

Wessex Water's
Gender pay gap
report 2024



Wessex Water
YTL GROUP

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We recognise that diversity is a strength and have enabled an inclusive environment which improves the representation of women within the industry and our own business

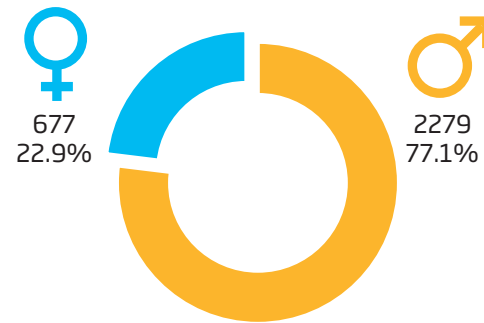
Our company

We are a regional water and sewerage business serving 2.9 million customers across the south-west of England, including Dorset, Somerset, Bristol, most of Wiltshire and parts of Gloucestershire and Hampshire. We employ 2,956 people.

We have a robust job assessment process and operate a framework of grades and pay ranges within each pay grade – gender has no bearing on what employees are paid for the role they perform.

In common with many businesses with a predominance of STEM skills, such as engineering, the water industry continues to employ more men than women.

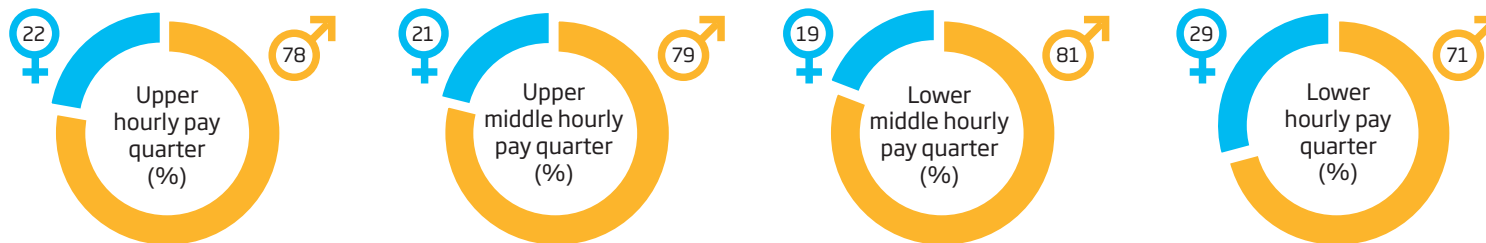
We recognise that diversity is a strength and have enabled an inclusive environment which improves the representation of women within the industry and our own business.



Pay quarters by gender

The distribution of women and men is shown in hourly pay quarters – these are calculated by splitting the whole workforce into four equal parts based on hourly pay, from highest to lowest. The percentage of women and men is then calculated from the pool of people in each quarter.

Our workforce, including those in leadership roles, is predominantly male. There continues to be a higher percentage of women in the lower hourly pay quarter compared to the other hourly pay quarters.



In this report, we explain:

- the current gaps for gender pay and gender bonus
- what we believe are the likely reasons for these gaps
- our strategy to address the pay/bonus gaps.

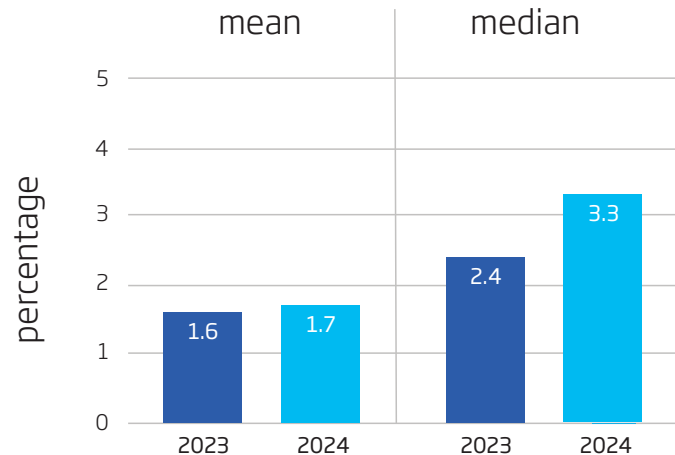


Our gender pay gap

The gender pay gap shows the difference between average hourly pay for women and men across all ages, roles, and levels within the company. This differs from equal pay, which is the right for women and men to be paid at the same rate of pay for work that is of an equal or equivalent value.

The gender pay gap in this report is the difference in the average hourly pay received by women and men at Wessex Water on 5 April 2024.

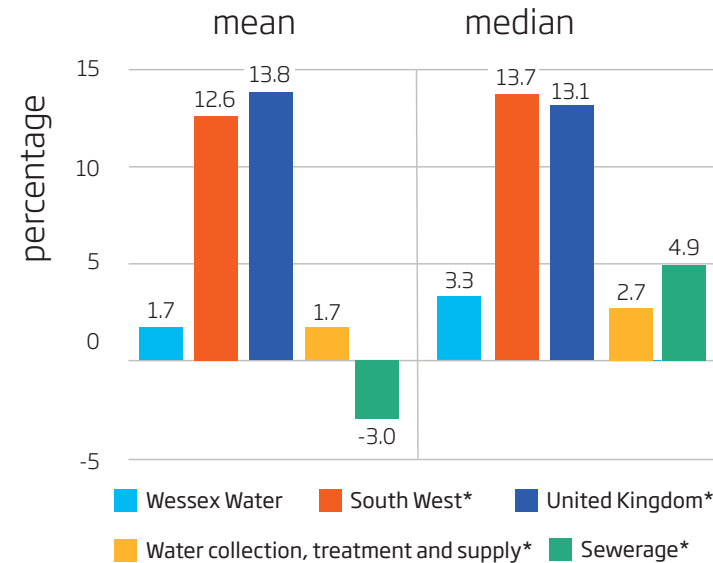
We continue to work to attract more women into our business and we value the skills, knowledge, experience, and ideas they, and all our employees, bring. The gender pay gap is an important measure for us, to help us understand how we are doing in this respect.



Our mean gender pay gap is now 1.7%. This is a slight increase from 1.6% in April 2023, although there is still evidence of a diminishing trend, having reduced from a mean gap of 2.6% in April 2021.

Our median pay gap is now 3.3%. This has increased from 2.4% in April 2023 and is at the same level as recorded in April 2021.

How do our gender pay gap figures compare to the regional, national and industry figures?



*Office for National Statistics, Annual survey of Hours and Earnings, October 2024

What is the mean?

The mean gender pay gap is the difference in average hourly pay for men compared to women at all levels across Wessex Water.

What is the median?

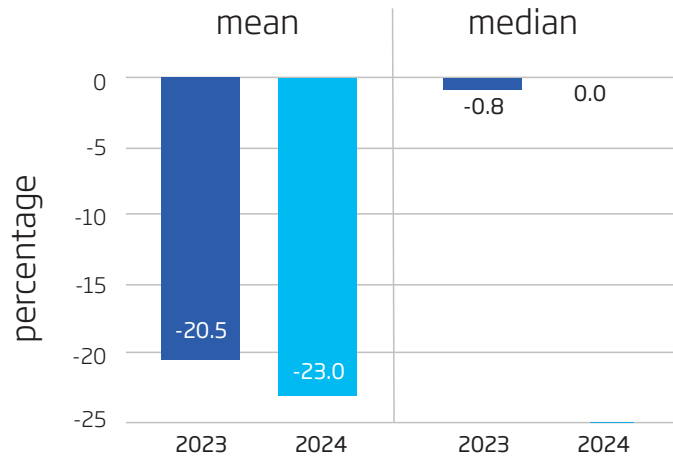
The median represents the middle number point across a list of values. If we list all women and all men, the median is the middle number. The median pay gap is the percentage difference in average hourly pay for the middle man compared to the middle woman working for Wessex Water.



We continue to work to attract more women into our business and we value the skills, knowledge, experience, and ideas they, and all our employees, bring

Gender bonus gap

The gender bonus gap is the difference in the average bonus payments received by men and women at Wessex Water during 2023-2024. The outcome is more favourable for women than men.



The gender bonus gap is directly affected by the level of bonus paid in a particular year. On this basis, a degree of fluctuation can occur due to individual performance outcomes.

67.1% of men and 45.2% of women employed by Wessex Water on 5 April 2024 received a bonus during the previous year. This has moved towards greater parity, compared with last year (70.5% of men and 43.9% of women).

Understanding our gender pay and bonus gaps

Our gender pay differences remain significantly lower than the UK average. Some aspects of our data do favour women, specifically our two measures of bonus payment data, where the average rate of pay for women is higher than that of men.

The two pay gap measures (mean and median) are higher for men than women. This is because, on average, more women are in roles in the lower pay quarter and these weigh on the overall outcome. We have also taken on many female apprentices in the past year, which has expanded the representation of women in the industry, but further increased numbers of women in the lower quartile of the pay range.

Our job assessment process is robust and thorough. We operate a framework of pay grades and within these there are several pay ranges. Gender has no bearing on what employees are paid for the role they perform. Focus is instead on role content, complexity, and levels of accountability for each position.

A higher proportion of men compared to women received a bonus during the year. This is because our bonus schemes (and one main scheme in particular) is available within teams with a higher proportion of men than the company average. However, the mean bonus paid to women was higher than that paid to men during the year.

Part of the reason that the bonus gap currently favours women is that although fewer women are in roles that attract a bonus, the bonus opportunity for the roles that are eligible for it, tends to be higher.



Our two measures of bonus payment show the average bonus for women is higher than that of men

What are we doing about our pay gap?

We value the range of talent and inherent differences a diverse workforce brings. We are committed to creating, promoting and sustaining an inclusive workplace for all our employees (and those who work with us in other capacities).

Our strong, friendly, and engaging culture means colleagues enjoy working for us and with each other. Our people are important to us and we listen to their feedback – we have action plans in place to address key areas of feedback received.

There is always more to do to reduce our pay gap, and we are committed to improving diversity and inclusion and achieving a better distribution, particularly at a senior level. We have clear areas of focus which we believe will contribute to reducing our gender pay gap. Current areas include the following.

Community education

Our education team continues to engage with and visit hundreds of educational establishments, including nurseries, primary/secondary schools, colleges, and universities, to raise awareness of Wessex Water, the work we do and the job opportunities we offer.

As part of our talent attraction this year, we have appointed our first ever careers inspiration advisers. Driven by national agendas laid out by government policy, our strategy is to enhance the opportunities for young people to experience the workplace in a variety of forms, to continue to widen the diversity of people engaging in our career opportunities.

Graduates

We remain a member of the government's 5% club which recognises that we provide opportunities to develop the skills and talents people need to become more employable and to create meaningful careers.

Currently, 10% of our workforce are either recent graduates or undertaking learning and development through apprenticeships, further or higher education. This year we have supported the development of a national network aimed at graduates in water and have established an internal network to support our graduates.

Academy and skills

Our internal careers team has expanded this year with the appointment of two Careers Inspiration Advisers (CIAs).

Our aim is to continue to develop the diversity of our talent pipeline with one of the CIAs focusing on recruitment of our entry careers such as apprentices and graduates. And to increase the quality of our workplace offer in line with the Gatsby benchmarks of good career guidance.

The YTL Wessex Academy continues to grow with more than 65 apprentices now being trained in-house, using the expertise of our experienced workforce to develop the next generation of operators.

Apprenticeships

Our 2024 intake of apprentices represents our greatest range of diversity characteristics, with 18% of our STEM based apprenticeships undertaken by females: almost twice the national average for construction and engineering apprenticeships.

We also saw our largest proportion of degree level apprentices starting in the business, with 14% of the intake at this level, aiding social mobility. Almost half of our apprentices are existing members of staff using the apprenticeship model to develop their skills and knowledge – enabling them to further progress their careers.

Flexible working

We provide a supportive culture that enables people to work at all levels of the company. As circumstances and life situations change, we also help to ensure that people have the support they need to adapt to this.

We pride ourselves on having a strong flexible working culture that allows work to be successfully interwoven with people's lives. This creates visible role-models and trust amongst employees, that demonstrates working part-time or flexibly, does not hinder career development or career advancement.



We pride ourselves on having a strong flexible working culture

We encourage flexible working where this can be operationally supported and would welcome applications from people who would like to work part-time or flexibly, across all levels of the organisation.

By offering flexible and part-time opportunities we expect to improve gender distribution across our workforce, which will have a positive influence on our gender pay gap. We actively promote flexible and remote working, together with flexible retirement aimed at providing the option of a more gradual transition into retirement.

Improving all forms of diversity

Our executive leadership team focuses on ensuring that all forms of diversity are promoted and reflected within the workplace. Each executive leader sponsors a characteristic area within our action plans.

We are building a workforce that reflects the diversity of the community we serve, and we will continue to focus on improving and developing all areas of diversity and inclusion.

We continue to make progress with, and investment in, culture, inclusion, and diversity (CID) initiatives. Some of the highlights we have achieved and enhanced this year include:

- **Leading Change** virtual event promoted to leadership teams, to promote racial equality
- **Culture, inclusion and diversity week** – CID awareness promoted to employees
- **Women's Work Lab** work placements welcomed (mothers returning to workplace)
- **Pride events** supported
- **Armed Forces Covenant** signed, to encourage applications from former military personnel
- **Seetek event** attended, to develop understanding of how to support people from disadvantaged backgrounds.

Further commitment was given to our internal groups:

- **Menopause Network** – an internal networking group to discuss experiences and ideas for how we can better support people in the workplace

- **Disability Working Group** – an internal group led by employees to drive initiatives that support colleagues with a disability
- **Race at Work group** – an internal group, again led by employees, to promote opportunities and break down barriers for colleagues from ethnic minority background
- **Equal Ground** (renamed from Women's Network) has now launched five targeted sub-groups to support and encourage female employees to achieve their potential.

The Equal Ground group aims to promote and encourage gender equality across our business and to enable female employees to achieve their potential. We have created five new sub-groups to address specific areas. These are: Challenging barriers, Personal development, Promotion and opportunities, Women's health and Male allyship. The sub-groups have been formulating mission statements and action plans to set out how they support the aims of the wider group.

We have continued to make positive progress with several internal CID initiatives including the introduction of sexual orientation awareness training through our e-learning system, iLearn, to support managers and employees.

Community impact and support remains a strong element of our CID activity. Our approach to careers inspiration work has broadened and as well as attending schools, this year we have engaged with the prison service and are currently recruiting in partnership with a local open prison to offer effective pathways into employment.

As part of our Care Leaver Covenant, we offer fast track apprenticeship recruitment processes for young people leaving care. We continue to address social mobility through our inclusive approach to apprenticeship recruitment, from breaking down barriers to gaining employment and ensuring pastoral support to ensure longevity in role.

Developing our current workforce through apprenticeships, skills bootcamps and development sponsorship enables those already within the business to progress in their careers. Almost 20% of our apprentices are over the age of 25 and all our bootcampers are over the age of 19.



We continue to make progress with, and investment in, culture, inclusion, and diversity

Our culture, inclusion and diversity vision

Our culture, inclusion and diversity vision is now the core of our commitment to inclusion and diversity and will drive our programme of work. The vision has been fully endorsed by our leadership team and outlines what both the team and culture champions want to achieve for the business:

- **celebrate** diversity and encourage inclusion
- **enable** everyone to take ownership and accountability through empowerment
- **listen** to our people's views, ideas and concerns, and act on them
- **reject** any form of discrimination or bias
- **reflect** the diversity of the communities we serve.

The continued success of the Wessex Water Group businesses depends on us attracting and retaining the very best talent. We need to be a business that appeals to the widest and most diverse range of potential employees.

We aim to be a place where everyone enjoys working and feels they are treated fairly and given every opportunity to further their career. As an equal opportunities employer we respect and value everyone's contribution. We are committed to providing an environment that supports and encourages the many skills, interests, backgrounds, and experiences that people from different social groups can bring.

Reflecting the community we serve

We endeavour to have a workforce that reflects the community we serve, so we can better understand their needs, and in turn provide our customers with the excellent service they deserve. We are encouraging increased diversity in all forms, not just gender, but also ethnicity, race, disability, sexual orientation, and social background.



We aim to be a place where everyone enjoys working and feels they are treated fairly

Assurance statement

I confirm that the published information has been appropriately assured and is accurate in all material respects.



Ruth Jefferson
Chief Executive



*Our culture, inclusion
and diversity vision
will drive our
programme of work*



Wessex Water
YTL GROUP

FOR YOU. FOR LIFE.