

# **Gender Pay Gap Report** 2022



## Gender Pay Gap

### Every year we are required to report our pay gap data. This report covers 2021 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 two ways – mean and median average. The data, which employers with more than 250 employees are required to report by law, helps businesses like ours understand the size and causes of the gap so key issues can be identified and action taken to put them right.

We are required to report, by gender, the breakdown of general pay as

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well as any sort of bonus payments awarded in the year.

There's always a narrative that supports the picture created by the metrics – so it is important that the numbers are looked at in conjunction with any internal and external influencing factors.

### 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 (men and women).

The mean average is the difference between the average pay of every man and every woman regardless of role.

Most businesses consider the median measure to be the most useful as a comparison measure. The mean average may be heavily skewed by a few highly paid people in a business. So...what are our results this year?



(2019 was a non-reportable year)



### Median Hourly Rate by Gender



245 15



### Average Bonus Pay Gap

\*84% of men and 80% of women received a bonus in 2018, in 2020 90% of men and 88% of women received a bonus and in 2021 it was 33.4% of men and 45.7% of women who received a bonus.

14.8%

2021



#### What does our data say?

Last year we reported a disappointing set of results that we were not proud of, but we understood why we had the gap we did.

We recognise the importance of closing the gender pay gap here at Ecotricity and we have taken steps to address some of the imbalances we could see from the last set of data.

As a result, we are really pleased to see that both our mean and median gaps have reduced. Our median has almost halved in fact!

In October 2021 the ONS reported that the gender pay had widened nationally due to the pandemic and the fact that more women found themselves on furlough on reduced earnings. We took the progressive step in a challenging market to protect the earnings of all our colleagues who were placed on furlough. This has had a positive impact on our people and secured standards of living and protected jobs but above all this meant that nobody was disadvantaged by the challenges of balancing home and work life due to the mandated pandemic restrictions. And that is something we are very proud of!

In addition, we can see that whilst we have increased the proportion of female colleagues in the lower quartile (which we believe is linked to our ability to offer more flexible working opportunities now we are a hybrid working employer) we have also seen an increase in female representation in the upper quartile because we have appointed more women into senior positions across the business. Some of these appointments have been through attracting external female talent externally and some due to internal progression. This is very exciting and shows a pathway to leadership for aspiring women within Ecotricity and those looking for careers in the renewable energy sector.

Where we did not fare so well this year was in relation to our bonus gap. Whilst we are pleased to announce that for the first time more women received a bonus than men, the bonus values were not so favourable. This is largely due to the fact we have more men working in sales roles (traditionally a male career choice) alongside the payment of some project related bonuses where the senior team was predominantly male.

### What will we be focussing on in 2022?

We have achieved a lot in the last 12 months, but we know we still have much more to do including sustaining this improvement in the future. While more than 80% of businesses have a pay gap – with many seeing a worsening of results this time round, we are pleased to be making progress in the right direction but will not rest on our laurels.

We are a business that still has more men at the top of our organisation than women – and those females who are in the upper quartile, are generally in roles that attract a lower salary. That needs to remain a focus for us.

There are more women than men in our lower quartiles (our entry level roles) so jobs that attract lower salaries. With societal norms as they are we are unlikely to see much change here, but we remain committed to paying fairly for the jobs people do in our business, continue to provide development opportunities for career progression alongside further improvements our ways of working so that even more flexibility is achievable. Our female leaders will continue to act as role models as we drive change. It is our intention to create a Women's Network to support women in their careers with us, facilitate peer group development and provide a platform to really hear what the women in our business really think about working in Ecotricity.

Whilst we are taking these steps to reduce the pay gap, we must also recognise our business structure and the societal norms we face. Ecotricity is a values driven company and we want our results to reflect that. But we also need to recognise that some of our jobs are highly technical and these roles are typically filled by men and attract higher salaries alongside a high volume of customer service roles that are often more attractive to women – but are also lower paid. This is unlikely to change any time soon (although that does not mean we should not keep trying!) so whilst our results will continue to show us having a pay gap – it is the size of the gap we will focus on.

So in summary, we are proud to have made progress and that we have seen a positive shift in our pay gap but we know that we have lots more work to do. We remain committed to paying fairly and providing equal opportunity for all across the whole business. I am excited to see what change we can deliver for 2023...

Asif Rehmanwala Chief Executive Officer