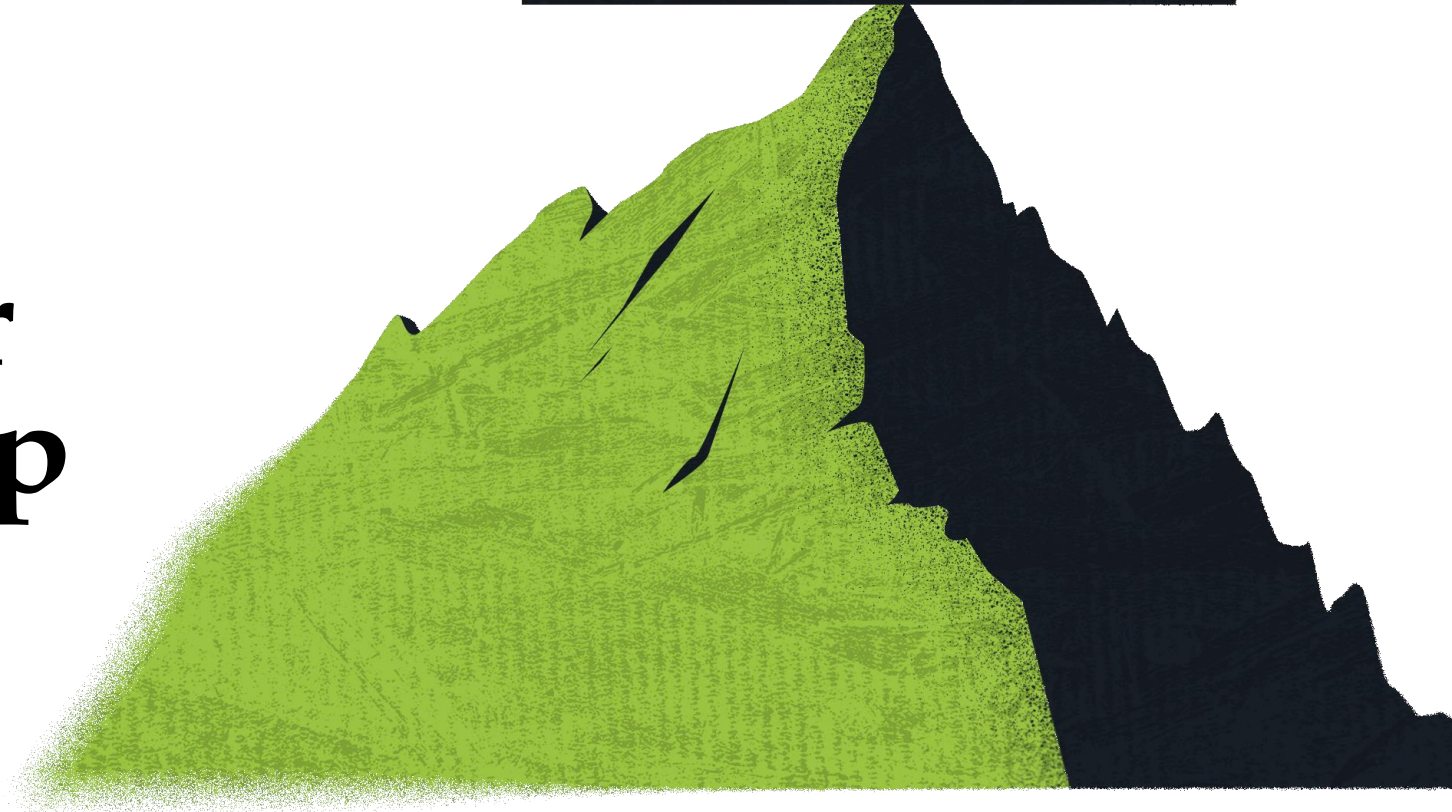
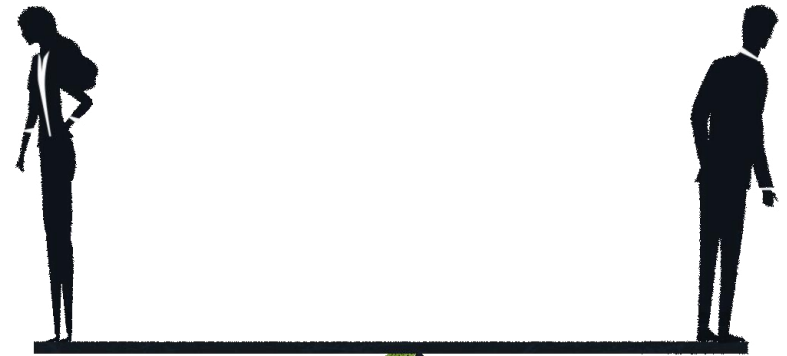




ecotricity

Gender Pay Gap Report

2023



Gender Pay Gap

Every year we are required to report our pay gap data. This report covers 2023 and uses a snapshot of our payroll in April last year.

Before we get into the numbers – it's helpful to understand a few points:

What is Gender Pay Gap?

The Gender Pay Gap is the difference between the average earnings of men and women across a workforce. It is measured using two metrics – mean and median average. Employers with more than 250 colleagues are required to report any pay gap by law. It is a useful measure for businesses to understand the size and causes of the gap they have so that action can be taken to close it.

All relevant businesses are required to report by gender, provide the breakdown of general pay along with any bonus payments awarded in that year.

Whilst we appreciate that pay gap metrics are important for people to see, and they do help us develop targeted action plans, it is important to recognise the supporting narrative too. There is always context to the picture created by the data, so it is important that the results are reviewed alongside the internal and external factors we have identified that impact the results.

What does mean and median average mean?

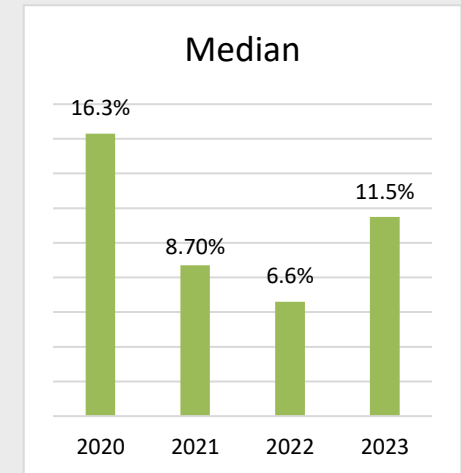
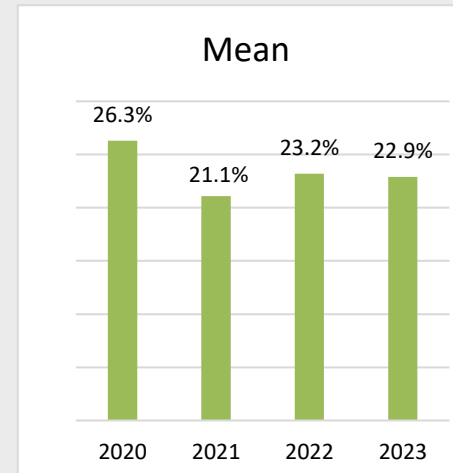
The median average is the mid-point of everyone's pay (lowest to highest) for both men and women. The gap reported is the percentage difference between the two mid points.

Mean average is the difference between the average pay of every man and woman regardless of role or level in an organisation.

Most businesses consider the median measure to be the most useful comparison measure. The mean average can be heavily skewed by a few highly paid people.

So...what are our results this year?

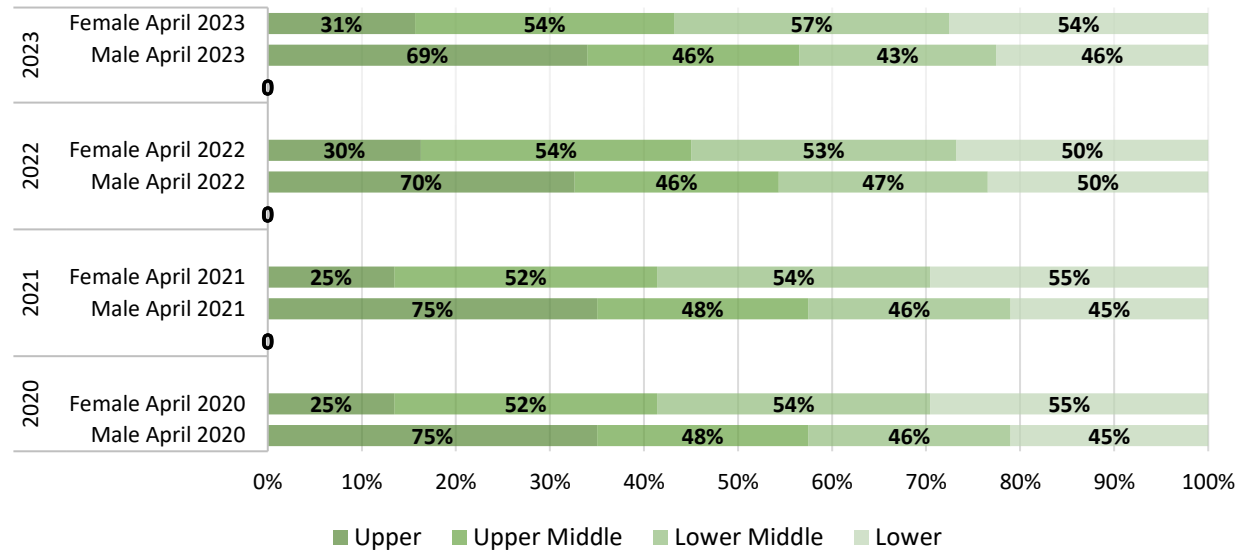
Average Gender Pay Gap - 2020 to 2023



Mean Hourly rate by Gender



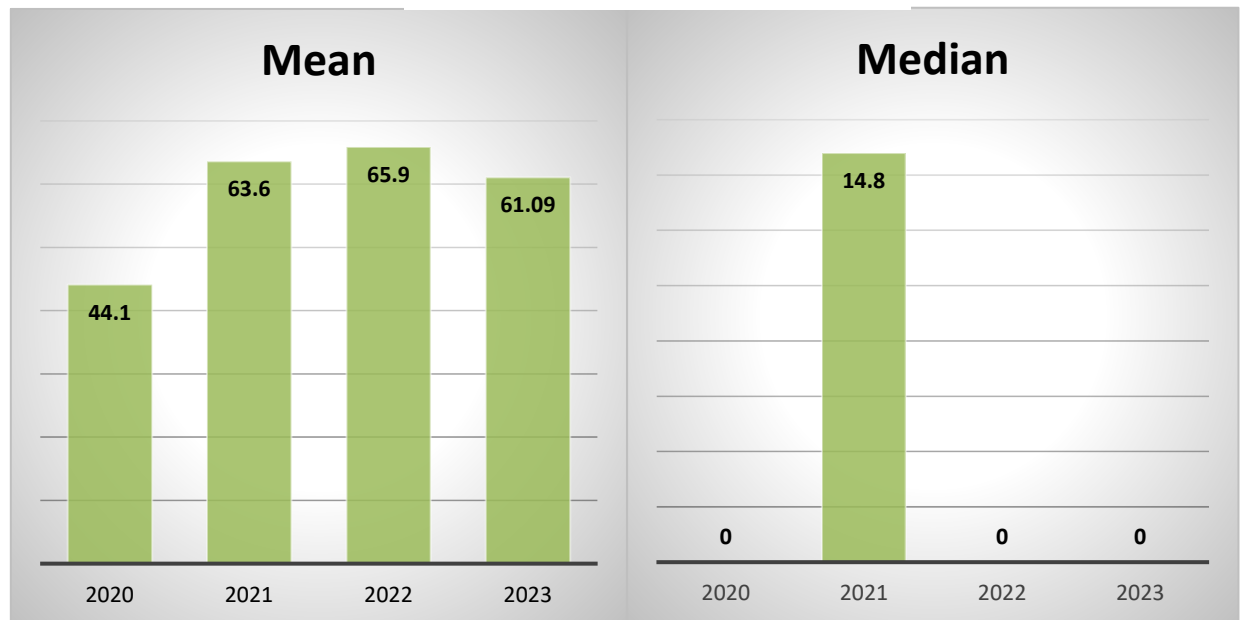
Quartiles by Gender



Median Hourly rate by Gender



Bonus Gender Pay Gap



What does our data say?

Last year we reported a further drop in our pay gap versus 2021's set of results. We were proud of that drop for a second year on the bounce. This year, we have not continued that downward trend, and we are reporting an increase in the pay gap at Ecotricity in 2023.

We recognize the importance of closing the gender pay gap in our business and we have already taken progressive steps to reduce some of the imbalances we saw in the data from last year. That has not quite given us the results we would have hoped for.

Our 2023 results show a slight reduction in our mean pay gap but an increase in our median gap. That said, the gap is still almost 5% narrower than it was in 2020.

Over 80% of UK businesses report a pay gap. Nationally the average median pay gap is 7.7% so we are now above the average for the first time in 3 years. That is something we will work on going forwards.

We have made great progress as a business around the embedding of flexible working and our hybrid working policy is now well established and provides our people with a great balance of office and home working. With the added bonus of reducing our impact on the environment by reducing our work commutes! This has been a huge benefit for our people, especially our female colleagues who due to societal norms still tend to be the colleagues who

seek flexible working opportunities.

The evidence of that established flexibility can be seen in the gender breakdown of the lower and lower middle quartiles – we have 54% and 57% female representation respectfully in those quartiles. This reflects the national picture where more women work part-time flexible roles, and these are often roles that are lower paid.

We have seen a very slight year on year increase in female representation in our upper middle and upper quartiles too. This is positive to see and is in response to our focus on internal development opportunities. That said, the pay gap has widened in those quartiles. We believe this is due our very highest earners being predominantly male (our Senior Leadership team is 33% female and 66% male) and, in line with many other businesses, our more technical or niche roles (Sales, Trading, Engineering, Tech) are male dominated whilst our service and support roles are more attractive career pathways for women. This is the same across many organisations like ours and is a symptom of deeper societal norms starting from educational pathways. We do not shy away from the issue here at Ecotricity. Our female colleagues are in roles more likely to be at the bottom end of the upper quartile.

Our mean bonus gap has shrunk again this year and is the lowest it has been since 2020 and we are proud that our median gap has remained at 0%. The challenge for us remains that the bonus gap in the upper quartile is significant – again due to the

earnings level of our male population in that quartile. Our upper middle quartile gap was just 3.29% – it is 65.6% in the upper quartile. We know this is also due to sales role mostly being filled by men and our imbalance at Senior Leadership team level.

What will we be focusing on in 2024?

We will work hard on providing opportunities for women to progress into more technical and leadership roles here at Ecotricity. Great progress has been made and we can see that in the shift in gender balance in the lower middle quartile from 50/50 split in 2022 to 43%/57% in favour of female representation. We have seen a small but less obvious shift in female representation in the upper middle and upper quartiles.

In 2024 we are launching a new internal leadership development programme to support our colleagues to grow their green careers with us. This is one of our internal interventions aimed at providing development opportunities on an equal footing for all.

We do not ask potential new colleagues for a previous pay history as believe strongly in paying a fair salary for the role regardless of previous earnings. We will continue to look at how we make our role adverts more inclusive, and we are going to change our candidate screening process further by introducing gender blind CV sifting. Appointments are made upon merit and that is how it should be. This additional step may help us address imbalance

- every little helps!

6 months ago, we made some significant changes to our family friendly policies supporting our pregnant and new parents financially when they need it most. This has had a positive impact on our recruitment and retention.

Our senior female colleagues will continue to act as mentors and provide guidance and support for those seeking to develop their career with us. And our Employee Forum representatives will continue to feedback what women need from us to support career growth.

Finally, we will be introducing a Pay Committee where we will be sharing gender pay gap data more regularly, reviewing our female colleague feedback on what is to help them develop their careers with us and chart our progress against our action plan. It is important to see if what we are doing is making a difference.

Our business structure reflects the structure of many businesses and does reflect the societal position where women experience job segregation, with career focus being on the 5 Cs - Caring, Cleaning, Catering, Clerical and Cashiering. We are developing our connections with local schools and universities to provide meaningful work experience and apprenticeship routes - with the aim of inspiring young women to consider a green career pathway.

My closing comments are that Ecotricity is a values

driven business with ethical missions at its core, and we want our pay gap results to reflect that. We know that it is not only about the action we take, that wider societal and cultural change is needed and that will help businesses like ours close the gap. We will do all we can to be trailblazers again! We know having no pay gap is particularly challenging, so the focus will be on closing it again year on year. We are hopeful for 2024!



Asif Rehmanwala
Chief Executive Officer

