

Our gender pay and ethnicity pay gaps

Our gender pay gap as at 5 April 2023

We've delivered another reduction in our gender pay gap and a reduction in our mean (average) ethnicity pay gap.

The gender pay gap is the difference in the average earnings between men and women, regardless of the work they do. The median pay gap is the difference in pay between the middle-ranking woman and the middle-ranking man. Similarly, the ethnicity pay gap shows the difference in average earnings of employees of ethnic minority backgrounds, regardless of their jobs. Gender pay differs from equal pay, which looks at pay differences between men and women carrying out the same or comparable work.

On 5 April 2023, which is the date we capture the data each year, our results were:

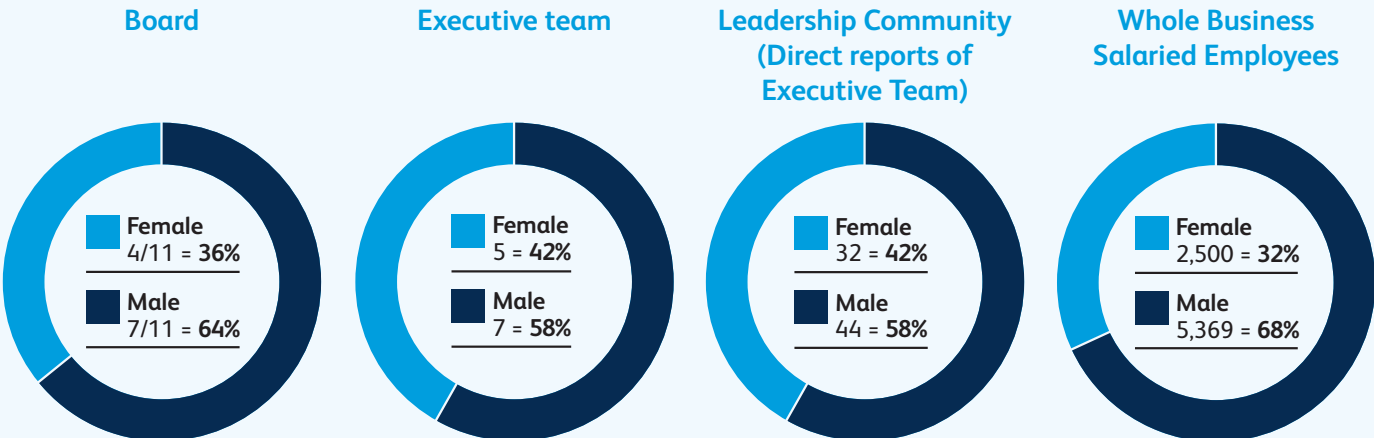
Mean gender pay gap 5.3% (2021/22: 9.1%)	Mean ethnicity pay gap 10.0% (2021/22: 9.7%)
Median gender pay gap 10.8% (2021/22: 15.0%)	Median ethnicity pay gap 7.8% (2021/22: 10.4%)
Mean gender bonus gap -53.1% (2021/22: -2.4%)	Median gender bonus gap 25% (2021/22: 0.0%)
Leadership female on 31 March 2023 42% (2021/22: 33%)	Leadership Ethnic Diversity on 31 March 2023 3% (2021/22: 3%)

Proportion of females (of relevant employees) who received a bonus/incentive payment was 40.4% (2021/22: 42.0%). Proportion of males (of relevant employees) who received a bonus/incentive payment was 46.6% (2021/22: 41.5%).

In terms of base pay, the gender pay gap has improved from last year to a median of 10.8% and mean of 5.3%. This is primarily driven by improvements in female representation in both the executive team and the senior leadership population. However, overall, women are more likely to be in lower paid jobs (for example Customer Service Agents) than men (for example Process Controllers). Until we attract more women into technical roles (which have a higher base pay) we will continue to see a pay gap. The significant work being done by the Women in STEM group (championed by Sharon Duffy, Director of Engineering) aims to support the attraction and retention of women into these roles.

In terms of bonus, the mean gender pay gap is now -53.1% which is driven by the payments made to Sarah Bentley. The change in the median gap from 0% to 25% is driven by several factors including hiring more men than women into managerial roles (which are bonus eligible) as well as men receiving more long-service and instant rewards (as there are more men in the organisation).

Gender diversity across Thames Water as of 31 March 2023



This information is accurate as of 10/07/2023 and signed by our People Director, Lynne Graham.