



Gender pay gap report 2017

Affinity Water Limited

About this report

This report is prepared by Affinity Water Limited (“Affinity Water”) under the Equality Act 2010 (Gender Pay Gap Information) Regulations 2017 (the “Regulations”).

The Regulations require employers with 250 or more employees to publish information relating to the gender pay gap in their organisation. In particular, employers are required to publish:

- the difference between the mean and median hourly rates of pay paid to male and female employees;
- the difference between the mean and median bonuses paid to male and female employees;
- the proportions of male and of female employees who receive bonuses; and
- the relative proportions of male and female employees in each quartile pay band of the workforce.

This report is based on a snap shot of our workforce on 5 April 2017. On this day, we had **1,365 employees; 64% men and 36% women**. I am very proud that Affinity Water benefits from having so many loyal employees; our average length of service is 10 years.

Affinity Water confirms that the gender pay gap information published in this report is accurate.

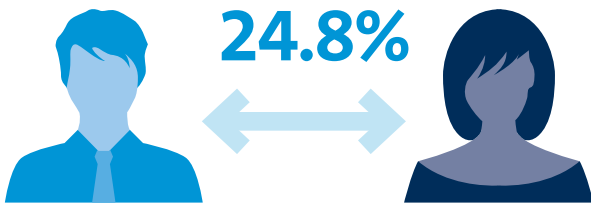


Simon Cocks
Chief Executive Officer

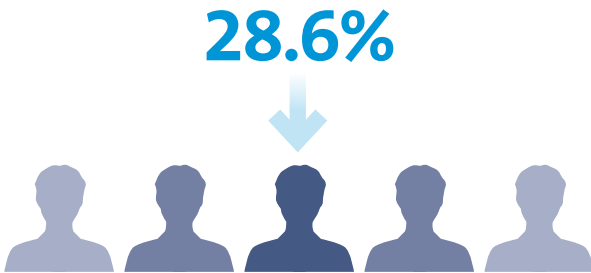


Hourly rates of pay

The difference between the mean (or average) hourly rate of pay of our male employees and that of our female employees is 24.8%.



The difference between the median hourly rate of pay of male employees and that of female employees is 28.6%. The median hourly rate of pay is the middle value when rates of pay are placed in numerical order.

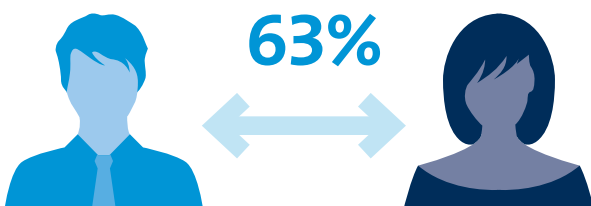


Our analysis suggests that **these differences are attributable to factors which are common to our industry.** These factors include:

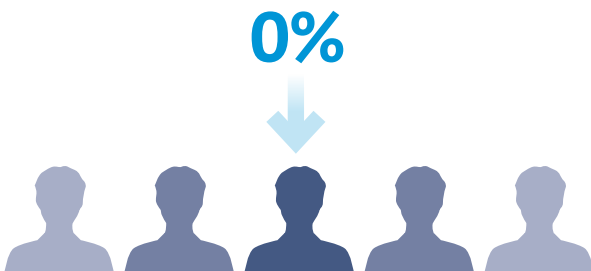
- more men in senior roles
- more men in roles where allowances are paid that relate to the working patterns of their roles.

Bonuses

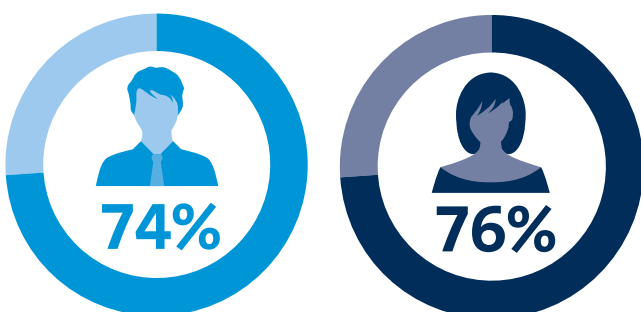
All of our employees are eligible to receive a bonus based on company performance. **The difference between the mean (average) bonus paid to our male employees and that paid to our female employees is 63%.** Our analysis suggests that this difference is attributable to more men being employed in senior roles which provide the opportunity for significantly higher potential bonus awards than those applicable to less senior roles.



The difference between the median bonus paid to our male employees and that paid to our female employees is 0%. The median bonus is the middle value when bonuses are placed in numerical order. There is no difference between male employees and female employees, reflecting the company-wide bonus scheme we operate which rewards most employees according to the performance of the business rather than individual or team-based performance.



The proportion of our male employees who receive a bonus is 74% and the proportion of our female employees who receive a bonus is 76%. To be eligible for payment of a bonus, employees must be employed at the end of our financial year. Our analysis indicates that the difference is due to differences in the timing of male employees and female employees joining and leaving the business.



Pay quartiles

We have ranked the hourly rate of pay for each of our male and female employees in order from lowest paid to highest paid.

The proportions of male and female employees in the lower, lower middle, upper middle and upper quartile pay bands are shown right.

This shows we have more men than women in higher paid roles and more women than men in lower paid roles. The number of female employees on the **Affinity Water Executive Team** has increased from 0% to 25% in the last 3 years.

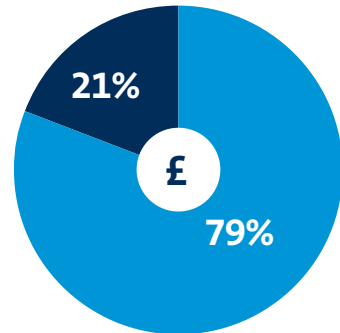


Men

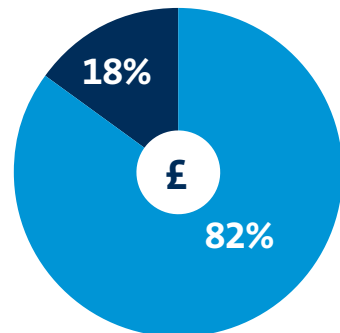


Women

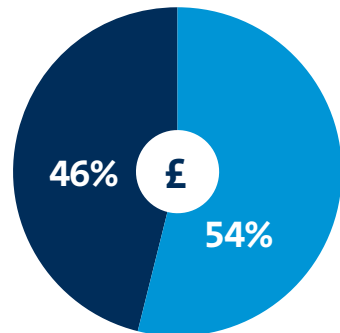
Highest quartile



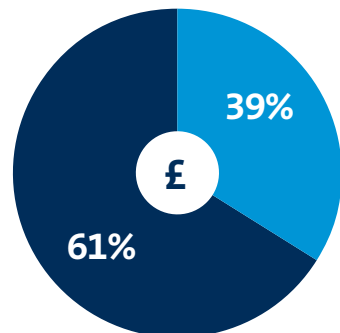
Upper middle quartile



Lower middle quartile



Lowest quartile



What we are doing to close our gender pay gap?

We are working to understand in more detail the reasons behind our gender pay gap, so we can identify actions we need to take. We will be implementing gender monitoring so that we can identify and respond to any trends in the following areas:



the proportion of men and women applying for roles and being recruited;



the proportion of men and women applying for and obtaining promotions;



the proportion of men and women leaving the organisation and their reasons for leaving;



the number of men and women in each role and tier of the organisation;



take-up of flexible working arrangements by gender and level within the organisation;



the proportion of men and women who return to their original job after a period of maternity or other parental leave; and



the proportion of men and women in post a year on from their return to work after a period of maternity or other parental leave.

We will keep under review our arrangements for flexible working and will continue to seek ways to enable more of our employees to balance work and personal commitments through technology.

We will also identify how best we can partner with third party organisations to promote the water industry as an employment option to girls and women in education.