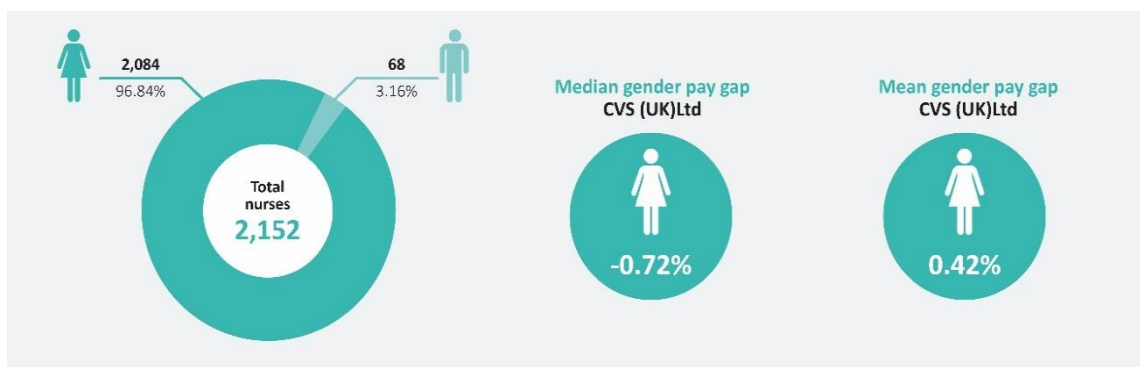


The data above is calculated based on the data for relevant employees in April 2024.

For veterinary surgeons the data demonstrates that the gender pay gap is considerably better than the overall company average and also the national UK-wide gender pay gap. However there is a gender pay gap amongst our veterinary surgeons and our target is to continue to reduce this gap further.

The information above does not include specialist veterinary surgeons as this is a separate category. We are keen to attract more women into these specialist roles and this remains a priority.

Nurses



CVS has a very high proportion of females in the nurse role. There is a significantly lower gender pay gap in this role than for the wider organisation. The data for male employees is skewed by the very small number of male veterinary nurses.

Bonus Pay

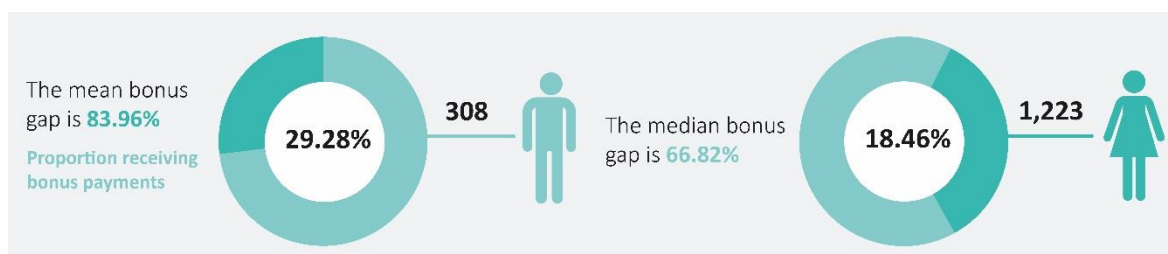
Bonus payments are inclusive of rewards related to profit sharing, incentives, productivity, performance and commission.

Bonus awards were paid to around half the number of employees than in the previous year, this reflects a challenging year in which the targets to trigger a practice bonus were not achieved for a number of sites.

Across the various types of bonus schemes, four times more women than men received bonuses which reflects the demographic mix of employees working in front-line roles. The mean value of individual bonuses received was higher for men than women because men receiving bonuses were often in senior managerial roles.

Included in the annual bonus pay calculation are bonuses paid to senior executives including long term incentive plans and whilst this was a small number, more men than women were eligible to receive them.

Annual bonus pay gender gap May 2023 – April 2024



The annual bonus calculations include a large number of payments made as part of schemes which cover a number of employees at each veterinary practice. These payments are relatively small and spread across a range of employees, the majority of which are female.

Bonus payments are available within the practice division and in some other operational areas but they are generally not used, for example, in support and administrative areas.

Interpreting the data

As explained throughout this report, the gender pay gap is influenced significantly by the demographic mix of employees across the company.

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The company uses a variety of different bonus schemes especially in areas which deliver client service. Mid-to-senior management are often incentivised based on business results and operational performance.

.....
The company recognises that the gender pay gap is a measure that must receive constant focus and attention and improvement in the gender pay gap is a long term commitment.

.....
The company continues to focus on ensuring that there are fair and consistent policies and practices relating to equal pay for work of equal value in each job category.

What have we done leading up to March 2025?

In accordance with the reporting requirement, in this report we have published our gender pay gap data as it was in April 2024. The initiatives that have been implemented since then, which we describe below, will therefore not be reflected in the data in this report but we believe will improve our gender pay gap data in future reports.

Comprehensive strategy for equity, diversity and inclusion

All colleagues feeling included is a fundamental element to closing the gender pay gap. In our most recent survey, 77.13% of colleagues said they feel equally included at work.

The colleague EDI Groups feed directly into our EDI Committee, which is sponsored by our Chief Financial Officer. They have strategic objectives and continue to contribute significantly to our EDI actions. In the last year we have introduced a new EDI group focused on supporting the colleague reproduction journey.

We are committed to increasing the number of women in senior roles and will continue our focus on career pathways to provide greater opportunity, flexibility and variety of career choices. Our Senior Leadership Group is 53% female and on the Board the positions of Senior Independent Director, Chair of the Remuneration Committee, and Chair of the Audit Committee are all posts held by our female Non-Executive Directors.

We aim to enhance and support the growth and development of women in all career pathways within CVS, and to create targeted development plans to help structure multi-year progression.

Delivering on our commitments made last year

We have continued to grow our learning content and leadership training for all leaders in respect of EDI issues. We have partnered with The Employers Network for Equality and Inclusion (ENEI) to provide additional resources for all leaders. Additional e-learning available through ENEI includes Inclusive Leadership, Inclusive Recruitment and Unconscious Bias.

Through our Recruitment & Selection approach we have increased the focus on skills and abilities needed within roles and used technology to flag where there is opportunity through language, to reduce gender bias in the recruitment process, we have neutralised job descriptions accordingly. We have implemented new technology which will allow us to track data more effectively to drive data driven decision making and identify biases in recruitment and attraction trends and we are working to expand our talent pools to allow us to actively recruit from diverse sources.



We recognise that gender equality is not only a women's issue, we wanted to increase opportunities for men in our nursing and client experience roles. We have continued our efforts in gender equality by using gender-neutral language and pro-nouns across our job adverts. We have worked to avoid unnecessary requirements that might disproportionately exclude certain genders and have encouraged flexible working as a consideration to hiring managers. We have increased the proportion of male employees in our Receptionist and Nursing roles with highest increases in Nurse Manager and Senior Receptionist roles.

We have increased female representation in specialist clinical roles with the proportion of female specialist vets increased by 4.6% in the last year and 62.4% of specialist vets now female. We have increased the proportion of female colleagues across IT, property, facilities, logistics, warehousing and management roles by 0.4% in the last year with 67.0% of these roles now occupied by females.

Created opportunities for career development through learning, education and development

We have provided industry leading nurse training, which continues to grow internal talent and support the development of both nurses within CVS and the wider nurse profession. We have opened a new veterinary nurse training school in Harrogate as part of our Chester Veterinary Training Centre. We have also grown the number of nursing training courses on Knowledge Hub to 57 and aligned our training with our career pathway for Nurses, ensuring a clear development route is visible. We have introduced courses in Emergency & Critical Care and Practice Nursing at our Veterinary Nurse Training Centre to award Level 5 Diplomas in Advanced Veterinary Nursing. These provide opportunity for further career development for our Registered Veterinary Nurses.

We have built strong foundations for successful and sustainable careers across the veterinary sector. We have delivered our industry leading New Graduate Programme to over 180 newly graduated Veterinary Surgeons, this year we added peer support sessions to the programme which are led by experienced mentors to share the secrets of a long and happy veterinary career. We have supported over 440 Apprentices in a variety of roles across the Group, including Level 2 Animal Care apprenticeships which allow wider access to further qualifications such as Veterinary nursing.

We have developed a portfolio of high quality courses which align with the learning needs of colleagues across CVS. We have:

- launched 15 new Learning Hubs on our Knowledge Hub platform to allow a tailored learning experience for all job roles across the group.
- demonstrated clear pathways to career development by aligning our learning content with our career pathways in Client Care and Veterinary Nursing.
- increased the number of online and face to face courses available to over 300, spread across all areas, including clinical and non-clinical courses.
- had over 6000 active users per month on our Knowledge Hub learning platform.

We have continued to develop our extra-mural studies (EMS) support framework to help ensure that we are delivering a consistent and high quality learning experience for students completing EMS placements with CVS and to maximise the availability of EMS opportunities for students across the CVS estate. We have revised our internal EMS support documents to ensure practices provide a consistent EMS experience. We have developed and delivered EMS workshops to students studying Veterinary Medicine at three UK Universities. From September 2025 our EMS workshop will also be included in the Veterinary Medicine curriculum at the Royal Veterinary College.



We have continued to support apprentices in the workplace, we have:

- retained 95% of learners across all cohorts during 2024 (including learners who commenced their apprenticeship prior to 2024 with an expected completion date during 2024 or beyond and those who enrolled during 2024). This figure comfortably exceeds government retention targets.
- enrolled 162 people onto apprenticeships (97% Women, 3% men). 16 of our 2024 enrolments commenced their 2nd funded apprenticeship in CVS (94% woman). Successive apprenticeships support colleagues to achieve their career aspirations, especially when these are used to obtain entry requirements on higher level courses if not already held
- supported 140 apprentices to complete their apprenticeship in 2024 in programmes ranging from Level 2 – Level 7
- retained 95% of learners across all cohorts during 2024 (including learners who commenced their apprenticeship prior to 2024 with an expected completion date during 2024 or beyond and those who enrolled during 2024). This figure comfortably exceeds government retention targets.

We have provided support and development for receptionists across CVS, with clear understanding of the skills required within the role and support to develop and maintain these skills, and to progress within the role. We have developed a clear career pathway for receptionists in CVS, drawing on the experience of receptionists across the business. We have also developed a clear training provision to allow our receptionists to move through the career pathway, and hosted this on a dedicated learning hub for our client care teams. Our Level 4 Certificate in Client Care has become the only external training accredited by the BVRA (British Veterinary Receptionist Association) to deliver Associate Veterinary Receptionist status, the only industry accreditation for veterinary receptionists.

We have provided learning and education support and development for our leaders to feel empowered to lead engaged teams. We have developed a revised Level 3, Level 5 and Level 7 continuous leadership curriculum to support the development of leaders in all of our business areas. The new Level 5 certificate in leadership is delivered both online and face to face, by leaders from inside the veterinary industry. To date, 154 leaders have enrolled, and 51 completed one of these qualifications.



What are we planning to do next?

We recognise there is ongoing work needed to close the gender pay over the long term.

Our focus on improving Equity, Diversity and Inclusion will continue

Over the next year, our work will include:

- Continue to build our EDI resources and learning content.
- Implement a structured approach to promote our EDI initiatives externally.
- Continue to partner with ENEI and benchmark our EDI strategy against other companies.
- Enhance the current policies and guidance in place to support employees through the reproduction journey.
- Continue to increase male representation in our Receptionist and Client Care roles through inclusive recruitment practices
- Launch inclusive behaviour frameworks as core element of our leadership development programme

Providing opportunities for development

As part of our commitment to increasing the number of women in senior roles and continue the development of women in all career pathways within CVS, over the next year, we will:

- Continue to develop industry leading nurse training, recognising the increasingly important part that nurses play in the veterinary profession. Alongside this continue to embed our Nurse Career Pathway
- Continue to build strong foundations for successful and sustainable careers across the veterinary sector.
- Develop a programme of learning designed to support those returning to veterinary work after a career break.
- Increase our outreach programme to schools, ensuring equitable access to work experience placements and opportunities to enter the veterinary industry.
- Ensure our new Receptionist Career Pathway is implemented to provide support and development for receptionists across CVS.
- Continue to grow and maintain our portfolio of client care courses to ensure we are delivering a consistently high quality learning experience for all of our receptionists.
- Launch a continuous leadership curriculum which supports our required leadership behaviours.
- Role out and embed a framework for personal development reviews for colleagues.