2020 Annual Report





We've structured this report to highlight the accomplishments of the three divisions in our Home Instead enterprise – North America, the UK and International – and to reflect on the progress of our key milestones and initiatives. We've also highlighted a few enterprise activities that fall outside of our Strategic Action Plan, such as 2020's global rebrand.

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A message from Jeff

Although we spent much of 2020 separated physically – working remotely, canceling Convention in April and isolating in our homes – I've never been prouder to be part of this Home Instead family. Throughout this unique year, I saw our network and HQ team come together and adapt quickly in an environment that was changing hourly. You collaborated and pushed forward to ensure seniors continued to receive quality care at home, in the safest place possible for them.

And despite the major challenges and roadblocks that 2020 threw at us, we kept our eyes on the prize and made key progress on our Strategic Action Plan and the initiatives we outlined for the year. As I read through the content in this report, I'm in awe of the accomplishments and the things we tackled in spite of the pandemic. This is what Home Instead does best in trying times – we rally, serve each other and press forward. As you'll read in the following pages, the *Next* Home Instead is coming together and we're starting to realize all the possibilities that come from a uniform connected experience across the network. It's really exciting to see.

We may never be able to quantify the full impact of COVID-19 on our business, our communities or even our own well-being, but I'm proud of how we navigated 2020. I'm proud of the work you did to keep seniors safe and comfortable in their homes. I'm proud of the way you led your teams through chaos and uncertainty. I'm proud of your adaptability, flexibility and willingness to participate in our strategic work. And I'm proud of this entire network's commitment – from HQ, across North America and around the globe – to stay true to our mission. In a year that took so much freedom from seniors and their families, Home Instead fought to serve our older adults, advocate for the essential nature of our services and care for the most vulnerable among us.

Thank you will never be enough. God bless you all and cheers to 2021.

Abtuber

- Jeff Huber, Chief Executive officer





2020 worldwide client-level revenue



Home Instead. To us, its personal

HOME INSTEAD REBRAND

In November, we unveiled our new name and logo, which prominently features the tulip — a timeless symbol that speaks to Home Instead's never-ending commitment to growth, optimism and care. This symbol, combined with the all-encompassing name Home Instead, demonstrates the passion that helps drive our mission:

To enhance the lives of aging adults and their families.

Along the entire rebranding journey, we connected with Kathys and other key stakeholders to gather their feedback to help influence the look, feel and message we hope to send. We can confidently say that we're coming home from this journey knowing that the future of Home Instead will always speak to the heart of our customers.

As we move forward in our rebranding endeavors, we'll continue emphasizing the following key points:

- **Commitment to our clients:** We're deeply committed to providing our clients the same level of compassion, care and support needed to fulfill a joyful and quality life at home. Our transition to Home Instead and our new logo does not change that; in fact, it amplifies it.
- The Home Instead name: Since our inception 26 years ago, we've positively impacted the lives of millions of clients and families. By removing "Senior Care" from our name, we're showing our commitment to helping individuals age well at home wherever they are on their aging journey. That still and always will includes serving seniors, a privilege that is engrained in what we do.

COVID-19

Looking back at 2020, it's impossible not to reflect on the impact the COVID-19 pandemic had on culture and business in communities everywhere. Never in our lifetimes has the way we work changed so quickly. From sourcing PPE anywhere we could find it, to advocating that our care services are absolutely essential, 2020 put Home Instead to the test in many ways.

Though it feels like 2020 was consumed by the pandemic, we first started monitoring the situation in early February as it was heavily impacting China. As the virus made its way to Europe, the United States, and the rest of the world in March, we stood up a COVID-19 Task Force to support the network through rapidly changing times.

Here's a look at the networkwide impact through our COVID-19 reporting*:



*Based on 60% of the North America network reporting.

Home Instead offices and staff around the world exhibited extreme tenacity and grit as they continued to serve seniors— those most vulnerable for COVID-19 complications—in the safest place possible, their homes.

Global Headquarters employee Katie Christenson masks up to help deliver Thanksgiving meals for GratiTuesday, 2020

Home Instead

North American Division

"2020 was an exceptional year for our franchise owners in the United States and Canada, in both senses of the word. It was anything but typical, and it turned out to be an outstanding year. When our world was turned upside down in March, our Noth American Operations team stepped up to provide comprehensive support to our network. With a road full of uncertainty ahead, franchise owners and their teams pushed forward and did an amazing job navigating a new world. As the year continued, the uncertainty cleared and business came back strong. While this wasn't the case for the entire network, collectively our growth pattern returned to pre-COVID levels, and we achieved our original revenue goals in two of the three months of the fourth quarter.

Many franchises throughout the year embraced the different components of the Next Home Instead. Empower, SalesForce, Integrated Care, and Vinny all made gains in 2020. As we continue our march toward a connected experience, the blocking and tackling of our business were more important than ever. Business plans needed to be created. Training needed to be developed. Engagement with franchise Owners and key players increased, and this new virtual world was unlocked. The resiliency of Home Instead was apparent and growth is the result of everyone's hard work and dedication."

- Dave Banark, Chief Operating Officer – NA Division





2020 North American client-level revenue





Pictured: Azalea White, winner of the 2020 CAREGiver of the Year award, sitting with her client.

BRIDGES

Integrated Care continued to focus on developing the home care tablet as a CAREGiver tool. In addition to continued innovations in tablet functions and features in partnership with GrandPad, we spent the past year creating extensive documentation for operational processes using the home care tablet and empowering offices to use the tool for business as usual.

The COVID-19 pandemic highlighted the need for virtual connections, and we pivoted our implementation strategy to accommodate new offices in the era of social distancing. Integrated Care also launched a pilot in Canada and began piloting a CAREGiver app for Integrated Care offices.

With 4,115 home care tablet subscriptions and over 100 offices using the home care tablet, key players and owners have attested to the value they find in using the home care tablet to strengthen connections to clients and to CAREGivers, to better monitor change in condition and to save time and expense by conducting virtual check-ins.





DIGITAL LEARNING

Empower played a key role in allowing the network to pivot to more digital training in 2020. After COVID-19 began dramatically impacting offices, Learning & Development quickly created 30 new web-based classes and 28 new virtual classes, many of which were aimed at helping the network go digital. Virtual classes such as Going Virtual with CAREGiver Orientation and Training and Virtual Interviews were very popular and will become a permanent part of our service platform in the future.

Many administrative improvements were made to Empower, as well. The signin process and steps to assign training are more simplified. And as we turn to 2021, we are looking forward to on-demand learning being available to the entire CAREGiver workforce come July 1.



337 offices using Empower for CAREGivers



CAREGivers who log in monthly



average # of courses completed each month



average percent higher NPS score for CAREGivers with access to Empower



131,707 total completed CAREGiver classes



OPERATIONAL SYSTEMS

In August 2020, we made Vinny an official operational system for the Home Instead network and mandated use of either ClearCare or Vinny (starting August 2021).

At the end of the year, 12 offices were using Vinny and taking advantage of its connected systems experience. Team Vinny spent 2020 developing adoption resources, finetuning the implementation process and preparing to scale onboarding for more offices in 2021.

Additionally, Vinny's NPS score among users improved nearly 40 points from the beginning of 2020 to the end of the year.

INTEGRATED LEAD MANAGEMENT

2020 was a year of growth for Salesforce, Home Instead's integrated lead management platform. Led by a dedicated team of implementation and product staff, the platform underwent several significant enhancements, including:

- Increased integrations with Vinny and ClearCare, including bringing revenue and hours data over from ClearCare
- Seamless communication capabilities, complete with such features as RPNtailored introduction email templates, comprehensive marketing journey campaigns, Home Instead-branded messages and the ability to send bulk emails to RPNs
- Complete Response Team integration to increase prospect engagement through a smoothly warm hand-off process
- Additional onboarding and training resources, including hands-on exercises and a live Salesforce 101 course offered through Global HQ's learning and development team
- And, more than 150 franchise-requested improvements.
- Home Instead also celebrated an important Salesforce milestone, surpassing the 100-office mark of franchises using the tool.



127 offices on Salesforce



average number of leads created per franchise per month





Catalyst for *Change*

"Our vision is to "change the face of aging," and we have a global leadership position that helps us affect change everywhere. For years now, world leaders, titans of health care, policy makers and business leaders have looked to us for guidance as they prepare for the age wave. 2020 and the pandemic quickly spotlighted the importance of home care, and we were perfectly positioned to lean into the global focus on aging and its challenges. Our Catalyst for Change work also advances local businesses, helping the network grow and serve as many people as possible. In 2020, this work was more critical than ever as policy and regulation began rapidly changing in response to COVID-19.

As I look back at 2020, I'm proud of the work highlighted in this report. Despite so much chaos and innumerable unknowns, our HQ team and franchise network rallied to advocate for the importance of home care and continue caring for seniors around the world when they needed it most."

- Jisella Dolan, Chief Advocacy Officer

Pictured: Home Instead President Jim Hood takes the stage

POLICY & GOVERNMENT INFLUENCE

Government Affairs moved the needle on key legislative issues impacting business owners and our industry, in addition to helping the network navigate the pandemic and the Paycheck Protection Program, the CARES Act and more. On top of COVID-19 support, here our key activities from 2020:

- Home Instead sponsored House Resolution 2878, which would change the Internal Revenue Code to allow people with health savings accounts to use that money for home care services
- 100+ meetings with members of Congress and staff, most conducted virtually
- Home Instead Virtual Hill Day with State Captains 3.0
- Continued leadership in Home Care Association of America (HCAOA) and International Franchise Association (IFA) in the U.S. and Canada
- 50+ meetings with Canadian members of Provincial Parliament and Parliament, most conducted virtually

HEALTH CARE TRANSFORMATION



We established our health care transformation team in late 2019, just in time to navigate a global pandemic. In addition to round-the-clock network support since early March, the team continued work on non-COVID-19 projects. Here are a few highlights:

- Developed and executed a comprehensive health care transformation strategy that advances Home Instead's services as a critical part of the health care ecosystem
- Oversaw clinical and health care adjacent aspects of Home Instead's services, ensuring alignment with traditional health care services
- Aligned, evolved and supported expanded Home Instead scope of service offerings globally
- Partnered with Global HQ teams to advance health care policy, understand health care regulation, support operations and network with scope of service, build infrastructure to obtain data that demonstrates our value and advance thought leadership goals
- Continued work on our eMAR project
- Initiated a global data project focused on client outcomes and health care metrics

ADVOCACY & THOUGHT LEADERSHIP

Catalyst for Change and our thought leadership work are in service of our first swimlane, Best Home Care Company. Through this work, we expand our ability to provide care to more people everywhere. Home Instead's unique leadership position allows us to be a convener, bringing together global organizations and leaders from all walks of life to unite and solve these aging challenges. Here are just a few things we did to advocate for home care in 2020:

- Conducted 100+ global thought leadership events, including key speaking and brand positioning opportunities at many of them
- Executed thought leadership strategies in each of our global markets that help advance policy reform, education on home care and critical relationships
- Launched our China taskforce in partnership with Global HQ's international division team
- Held key leadership roles at World Economic Forum – including Healthcare Governor and serving on Global Future Councils for Health Care and for Longevity
- Presented at the OECD's Global Strategy Group Meeting – UK CEO Martin Jones represented us at this strategic and influential event. This helped lead to aging becoming a main OECD focus in their strategic platform.

- Contributed to the World Health Organization's Report on Age-Friendly Workplaces
- Served as a lead author on World Economic Forum's position paper "COVID and Longer Lives: Combating ageism and creating solutions" – positions home as the safest place for older adults and home care as a key solution to the pandemic and supporting aging population in general
- Collaborated with Canada's National Institute on Ageing and Dr. Samir Sinha – Canadian white papers supporting private pay models for long-term care





"Building a world that is Ready to Care took on a new importance in 2020. When it seemed like there was another obstacle around every corner,our network and communities stepped up to help those who needed it most.

For people around the globe, 2020 brought immense challenges. Feelings of loneliness and isolation doubled for older adults in the initial months of the pandemic. Seniorrelated charities were forced to adapt their programming to serve clients safely, while watching their funding levels decrease. And, family caregivers reported growing levels of anxiety and depression.

But in many ways, the challenges we faced became new opportunities to connect with one another. Our network and communities jumped in to serve older adults whom they had never met. They wrote uplifting letters, completed simple acts of kindness and provided financial support for critically important causes."

- Erin Albers, VP of Social Purpose

Pictured: Home Instead staff in Mountlake Terrace, WA spend the day delivering flowers to clients.

Home Instead. Charities

In line with Home Instead's global rebrand, the Home Instead Foundation and Home Instead Foundation of Canada created a five-year strategic plan which led to the name change for both Foundations. Home Instead Charities - our new name - captures our unified commitment to ensuring all adults can age with the dignity and independence they deserve. Each organization will retain its independent legal status and operate in its respective country.



GIVE65 AND #GIVINGTUESDAY

We partnered with **185 charitable organizations**, serving more than **1.6 million aging adults** in North America for this year's Give65 Event.

\$1,171,500

distributed to organizations through Give65 and #GivingTuesday



DISASTER RELIEF

President Trump declared five national natural disasters in 2020, including Hurricane Sally, Hurricane Laura, the Oregon wildfires, the Iowa derecho and the Tennessee tornadoes. Through Home Instead Charities' Disaster Relief Fund, we gave more than **\$105,000** to **227 CAREGivers** and **13 key players** from **eight franchise offices** to help with items like food replacement and shelter.



HILARITY FOR CHARITY

Our partnership with Hilarity for Charity continues to impact hundreds of lives – for seniors and their family caregivers – each year.

397 grants



\$1,293,750 value of care awarded





WALK TO END ALZHEIMER'S

The Walk to End Alzheimer's looked different in 2020, asking participants to walk in their own neighborhoods and with their families. Despite canceling large walk events, the Home Instead network still raised **\$321,980** for the fight to irradicate Alzheimer's.







READY TO CARE

In the midst of the pandemic, we also launched the Ready to Care Facebook Group to connect isolated seniors with a caring community. By March, our acts of kindness initiative (formerly known as Care Missions) saw an **87% increase** in kind acts carried out by Ready to Care community members. Over the course of the year, our acts of kindness community exceeded **15,500 members** and surpassed **8,200 completed acts of kindness**.



CHAMPIONS OF AGING

Champions of Aging continued to be a force for good. In 2020 alone, the initiative inspired **832 hours** of online curriculum and **6,124 hours** of service. We graduated seven Champions in May, formed a Board of Directors in July and welcomed eight new Champions in August.

Building a future workforce of aging advocates cannot be completed alone. We are actively seeking service sites and franchises that can offer service participants a transformational experience in supporting the aging communities.





PEN PALS

Not only did we expand existing social purpose initiatives, we also found new ways to tackle social isolation and loneliness for older adults. As a result, older adults received more than **2,400 letters** in North America alone. We also launched Pen Pals in North America, Australia, Ireland and the UK.

In addition to achieving big milestones, we saw beautiful stories of connection play out in small intimate moments. One pen pal shared an uplifting message:

"As we go through these tough days, it really gives us much time for reflection... Helping others overcome these situations and being there to care is one of our greatest blessings. No one is ever alone... You always have a friend." – Patricia



BE A SANTA TO A SENIOR



In Canada, we partnered with HomeEquity Bank to distribute **\$10,000** to **17 registered charities** currently working with a Home Instead office through the BASTAS and Give65 programs to help spread holiday cheer to aging adults in need.



In the U.S., we provided special grants to **six franchise offices** that participate in Home Instead Charities programs to assist in their BASTAS efforts.

UK Division

"Like everyone else, 2020 has been a challenging year, and one that has left me with an overwhelming feeling of pride. I'm proud to be a part of the Home Instead family; a family that spans the globe and enhances the lives of many thousands of seniors and their families, allowing them to remain safe and well at home.

The entire network of CAREGivers, Key players, and franchisees has shown great resilience during 2020, taking all challenges in their stride. We've very much adopted the mantra of 'Keep Calm and Carry On' and this has really raised the perception of homecare as the preferred alternative to care homes. We saw exceptional financial performance too, with a 20% increase YOY and 5 best months ever.

I'm looking forward to seeing what 2021 holds. I'm anticipating a few more bumps in the road along the way, but with the support of my team, the network, and my International colleagues, I'm sure we'll have an exceptional year."

- Martin Jones, Chief Executive Officer - UK DIvision





UK ACHIEVEMENTS



BUSINESS DEVELOPMENT

The UK division celebrated welcoming 14 new franchisees, resale of one franchise and establishing five additional territories.

During the pandemic, the UK national office launched a Centralised Procurement Portal for offices to help combat PPE shortages. The team also acquired the SuperCarers brand to grow the live-in arm of the business.

Lastly, the UK restructured its Bring Joy Foundation (Home Instead Charity) with the appointment of Penny Hamer and Alicen Thorn and four additional new trustees.

INNOVATION

In Innovation, the UK made strides to better measure work done in the field and at the national office with the launch of its first data and analytics platform.

PEOPLE

Home Instead UK was recognized as a 5-star employer.

At the start of the pandemic, the UK quickly rolled out a virtual onboarding process for CAREGivers and moved all classroom learning to virtual for the remainder of the year. The national office also celebrated that the entire UK network is entirely on its learning management system.

Additionally, UK National Office launched a wellbeing strategy and toolkit to support all network stakeholders during the pandemic and beyond.

FINANCIAL

In additional the UK's financial success in 2020, the network delivered **8M hours** of care and served **171,672 clients.**



MARKETING

The UK's marketing efforts pivoted along with everything else due to the pandemic, and the team supported offices with virtual networking resources and targeted services to keep enquiries coming through during lockdown.

Instead of hosting a live in-person Conference event, the UK planned and delivered a virtual summer conference.

49% website visits growth over 2019

UK brand awareness growth



International Division

"Looking back at 2020, our international franchise network not only survived the COVID-19 pandemic, it thrived adapting plans and creating new processes to ensure that clients care continued to be safe.

Client-level revenues generated within the international network reached \$790.5 million. This represents a growth rate of 21%, or \$137 million dollars, over 2019. Additionally, we opened two new markets, France and Singapore.

In a year of crisis and uncertainty, this performance is compelling proof that our business model, our mission, and our global brand continue to be the world leader in home care.

We built a global data warehouse and markets now transfer information that will become an invaluable asset, driving insights, and providing clarity into our global operations, shaping our future growth strategies offerings. Similarly, implementation of a global product and service framework will serve as the foundation for innovation and growth.

The new brand architecture is being implemented and increasingly markets are utilizing online strategies to generate leads in response to the pandemic restrictions. We look forward to 2021 with great optimism for our continued progress and success."

- Mike Boyer, Chief Operating Officer - International Division





\$488.7

2020 international client-level revenue



MARKET HIGHLIGHTS

Home Instead leaders around the world responded to the pandemic with ingenuity, creativity and grit. Looking back at the year, Home Instead's international franchise partners and their network not only survived COVID-19 but thrived. Despite the health and operational challenges brought on in 2021, we opened two new markets in France and Singapore. We also successfully transitioned ownership of the Netherlands network.

Our offices in Australia, Germany, Ireland, the Netherlands and Switzerland all had banner years with tremendous growth and multiple best months ever. On technology, we built and launched a global data warehouse and now markets are feeding information into the warehouse. We also put in place a global product and service framework that will serve as the foundation for innovation and growth for years to come.





\$176,387,311 2020 revenue

29.31% growth over 2019

GERMANY

Germany has seen significant growth over the past three years, almost doubling its number of offices. Germany signed its 150th franchise contract in January 2021. The business is mainly generated by clients utilizing government health agency care packages (the size of the packages available to seniors is based on a needs assessment and can then be applied to qualified providers). Home Instead Germany has been ranked No. 1 among the top home care companies in Germany by pflegemarkt.com



\$105,104,236 2020 revenue 28.51% growth over 2019



\$97,405,140 2020 revenue 8.56% growth over 2019

AUSTRALIA

The Australian market has grown almost 30% year-over-year in the past three years and is currently Home Instead's third largest international market. The market environment has undergone considerable change over the past few years, including the addition of consumer-directed care (government-funded care packages). Consumers can choose and apply those funds towards qualified care service providers. Home Instead Australia is unique in its blend of three different customer types/payor sources: private pay client, home care package clients, and brokerage clients.

IRELAND

During the past few years in the Ireland market, franchise offices were bought back and integrated into a corporate-owned structure. Most of the Irish market is currently operating under this structure. The dominant payor source is Government Health Agencies, assigning home care for seniors on a needs basis. The system operates on a two-year tender across different municipalities. Ireland is the country with the highest market penetration, where one in 100 seniors is serviced by Home Instead every month.

Last year, the team in Ireland advocated strongly for statutory right to home

care, calling for regulated community health care to be central component in Ireland's health care planning and budget.



\$62,247,568 2020 revenue 44.10% growth over 2019



\$46,375,325 2020 revenue

6.09% Ggrowth over 2019



\$517,103 2020 revenue

8.33% growth over 2019



\$92,545 2020 revenue

-35.59% growth over 2019



NETHERLANDS

Home Instead Netherlands has consistently seen the strongest growth rate in the global network over the past three years. Most of its client base is funded through government agencies, and the Netherlands team has been successful in positioning their service at the higher end of the spectrum, specializing in Dementia and Alzheimer care. In December 2020, ownership of the Netherlands network was successfully transitioned to the Swiss holding company which owns Home Instead Switzerland, Ireland and France.

SWITZERLAND

Performance in Switzerland improved 6% in 2020. An important part of Switzerland's revenues is a 24/7 live-in model, offered in two different tiers. In recent years, Switzerland expanded their services to the French speaking part of the country, with an office in Lausanne. All 23 franchise offices were bought back and have operated under a corporate umbrella since 2018. The new structure allows for operational efficiencies.

ITALY

Italy restructured its corporate setup in the past 24 months to better adjust to the heavy regulatory burden. This resulted in more competitive pricing and stronger margins. Home Instead Italy is positioned and recognized as a premier, high quality senior care provider. Their current focus is on growing their head office in Torino through partnerships with hospitals and senior care associations.

CHINA

After a three-month shut down due to COVID-19, the team in China regained and added to their client base. The national office team continues to build relationships with key individuals, businesses, government entities, and health providers in those communities. The Home Instead China office continues to provide high quality, customized services to seniors in Shenzhen. They qualified to be an authorized service provider, a huge endorsement by the government about the quality of care and the future potential of Home Instead's business in the city.

FRANCE

Expansion into the French market was executed through the acquisition of an existing home care business and started to report revenue in September 2020. Monthly revenues are stable at about \$40K per month. Home Instead France is currently transitioning the existing client and CAREGiver base to meet Home Instead requirements and will rebrand early in 2021.



\$30,944

2020 revenue

JAPAN

Home Instead Japan is gradually gaining traction, in part due to investment in digital markets as a response to the pandemic. Private pay senior care is not widely known concept in Japan, slowing the networking and client acquisition success. The national office staff is currently fine tuning their product and service offerings, and adjusting their roles and responsibilities.

SINGAPORE

Singapore went operational at the end of 2020. CAREGivers have been recruited and trained and started servicing their first client in December. Home Instead Singapore is currently offering an extended scope of services.



NEW ZELAND

The first New Zealand office is close to going operational. Workforce is hired, office space was created and is currently being outfitted with all necessary resources. The operational setup and procedures in New Zealand will follow the Australian model, with some adjustments made.



Closing thoughts from Jim

I want to add my congratulations and deep gratitude to all our stakeholders on our success story in 2020. I am blessed with a broad view of the amazing efforts put forth by our CAREGivers worldwide, the key players and franchise owners that support them, by the national office staffs across markets, and by the IFPs leading our brand across geographies. To have merely navigated 2020 would have been enough; but as we see in this report, our global network has responded and excelled at continuing our mission of enhancing lives. Bravo!

What makes me most proud is our collective ability to continue the transformational work that is critical to our future, while balancing the immediate and critical needs of delivering care today. It speaks volumes of our collective vision, combined strength, and near-infinite determination that we have made as much progress on our strategic endeavors as we have in strengthening our operations in 2020. My continued prayers are for your safety, health, and wild success in 2021 and beyond. God bless!

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- Jim Hood, President



Pictured: Home Instead in Harwood Heights, IL

110.

Thank Home You Heroes

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