

ecotricity



**GENDER PAY GAP
REPORT
2019**



It's been a year since our first gender pay gap report.

We've always taken a non-discriminatory approach in everything we do, and so we were very happy to dig into the detail of gender pay here at Ecotricity.

Knowing that we're an organisation with fairness and ethics at its heart, some people were quite surprised that – like almost 80% of UK organisations – we did have a gender pay gap when we reported it last year.

However, it was a more nuanced picture than the main headline suggested. Traditionally, the majority of people here at Ecotricity work in customer-facing roles, and in these areas we had no gender pay gap at all.

It was only in the more technical and senior roles that we had any kind of disparity. As we explained last year, this is principally because of wider societal norms – put simply, a lot of the more technical jobs traditionally attract more men than women, and these roles tend to be higher paid.

Despite that, after those first results, we wanted to look more closely at how and what we pay men and women in Ecotricity: by consulting our people and producing a plan.

However, a lot has happened over the last year – we've seen some transformation at Ecotricity, with significant changes in personnel and departmental structures across the organisation. The result is that we haven't been able to focus as much as we wanted on investigating the differences in gender pay.

Nonetheless, our latest results are broadly the same as they were in the twelve months previous. Our mean pay gap has decreased, down from 25% to 23%, while our median gap has increased slightly, from 11% to 14% (see page 3 for definitions of the mean and median).

Given the industry we're in, and the entrenched social factors governing the spread of men and women in our organisation, we're not in a bad place with regards gender pay. As we continue to adapt to a changing and very challenging marketplace, we may see steps forward or indeed steps back as we try to stay competitive.

However, I do want to look deeper into the gaps we've identified – and we're going to look at the best way to start doing that, whether that's setting up a focus group or formalising a mentoring scheme, for example.

At Ecotricity, we lead the way on ethics and fairness – and I want the same to be said about gender pay here.

In the meantime, we'll continue to recruit and pay our people with the non-discriminatory approach that we always have – and we'll remain open to new ways of recruitment in order to ensure we get the best people, both women and men.

Asif Rehmanwala, Chief Operating Officer

Our gender pay gap

There are two ways of measuring differences in gender pay: the median gap and the mean gap.

The mean is the difference between the average pay of every woman and every man, regardless of their roles.

To get the median figure, you line up everyone's wages from the smallest to the largest, for both men and women, and then pick the middle of the range for each gender. The median gap is the difference between the two median wages of male and female.

The median is usually more representative of gender pay differences, because the mean can be skewed by a handful of highly paid employees.

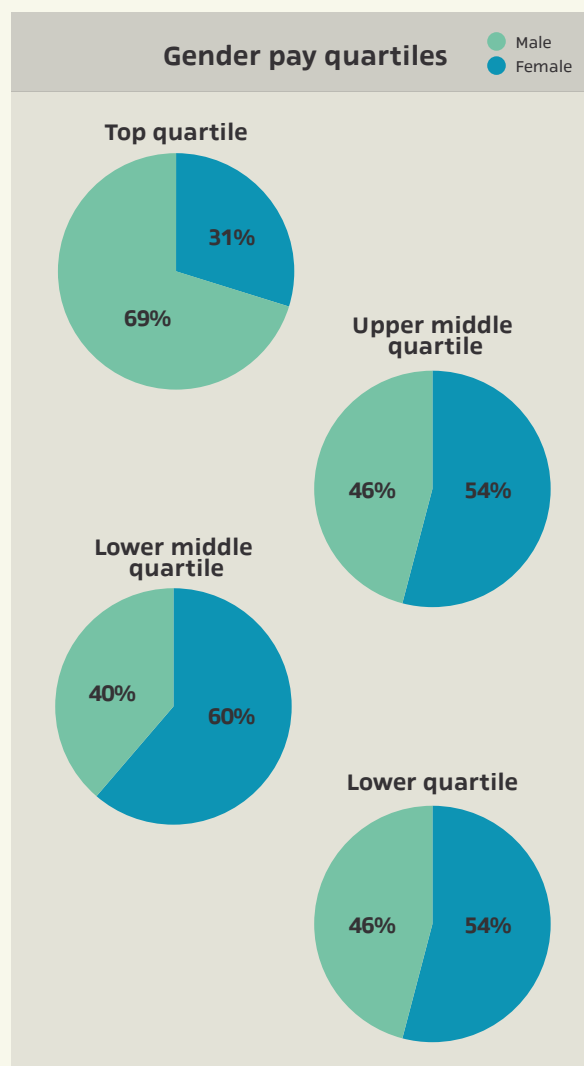
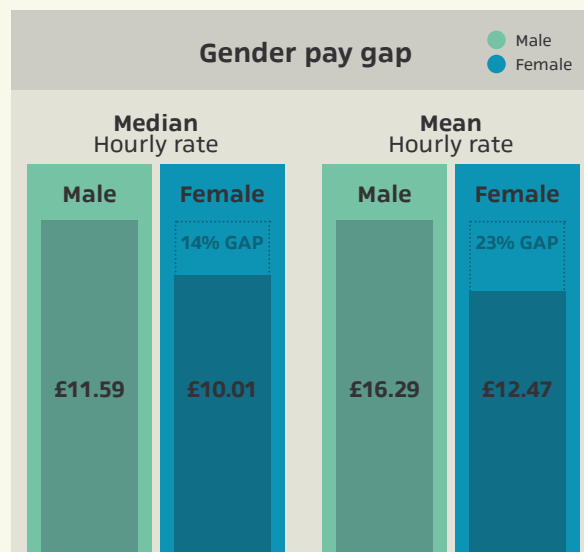
Our median gender pay gap, measured in March 2018, was 14% - that means the middle of the range of men's pay is 14% greater than the middle of the range of women's pay – an increase on the 11% gap we identified in March 2017.

Our mean gender pay gap at the same period is 23%, so the average pay of all men is 23% higher than the average pay of all women – an improvement on the 25% mean pay gap we found in March 2018.

Why have we got a gender pay gap?

Ecotricity's gender pay gap is principally down to how we're structured as an organisation. Our workforce is made up of exactly 50% women, 50% men. What impacts gender pay is where those men and women sit in the organisation.

Historically, the more technical roles attract more men than women – and these roles tend to be higher paid.



In addition, we have more men than women in the top quartile (most senior) roles.

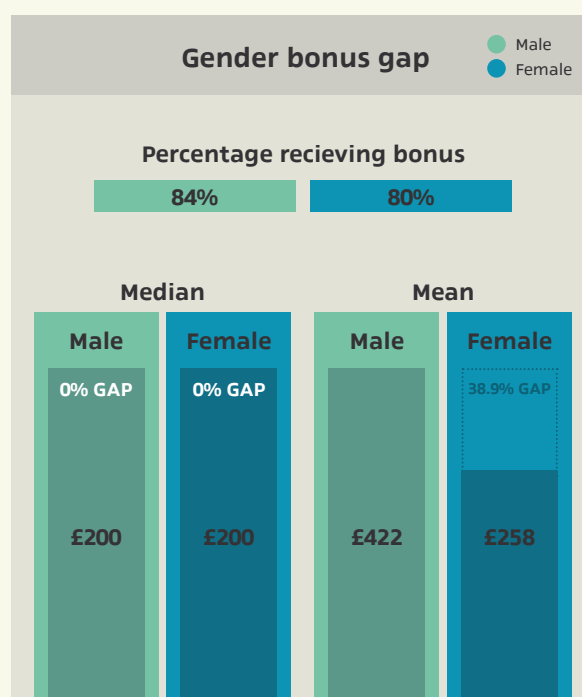
A key fact to keep in mind, though, is that the majority of people work in customer facing roles, and here gender pay is balanced equally at Ecotricity.

Our Gender Bonus Gap

The same mean and median calculations are used to assess how bonuses are paid differently – and again, the median is typically the more representative figure as it minimises the impact of any high or low outliers.

Our median gender bonus gap at March 2018 was 0%, which means women and men were paid the same in bonuses. This is because, while there were no company wide profit-related/ discretionary bonuses, everyone received the same Christmas bonus.

At the same period, our mean gender bonus gap was 38.9%, which means the average bonus of all men was 38.9% more than the average bonus of all women. That gap is down to the small number of sales incentive bonuses, which were paid to a very small number of people – of whom there were more men than women.



What Are We Going To Do About The Gender Pay Gap?

We know that there are some broader social and industry-specific reasons for the gender pay gap here at Ecotricity, and we know it's a long-term ambition to redress the balance on that score. We can have a voice in that conversation though.

The way we can do that is to continue to take a non-discriminatory approach to recruitment and pay – and to continue to champion women throughout our organisation. By celebrating and spotlighting women who work across the Ecotricity Group, we can provide the role models that inspire more women to apply to work for us.

As well as that, there are simple things that we've done and will continue to do to improve the distribution of women across Ecotricity, including ensuring our job adverts are always written in an open and inclusive, gender-neutral manner. We've made some small steps in the right direction for flexible working too, but we know there's more we can do in that area.

We're going to look further beneath the surface of our results, and see what actions we can take. We may not be totally immune to external factors, but we're an organisation that sets an ethical example – and gender pay should be no different.

We're in a challenging environment, we know that. We may see changes in gender pay in both directions as we continue to try to adapt and be competitive. However, we're confident in our fair, ethical and balanced approach – and we're sure that we'll keep pushing in the right direction. We want the best women and the best men at Ecotricity – across the entire organisation.