
GENDER PAY GAP REPORT

April 2024

NWG
living water



Welcome to Northumbrian Water Group's gender pay report for 2024. This sets out our progress in one important element of our holistic approach to champion diversity and inclusion in our own business and beyond.

In 2024 we were recognised again through Great Place to Work rankings as one of the best employers for Wellbeing and Women along with being in the top super large companies list. We also claimed the top spot in the large organisation category at the 2024 Northern Power Women Awards for making strides in gender representation and career opportunities for women. This recognition is something we are immensely proud of.

Our TIDE (Together for Inclusion, Diversity and Equity) strategy outlines our commitment to developing a workforce that fully represents the different cultures, backgrounds, and viewpoints of the communities we serve. We have made great progress with our colleague Network Groups, including the Women in STEM (WiSTEM) network, which focuses on women's career development and encouraging females to consider STEM education and careers.

Our commitment to creating a culture of learning and feedback saw the launch of our Safe to Say initiative. We reviewed channels for colleagues to raise concerns and strengthened messaging around our own workplace culture.

Our dedication to providing a diverse and inclusive range of uniforms helps all our colleagues feel comfortable at work. Our efforts have been well received, and with our improved feedback system, we are gathering valuable insights, ideas, and suggestions to make sure we offer the uniforms and Personal Protective Equipment (PPE) that our team needs.

Our continual review of our gender diversity has led to new development programs that enable colleagues of all genders to grow their skills and knowledge.

I'm delighted to say we have expanded our training programmes for new and existing managers, launched the Strengthshine 360 feedback tool, and trained internal career coaches, with significant female representation in all initiatives.

Our ongoing efforts are steadfast, and we see positive trends in reducing the gender pay gap, but we recognise the gap is still there and have an action plan in place to encourage more women into those upper quartile roles. Continued focus on these areas will be essential to maintaining and furthering this progress and our goal is an enabled, performing and thriving workforce.



Heidi Mottram CBE
Chief Executive
Northumbrian Water Group



Heidi Mottram, CEO

Progress and challenges in reducing the gender pay gap

Gender is one of the important areas where we seek to make positive change, and pay is one measure of this.

In 2022, we conducted a comprehensive review of our application of the Gender Pay Gap calculation, with the review being carried out by DLA Piper. This review led to the development of functionality in early 2023 that allows us to perform more regular and detailed analysis of gender pay data.

Annually we publish the median and mean (average) gender pay gap. The mean is the average of a set of numbers, while the median is the middle value in that set, and this is the number we report on as our gender pay gap.

The mean calculation takes all salaries (and specific allowances) by gender divided by the number of people in each gender (total cost of female salaries/ total number of females).

We have continued to progressively improve our gender pay gap over the last five years, achieving a reduction of over 6pp and for April 2023 to March 2024, the gender pay gap has decreased to 11.3% from 11.7% last year. This positive trend can be attributed to:

- A 5.4% increase in female headcount versus a 4.7% increase in male headcount.
- A 4.9% increase in the median female pay compared to a 4.5% increase in the median male pay.

Our workforce is currently composed of 32.5% females, up from 32% last year. However, it is important to note that there has been an increase in females occupying lower quartile roles and an increase in males occupying upper quartile roles.

Mean pay gap

Female 4.38%

Male

Median pay gap

Female 11.34%

Male

Mean Bonus gap

Female

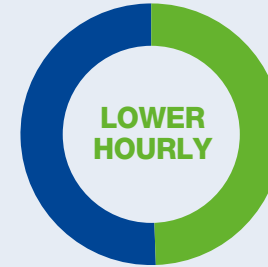
Male -89.6%

Median Bonus gap

Female 0%

Male

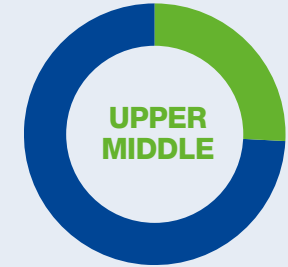
Pay quartiles



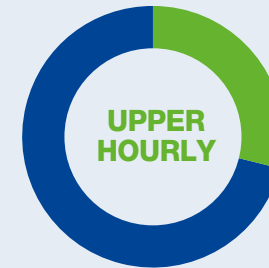
Female: 404 / **49%**
Male: 418 / **51%**



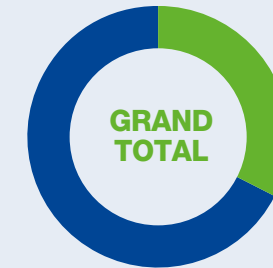
Female: 212 / **26%**
Male: 609 / **74%**



Female: 217 / **26%**
Male: 605 / **74%**



Female: 237 / **29%**
Male: 586 / **71%**



Female: 1,070 / **32.5%**
Male: 2,218 / **67.5%**

Recruiting and developing female talent

We recognise that recruiting and developing female talent is crucial to our success. Feedback from our resourcing team highlights that finding females interested in our roles is one of our biggest challenges. To address this, we have focused on several key areas:

- **Brand:** we have shifted our brand focus from being a utilities company to emphasising our commitment to the environment, customers, and our communities.
- **Headhunting:** using LinkedIn Recruiter, we have found candidates who might not otherwise consider the water industry. We also target groups and networks seeking flexible opportunities.
- **Unique advertising:** we design adverts to enhance search engine optimisation, improving the visibility of our roles to female talent.
- **Licence to recruit:** we deliver inclusive recruitment best practices training to hiring managers and leaders, supporting their ability to hire based on potential.

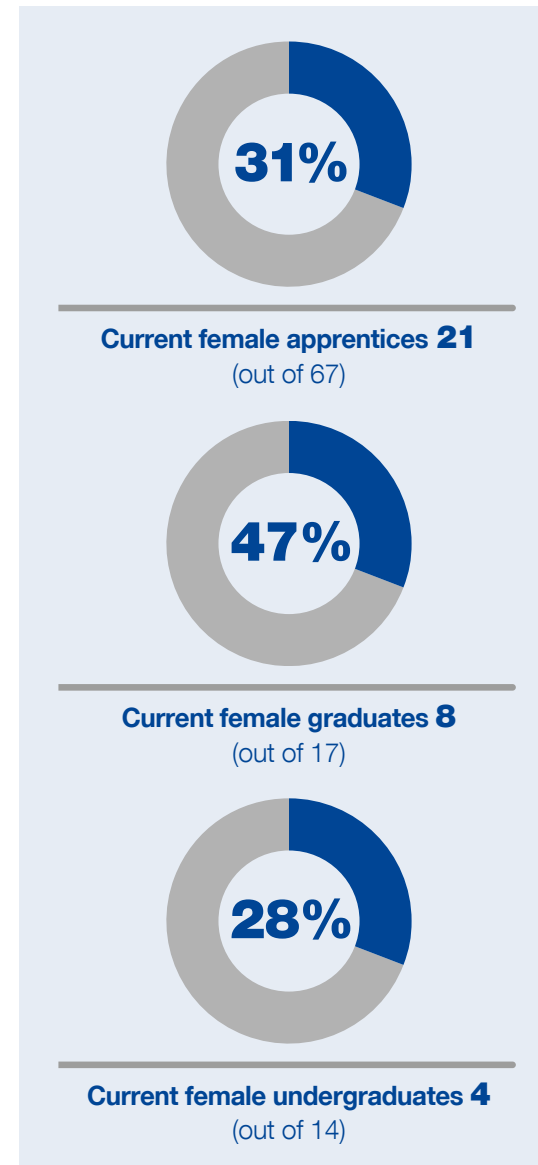
Our early careers efforts have brought in more diverse talent pools. While these development roles may initially impact our gender pay gap negatively, we are confident that in the long term, these individuals will progress into higher-paid roles.

Notably, female recruitment increased by 6.5%, from 30.6% in 2023 to 37.1% in 2024. Our historically lowest directorates for female employment, Water and Wastewater, saw a small increase in female recruitment of 2%. Across the business, there was also a rise in female applications and shortlisting.

Our proactive campaigns, changes to branding, and greater promotion of female role models have increased female recruitment into STEM roles. Women now represent 39% of appointments, up from 33% in 2023.

A WiSTEM survey in 2024 highlighted the positive impact on internal movement, with 100% of women applying for an internal STEM role being invited to interview and 94% securing the role.

In 2024, our Asset and Finance teams introduced new graduate schemes. Twelve new colleagues joined us in September after a successful recruitment centre that saw a 66% female to male gender split. Investing in early careers is not only beneficial for our future workforce but also for the overall success of NWG. By bringing in fresh perspectives and ideas, early careers can help us stay ahead of the curve and adapt to the ever-changing water industry.



We are proud to share some key statistics:

50% of our **Executive Leadership Team (ELT)** are female

33% of **senior (Level 2)** managers are female

43% of **Level 3** managers are female

44% of **Level 4** managers are female

42% **overall** of our managers are **female**

66% of **graduate appointments** in 2024 were **female**

During 2024 we have continued to grow our Aspiring Managers Programme, with 27% of colleagues progressing into management roles, 45% of which were female.

To support our colleagues with their future careers, we have trained 16 colleagues, 80% of which are female, to become internal career coaches. They have supported 24 of our colleagues in helping them explore future opportunities within the company.

Women in STEM (WiSTEM) network summary

Our TIDE (Together for Inclusion, Diversity and Equity) Strategy outlines our focus on recruiting and retaining a diverse workforce and has a target of achieving 35% female representation within our overall workforce by the end of 2025.

Our workforce is currently composed of 32.5% females, up from 32% last year.

In 2023, we established the Women in STEM (WiSTEM) network to support our female colleagues in STEM roles and to raise awareness of career opportunities for women and girls. With over 30% of our STEM roles now occupied by women, the network plays a crucial role in providing peer support.

Our network has lead members who organise quarterly virtual meetings and in-person events across our operating regions. Some of our key activities and achievements from 2023/24 include:

- Inclusive workwear: we've expanded our uniform and PPE options to include a women's size guide, allowing our female colleagues to find the right size and fit. With more choices in sizing and boot types, our new workwear ranges are being tested by our female colleagues in collaboration with our WiSTEM network.
- Maternity workwear: we make sure women have access to the correct maternity workwear and promote this through various channels.
- Sanitary product boxes: we distributed emergency sanitary product boxes to 41 locations, which were initially stocked by WiSTEM members. This initiative has been well-received.

Our members have also attended external events like the Women in Water conferences, which aim to inspire and empower women in the water sector, build strong networks, and raise industry awareness of diversity commitments.

They also lead on behalf of UK Pavilion – a network of water companies and supply chains. They organised and sat on a panel discussing women in the water sector and for the network participation at the International Water Association congress in Glasgow in 2026.

We have achieved both national and internal recognition, achieving the top spot at the Northern Power Women awards for large companies, and the WiSTEM network leads secured a runner-up position at the VIVA awards (our internal employee recognition awards) in the 'One Team' category.

WISE is a campaign that aims to enable and energise people in business, industry and education to increase the participation, contribution and success of women in science, technology, engineering and mathematics (STEM).

We continue to lead on our WISE membership, with representation on the Young Professionals Board, and actively participate in International Women's Day events, supporting our communications and attending various activities during that week.



