

# Gender pay gap report 2021

WONDERFUL ON TAP

SEVERN  
TRENT



# 2021 gender pay gap

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At Severn Trent we're committed to building a diverse and inclusive workforce, and this year we've launched our [Diversity and Inclusion plan](#) noting our ambition and our targets. Gender diversity plays a key role within that. 29% of our workforce, 55.6% of our board, and 43.2% of our senior managers are female. We're also one of the first FTSE100 companies to have both female Chair and CEO.

Our amazing efforts to tip the gender balance are being recognised externally too:

- In the 2021 Hampton-Alexander Review, we rank second place in the FTSE100 for the representation of women on our board and in leadership.
- In Equileap's 2021 Gender Equality Global Report, we rank fifth in the whole of the UK for gender equality, and 31st in Europe. That's out of a massive 4,000 organisations.

- In the Bloomberg Gender-Equality Index (GEI), we score 71% for gender equality. Up from 53% the year before.

## **A diverse and inclusive organisation is a more talented one.**

As a water company, we serve everyone. So, we want to reflect and understand everyone too.

That means we want to tap into the very best talent from all walks of life, who live in the communities we serve.

We also want everyone's experience at Severn Trent to be a brilliant one. That is why we couldn't be more pleased that our employee engagement scores are in the top 5% of utilities companies across the world, and that men and women who work for us rate their experience the same.



# About the methodology

From April 2017 the government introduced gender pay gap reporting for all companies with more than 250 employees, and we are pleased to publish our fifth annual gender pay gap report.

The gender pay gap shows the difference between the average hourly pay for men and women across all ages, roles and levels. It differs from equal pay which is the right for men and women to be paid at the same rate of pay for work that is of equivalent value.

Severn Trent has a robust job sizing process which has enabled us to create a consistent pay governance framework including transparent pay ranges to assist and support us in monitoring and measuring our fair pay processes.





# How have we reported?

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We've reported two measures of our gender pay gap, the median and the mean. The median gender pay gap removes any influence of very high and very low pay. We calculate the median and mean for both men and women and report the percentage difference. In addition, we also report the median and mean gender bonus gap between the average bonus received by men and women.

## **What's included in our hourly pay?**

Basic pay; this includes salary, permanent work based allowances (i.e. car allowance, shift pay etc) as well as call out and standby payments. Payments for overtime, redundancy and benefits-in-kind are excluded. Employees on reduced pay due to family leave or sick leave are also excluded from the process.

## **What is the median?**

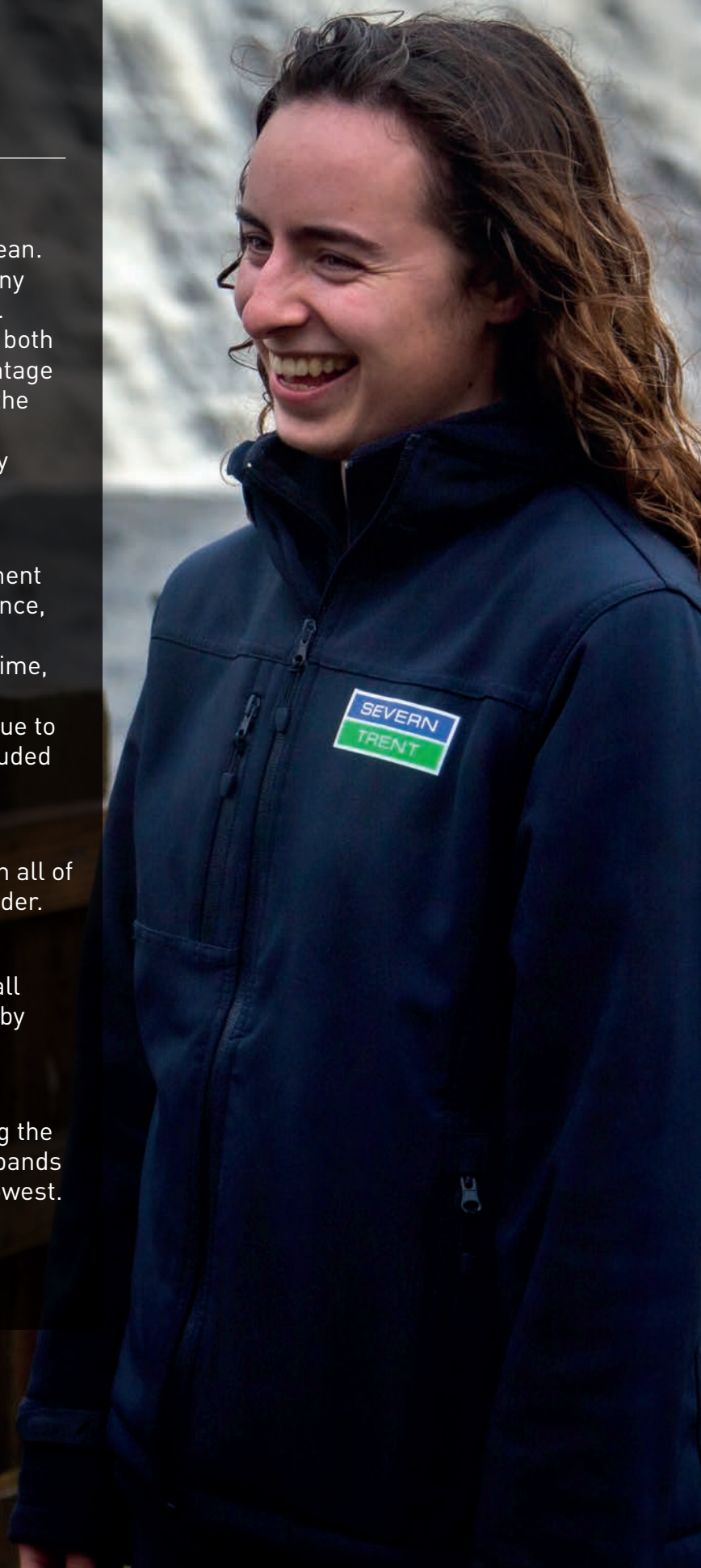
The median is the middle number when all of the numbers are listed in numerical order.

## **What is the mean?**

The mean average involves adding up all of the numbers and dividing the result by the number of values in the list.

## **What is a pay quartile?**

Pay quartiles are calculated by splitting the whole workforce into four equal sized bands based on hourly pay, from highest to lowest. The percentage of men and women is calculated for each band.





# What's our gender pay gap?

We are proud to see a continued downward trend in our median gender pay gap for the fifth consecutive year, since gender pay gap reporting commenced.

Our median gender pay gap continues to be positively impacted by a high proportion of women within our management and senior management roles. Severn Trent is proud to have such strong female representation throughout our senior management team, and we believe we have created an environment where women can thrive, develop their careers and act as role models to others looking to join the industry.

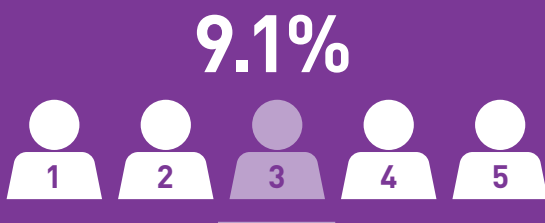
Over the same period we have seen a slight increase in our mean gender pay gap, partly due to small changes within our executive population. Our total number of employees grew by 2.1%, with the number of women growing by 2.3%, and men by 2.0%. As the fastest growing quartiles were the lower middle quartile for women, and the upper quartile for men, this also contributed to the higher mean gender pay gap this year.

## The difference in hourly pay between men and women:

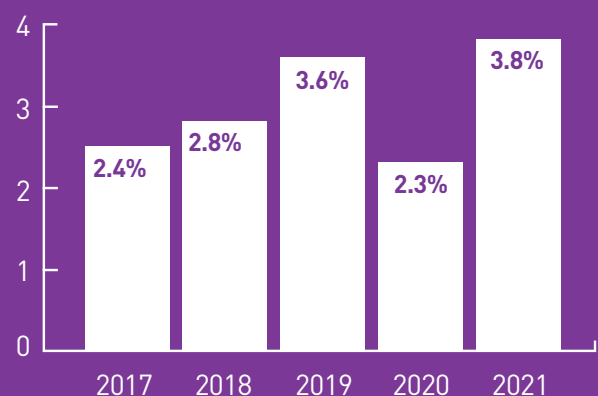
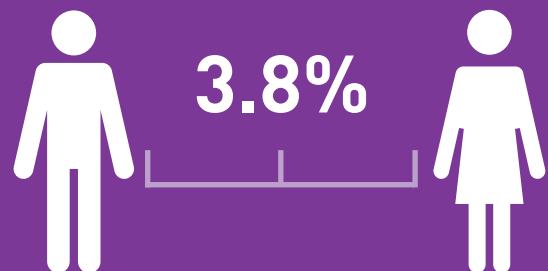
median 9.1%

mean 3.8%

### MEDIAN



### MEAN





# What's our bonus gap?

The gender bonus gap is the difference between the average bonus received by men and women across Severn Trent Water at 5th April 2021.

## The difference in annual bonus pay between men and women is:

median -0.8%

mean -24.4%

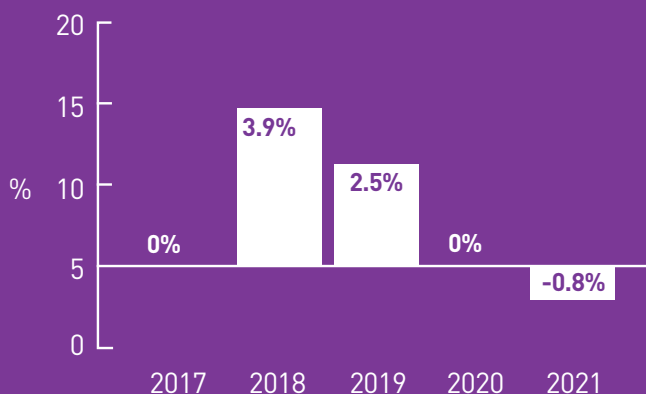
Our overall median bonus gap is relatively stable, with small fluctuations influenced by one-off recognition vouchers and long service award payments.

All employees are eligible to participate in the all-employee annual bonus scheme as long as they have worked for Severn Trent Water for more than three months. Our bonus structure aligns everyone to the same goals; excellent operational performance outcomes for customers, great financial performance, as well as reducing the number of people hurt whilst at work (measured through lost time incidents). This means that our frontline employees, administrators, advisors, team managers and technical experts, who make up around 95% of employees, are eligible for the same bonus opportunity regardless of salary or gender.

Our mean bonus gap is as a result of the high percentage of women in our executive and senior management population.

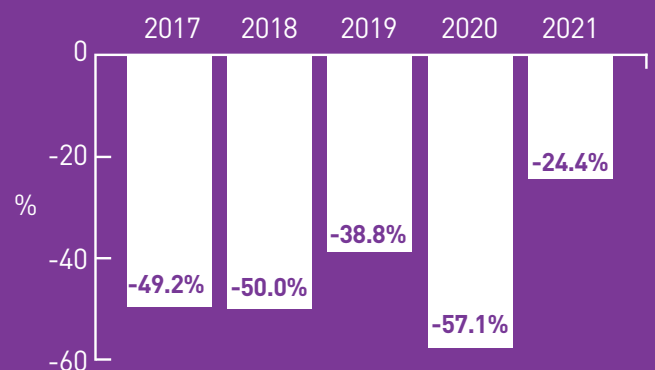
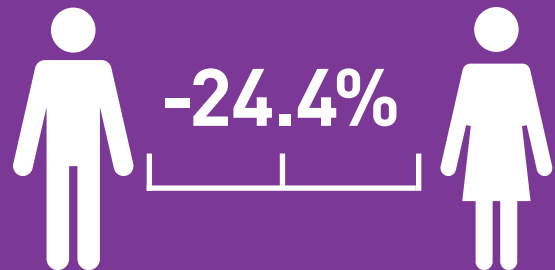
## MEDIAN

-0.8%



## MEAN

-24.4%

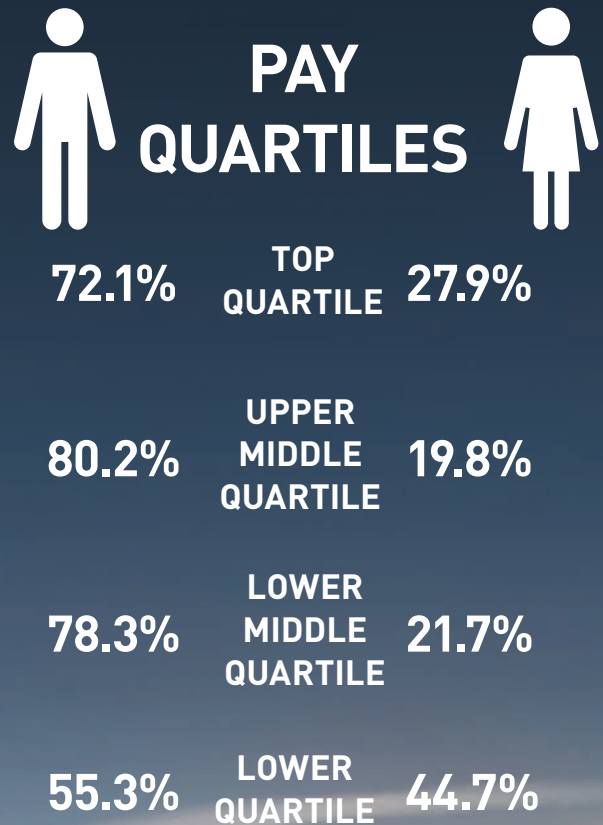




# How is pay distributed?

Gender pay gap reporting should be considered in the context of the overall male:female distribution across the four quartiles of salary levels and roles. The proportion of women employed has increased in three out of the four quartiles, and for the first time in four years, at 28.5% the overall proportion of women employed has also increased.

The lower middle and upper middle quartiles are not as representative of the wider gender split across the business, there are clusters reflecting historical perceptions of roles suited to men and women. For example, over 32% of the overall employee population are in operational 'technical' or 'physical' roles traditionally dominated by males and 8% of the population are working in our customer contact centres (where over 61% of role holders are female).





# What are we doing about our pay gap?

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This year we have launched our Diversity and Inclusion (D&I) plan which sets out our ambition, our associated D&I targets and our plan for achieving those. You can read more of the plan [here](#).

We're totally committed to further increasing the number of women at Severn Trent, but we're equally realistic that it will take time.

We have set ourselves a target of 35% females across the organisation against 29% today. We know that a good proportion of our roles are operational, some of these are extremely physically demanding and that we have always found these harder to fill with women.

We're committed to helping to evolve technology, shift perceptions and work with educational establishments to break down stereotypes.

Here's a summary of some of the things we are doing:

## **Inclusion: We're creating a workplace that's fair for all.**

- Our Executive team have all been partnered with D&I employee reverse mentors, from an under-represented group at Severn Trent.
- We've given everyone a voice and influence through our four employee advisory groups - one of which is our Women in STEM (Science, Technology, Engineering and Maths) and Operations group.
- Our HR policies are continually being updated to make sure women are better supported, for example when they're trying to become pregnant, when they become mums or grandparents and during the menopause.
- We're making the taboo less taboo, by openly talking about and supporting topics like the menopause, endometriosis and baby loss.

## **Diversity: We're building a workforce that reflects the communities we serve.**

- We've been running Women in Water events for students and parents to inspire more young women into the water sector.
- Our schools outreach programme and Discovery Days at our new Academy are offering more girls an insight into what it is like to work at Severn Trent.
- We're making sure we have diverse shortlists for vacancies and doing more community outreach to attract applications from under-represented groups.
- Our senior leaders have become active role models to inspire more women into similar career paths at Severn Trent.





# Tackling the taboos to support women

There is nothing worse than feeling alone and isolated when you're already going through a tough time, so we're intentionally having more conversations and training about perceived taboo topics. We offer menopause training to our Severn Trent colleagues – women, men, older and younger alike, so absolutely everyone has the chance to understand its impact, how they can spot signs and support others where needed. We launched our Menopause policy in 2018 – one of the first of its kind, and this year we have signed up to Menopause Workplace Pledge.

We've also signed up to become an Endometriosis Friendly Employer, ran internal campaigns and offered colleagues additional support, and we have recognised Baby Loss Awareness Week.

Our HR policies are also continually being updated to make sure women are better supported. For example we've introduced family friendly policies that allow employees to take more paid time off when they're undergoing fertility treatment, when their baby needs neonatal care or when grandparents need care for their grandchildren.





# Making Operational roles more accessible and inclusive

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As part of our focus on encouraging and supporting more women into operational roles Severn Trent are trailblazing the introduction of inclusive PPE, designing the industry's very first PPE Hijab that fits perfectly under hard hats.

The headscarf, designed by senior water quality advisor Aminah Shafiq, has been tried and tested and will now feature in our PPE catalogue - making operational roles for Muslim women safer, more accessible and inclusive. Aminah's LinkedIn post has drawn thousands of likes and comments, including the attention of our Water industry friends and more who praised her for her innovation.



Aminah said:

“We shouldn't have to feel uncomfortable when our helmets don't fit over our headscarves, or anxious that material from our headscarves will get caught in an industrial fan as a result of a freak accident. Health and safety is something we should all have the right to, and that's what this small addition to my PPE will give me.”

Aminah's hoping her headscarf will pave the way for more Muslim women coming through the engineering industry at Severn Trent and that it inspires other companies to follow suit.

# Women in STEM and Ops

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This year we've launched our brand new Women in STEM and Ops advisory group. It was set up to encourage more women into Science, Technology, Engineering, Maths and Operational roles and to ensure we are creating a great working environment for the women that work at Severn Trent.

The group is sponsored by Helen Miles who is our Director of Capital & Commercial Services and is part of our Executive Team.

Danielle Cherry is one of our Distribution Network Leads, and is also the chair of the advisory group:

“The purpose of our group is to try and encourage women into STEM and Ops roles as these are really great careers. We want greater diversity within our teams, differences of opinion, different ideas and different backgrounds, because we know we've got some really tough challenges coming up and we need those great ideas to solve them.”

Steph Pullan is our Business Planning Manager and also the deputy chair of the advisory group:

“As a woman in science, across my career I've worked across the chemical and water industry, and I've met some really inspirational women in STEM and Operations. Wouldn't it be great to have that real diversity of thought, not creating an echo chamber in what we already do and how we already think?

We are really passionate about women in STEM and Ops. It is about making it better for the women who are here, but also for the women who are coming through into STEM and Operational roles in the future.”





# Inspiring the next generation of women



This year we have really enjoyed working with the National Careers Services within the Department for Education to inspire more women into STEM (Science, Technology, Engineering and Maths) careers.

The national campaign, called 'My First Job' featured three Severn Trent employees – Georgina Brown who talked about her experiences as an apprentice Process Engineer, Caitlin Mullen a Design Engineer in waste treatment and Serena Variah who completed an apprenticeship in Project Management, and has now gone on to become an Engineer.

All their stories were shared with schools across the UK and on the National Careers Service website and social media sites.

Serena's story alone reached over 6.5million views and had over 16,000 young people click through to find out more about similar apprenticeships on offer.



This statement confirms that  
the published information is  
accurate and is signed by

A handwritten signature in white ink on a purple background. The signature is cursive and appears to read 'Olivia Garfield'.

Olivia Garfield  
Chief Executive Officer  
Severn Trent Plc

