

Gender pay gap report 2024



from
**Southern
Water** 



Message from our CEO



At Southern Water, we believe in equality, diversity and inclusion. An important part of this is monitoring the gender pay gap.

The latest results are shown in this report. They demonstrate further improvement in the mean or average pay gap – the percentage men earn more than women - from 0.07 the previous year to 0.01. This means the average pay gap has now equalised, meaning there is no pay gap between men and women.

In terms of the gender distribution in our company, the percentage of females to males is slowly increasing. Our executive team has changed over the last couple of years to eight male members and three female members, and we benchmark our roles across the business annually.

I'm proud that we're a top 50 UK inclusive employer for the fourth year in a row, demonstrating our commitment to creating

a workplace where individuals feel they can be themselves, and better achieve professional fulfilment and development. Our Employee Resource Groups (ERGs) – the most recent groups covering menopause and working families – continue to help create our culture of inclusion with a collective voice to influence business change, such as the creation of new policies and procedures.

Looking to the future, we want to make sure that Southern Water continues to be a great place to work for our female employees, enabling us to attract and retain top female talent. We'll carry on monitoring the trends and salary data across the business to help us do this.

Lawrence Gosden, Chief Executive Officer

The salary data in this report was a snapshot taken on 5 April 2024. The Bonus information relates to the performance year from April 2023 to March 2024.

All companies with more than **250** employees must publish their gender pay gap.

Bonus and pay gap

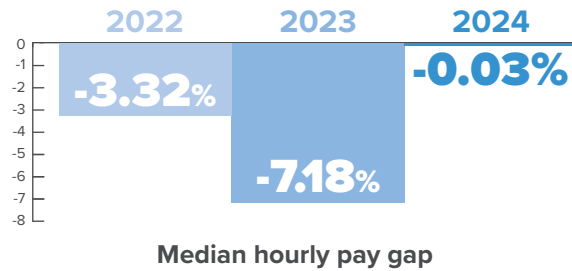
Our median pay gap is -0.03%, meaning that it is in favour of women.

The median gives a strong indicator of ‘average’ earnings, as it is not skewed by a few individuals earning at high or low level (which can be true of the mean).

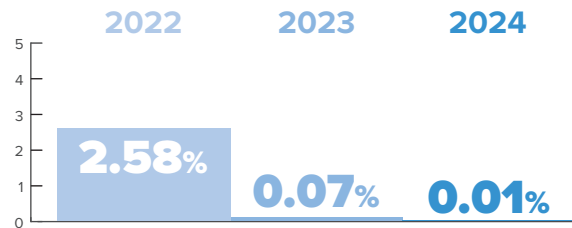
Our mean hourly pay gap has levelled at 0.01% – this has been a decreasing trend since 2021 (see chart). Based on this data, there is no gap in average pay for males and females.

The **median** pay gap is a percentage calculated by looking at the middle hourly rate for women and the middle hourly rate for men.

The **mean** percentage gap is an average hourly pay for men compared to women at all levels.



Median hourly pay gap



Mean hourly pay gap



Bonus and pay gap

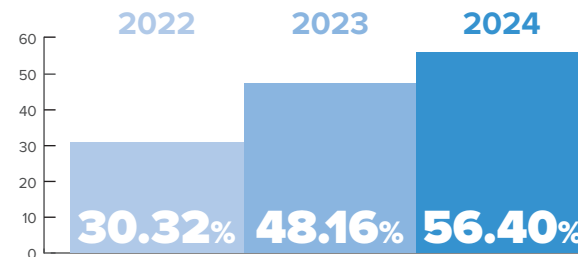
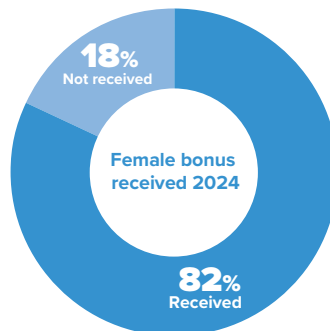
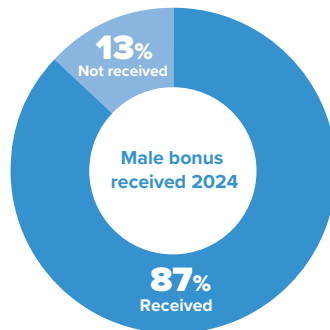
The bonus pay gap has been calculated from May 2023 to April 2024 covering the bonuses paid to men and women.

This is reported using both the median and mean statistics. All our employees are eligible for a bonus if they have received a Good or Better performance rating in their appraisal, providing they were employed no later than 5 January 2023, and were still employed and not under notice on the date of payment.

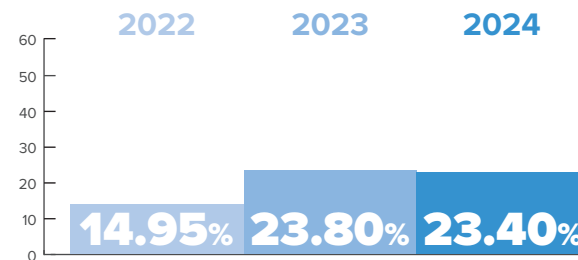
The percentages are 87.2% of males and 82.5% of females received a bonus, as shown in the charts below.

The bonus gap has increased and we had hoped that it would have decreased with the appointment of the new female executives on the team. The bonus payment for the 23-24 year was however paid out in July 2024, meaning that it missed the calculations for this report. When we move to next year's data, we expect the levels to return to similar to what was seen in 2022.

The bonus pay gap is calculated with bonuses paid to men and women during the year.



Mean bonus pay gap



Median bonus pay gap

Pay distribution

The chart shows the gender distribution across four equally sized quartiles, where quartile one (Q1) is the highest paid and quartile four (Q4) is the lowest paid.

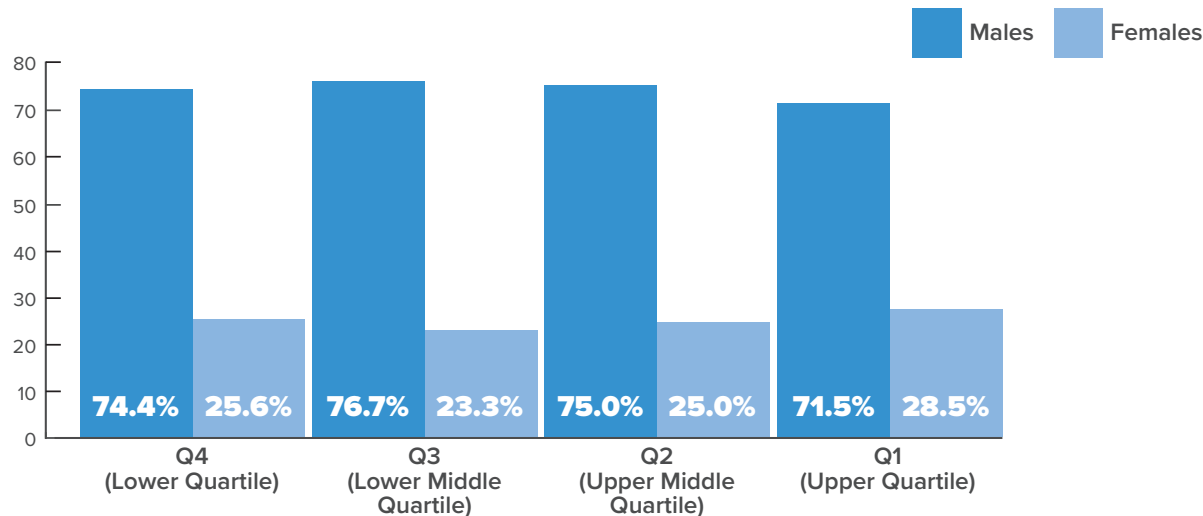
At each employee level, we have around a 25.96% female and 74.04% male split. We will continue to use trends and salary data to benchmark our roles annually in the business.

Our HR Data Statistics show that over the last 12 months, by percentage, we have brought in just slightly more females than we have lost due to terminations. Therefore, over this period of time, our female/male percentage is very slowly increasing. We do therefore need to continue increasing our female hires, and to also look to retain them if we wish to reach a 35% female workforce by 2030.

To do this we are advertising on Women’s network sites such as WUN and Women in Engineering, we are also connecting with other diverse groups like my GWORK and Working with Disabilities to attract a more diverse workforce. Also as part of our shortlisting, our diversity goal for 2025 will be two female candidates shortlisted for the manager screening process for every role.

When we look at our Directorates, Corporate Relations has the highest female/male split at 58.33% female to 41.67% male, whereas Wastewater sees the highest percentage of males/females at 86.41% male to 13.59% female.

The gender distribution for pay is measured across different employee levels or quartiles (Q4–Q1).



ED&I and wellbeing

We're in the process of refreshing our approach to ED&I and creating a dedicated strategy to help us drive sustainable impact over time.

Our Employee Resource Groups (ERGs) are pivotal to creating our culture of inclusion as they enable a collective voice to help influence business change, such as the creation of new policies and procedures.

The groups help us encourage behaviour change across key areas of focus, as well as hosting events which promote allyship. Our Women's Network is key to helping us create sustainable change in this area, showing how the groups can have a positive impact.

The Neurodiversity ERG recently created a dedicated Managers Toolkit for 'Supporting Employees with a Neurodivergence' which has had a positive impact on both managers and employees.



EDI and wellbeing

Our groups include:

Working parents

To support, empower and connect parents at Southern Water, creating a space where parents can share their experiences, access resources and build a community that understands the unique challenges and joy of balancing work and family life.

Menopause

Our group work with women in Southern Water, and ensure they get all the support they need both at work and at home over several years. We recently held a Lunch and Learn session with Helen Tomlinson, the Government's first ever Menopause Employment Champion, and she was with us on World Menopause Day to discuss all things menopause.

Graduates and apprentice intake

Between April 2023 and March 2024, we welcomed four management trainee graduates (75% of women) and two Electrical and Mechanical graduates, and 28 apprentices (7% women). We always take the opportunity to celebrate graduates and apprentices, past, present and future with the whole business.

Christian Fellowship

This group meets to encourage each other to believe in and act out our Christian faith inside and outside of Southern Water, ensuring that people of faith feel that there is space and time to come together, feel connected and be supported at work. As Christians in Southern Water, the group provides space and time for God to be welcomed into Southern Water, our daily lives at work and into the communities we serve.

Dare to Dream

This inspirational mentoring programme was created by the LoveLocalJobs Foundation in partnership with Adur and Worthing Councils. It aims to provide young people with experiences and tools to help them raise their aspiration and fulfil their potential. Southern Water have 15 mentors that support this.

BE You

BeYou exists to raise awareness, drive inclusivity, build allyship, provide support, and drive positive business change for LGBTQ+ employees and the communities we serve.

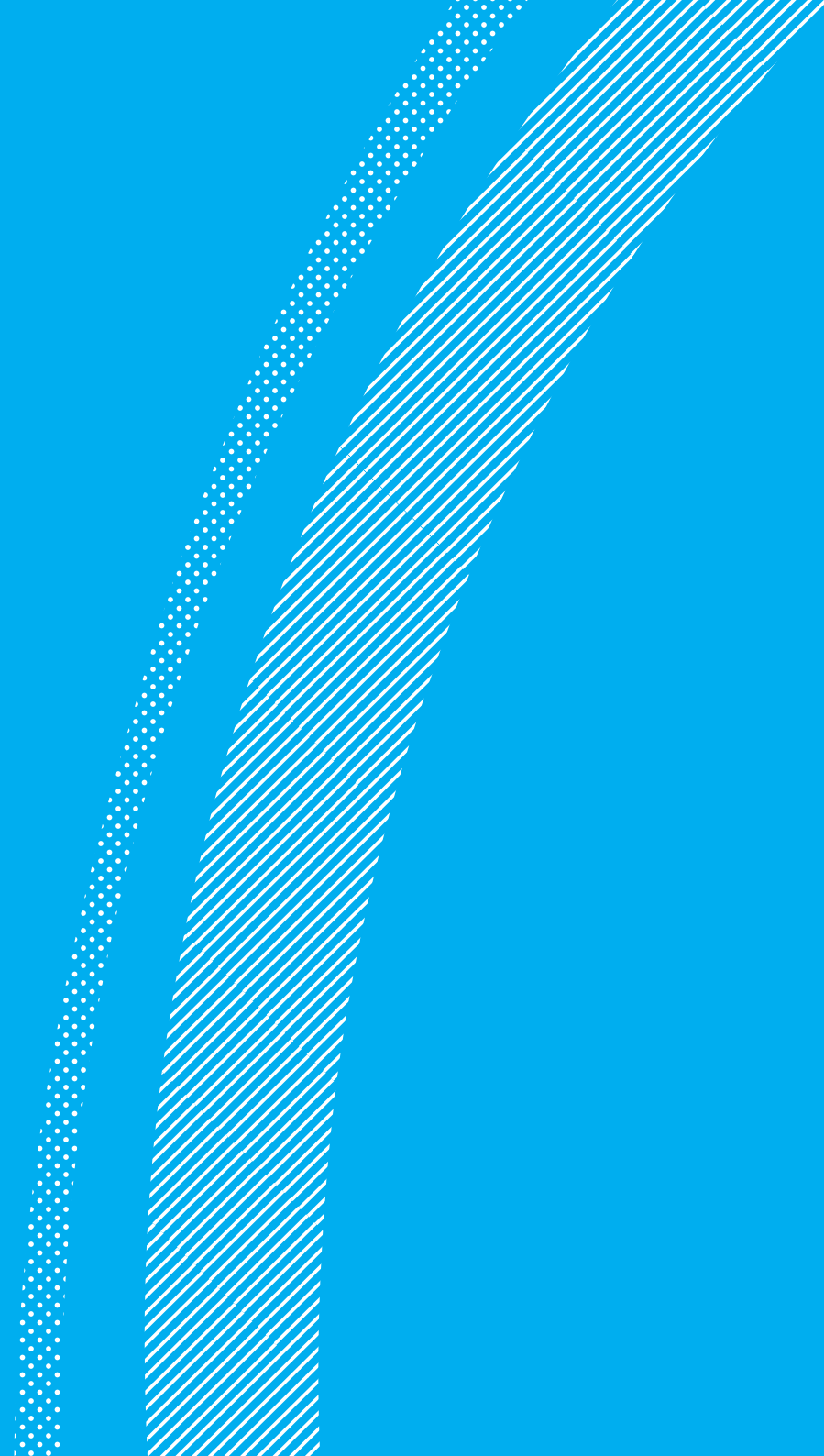


Women's Network

Our Women's Network provides an environment of support and personal development for its members and is committed to empowering women to achieve success and career development on their own terms. All gender identities are welcome. This group creates opportunities to connect and share knowledge and expertise, as well as providing a voice for debate on topical issues.

Neurodiversity

The Neurodivergent Employee Resource Group looks to provide emotional peer-to-peer support and drive action to make Southern Water a more neurodiverse inclusive workplace. The group raises awareness about neurodiversity, support pathways and allyship. Our neurodiverse employees' biggest challenges are addressed, such as enabling managers to better understand how to support their neurodiverse team using the Supporting Employees with a Neurodivergence managers toolkit.



from
Southern
Water. 

The Southern Water logo graphic consists of three stylized, white, wavy lines that resemble water waves, positioned to the right of the word "Water".