

# Gender pay report 2021



## We continue to focus on our commitment to having a diverse and inclusive workforce, now and for the future.

We need fantastic people to help us deliver a great service to our customers. We want our team here at United Utilities to reflect the communities we serve, and we want all employees to feel valued and included, regardless of their gender, age, race, disability, sexuality or social background.

We've reviewed our approach to diversity and inclusion and have made a number of commitments to create further improvements – including leading with inclusion in mind, encouraging openness, and revising our main people policies. We've made good progress towards meeting these commitments and have received positive feedback, particularly from our female employees, with 96% of our current female workforce saying they would recommend us as an employer.

Our gender pay report gives us the opportunity to set out the progress we are making in becoming a more diverse and inclusive business, and in particular the work we are doing on gender equality. It has been difficult in the past to attract females to the water industry, so we are pleased with the progress we are making to even up the numbers of our male and female staff.

Over the last five years we've seen a positive downwards trend for both our pay gap and bonus gap. There have been some significant improvements since last year, reflecting the work we've been doing to attract, support and develop women here at United Utilities.

We have strong female role models succeeding at all levels of the organisation, including on our board, in our executive leadership team and in key operational roles. We're proud that 62% of all this year's vacancies for senior leaders were filled by females. We've focused on using dedicated talent programmes to create a pipeline of female talent. Our 'aspiring manager' programme continues to support our female employees who want to progress with their careers, and 71% of employees who have moved to a new role or been promoted after taking part in the programme are female. The number of women on our graduate and apprentice programmes has continued to increase each year, showing the value of our recruitment campaigns, which we have developed with specialist diversity partners. We're also doing a lot out in our communities, working hard to encourage young female students from diverse backgrounds to consider careers in science, technology, engineering and mathematics (STEM). We are doing this through our virtual work-experience programmes and mentoring support.

We are delighted to have been recognised for our progress, including by scoring in the top 25% of companies in the Financial Times' Statista Survey for Diversity and Inclusion Leadership, which ranks 850 companies across Europe.

**Steve Mogford**  
Chief Executive  
Officer

**Louise Beardmore**  
Customer Services  
and People Director

# Useful definitions

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<b>Gender pay gap</b>	The difference between the mean or the median hourly rates of pay for men and for women in April 2021. This figure is expressed as a percentage of pay for men.
<b>Gender bonus gap</b>	The difference between the mean or the median values of bonus pay for men and for women over the 12 months prior to April 2021. This is expressed as a percentage of the bonus paid to men.
<b>Proportion of employees that receive a bonus</b>	The percentage of men and women who received a bonus during the 12 months prior to April 2021.
<b>Median</b>	The median is a comparison of the 'middle' hourly pay rate for a woman (if all hourly pay amounts were sorted from low to high) and the 'middle' hourly pay rate for a man (if they were sorted in the same way). The median is less affected by outlier hourly pay rates (very high or very low pay rates) than the mean.
<b>Mean</b>	The mean is a comparison of the average hourly pay rate for a woman and the average hourly pay rate for a man.
<b>Pay quartiles</b>	Pay quartiles are worked out by splitting the whole workforce into four equal-sized bands based on hourly pay rates, from lowest to highest. The percentage of men and women in each of those four bands is then calculated.
<b>Basic pay</b>	Basic pay elements that are used for the calculation of the hourly rate of pay include salary and work-based allowances such as shift premium, standby and call-out payments. They also include bonus payments and recognition awards. They do not include payments for overtime, redundancy or termination of employment payments, or benefits-in-kind.



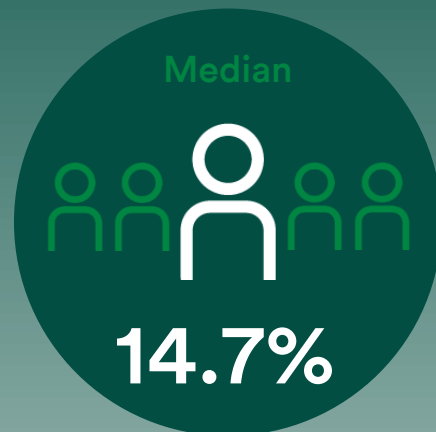
# At a glance

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We're making good progress in reducing our gender pay gap and bonus gap, seeing a positive downward trend over the last five years.

Our median gender pay gap is lower than the national average of 15.4%.

Our strategy to achieve a better balance of females and males is working.



**96%**

of our current female workforce would recommend us as an employer.

**92%**

of female employees say that we support diversity and inclusion in the workplace.

**62%**

of employees recruited into a senior role in 2021 were female.



# Attracting, supporting and developing women



We've been working hard to attract, support and develop women in our business, and are really proud of our progress.

**96%**

of our current female workforce would recommend us as an employer.

**62%**

of those recruited to senior leader roles in 2021 were female.

**54%**

of people on our aspiring manager programme are female.

**45%**

of all employees who were promoted in 2021 were women.

**44%**

of our graduates are female.  
(In 2021, almost 40% of our new graduate employees were female.)

**43%**

of people on our Kickstart scheme (which provides placements for young unemployed people) are women.

**35%**

of our combined board and executive team is female.

**34%**

of our employees are female, and 25% of these are in STEM roles.

**22%**

of our apprentices are female.  
(In 2021, almost 31% of our new apprentices were female.)

We're supporting future female talent with a focused leadership programme.

We have an outstanding gender-equality employee network, with new executive sponsors for 2021.

We scored in the top 25% of companies in the Financial Times' Statista Survey for Diversity and Inclusion Leadership.

#OpportunityOnTap  
Apprentices. Graduates.  
Internships. Skills growth.





# What is the gender pay gap?

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**The 'gender pay gap' is the difference in pay between men and women. It highlights the difference between the average hourly pay for men and women across the workforce, and we summarise this in the statistics shown in this report.**

Gender pay is different to 'equal pay', which is a legal requirement to pay men and women the same for work that is of equivalent value.

At United Utilities, we have a single pay and grading framework for all roles. Pay and conditions at each level are standardised. This is supported by a fair job-evaluation methodology, which gives us confidence that gender cannot affect the way pay is set. We also follow other best practices that can help make sure our processes do not discriminate against anyone and that stereotyping does not influence our pay decisions.

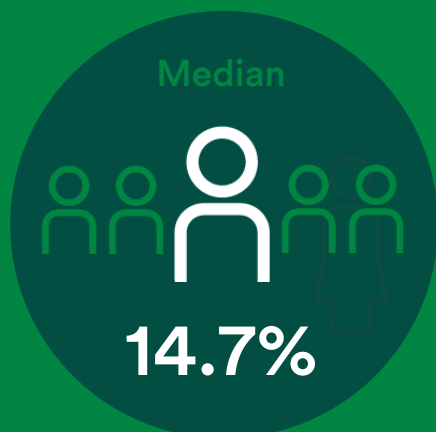
## Reporting on our performance

This report focuses on the data relating to gender pay for the whole United Utilities group, as this provides the most meaningful picture of how we operate and how our actions and plans for gender diversity affect the whole company.

In line with reporting requirements, we've focused on tracking our performance against the median and mean gender pay gaps, the median and mean gender bonus gaps, and the distribution of pay by quartiles.



# Our gender pay gap



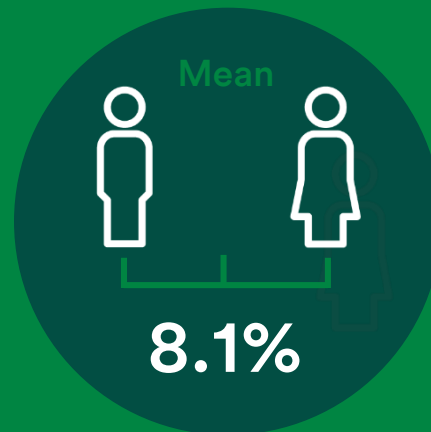
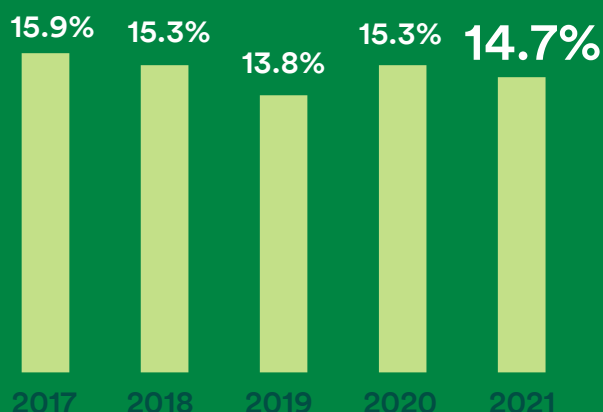
## Our median gender pay gap over time

Our median gender pay gap has reduced since our last report in 2020, and is still below the national average of 15.4% (ONS, November 2021).

In 2020, our median gender pay gap increased. This was mainly due to a rise in the number of employees in operational roles, which receive higher payment due to the nature of the working patterns. We advertised these roles outside our organisation and found that the people applying were almost all male, so the new roles were typically filled by men.

This year, the changes in our median gender pay gap are mainly due to a reduction in the number of females in lower-paid roles, which has increased the median salary for women.

## Our median gender pay gap over the last five years:

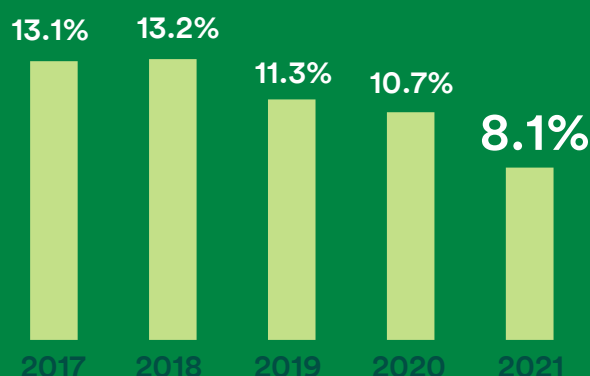


## Our mean gender pay gap over time

Our mean gender pay gap has reduced significantly since 2017, mainly due to an increase in the number of women progressing into more senior roles within the company and the success of our talent management programmes. Due to changes in the way our workforce is made up, last year we also saw more men in lower-paid roles within the company.

We have continuously challenged our thinking over the last 12 months and have made solid progress so far in steadily reducing our gender pay gap, continuing a positive trend over the last five years. We still have some way to go, and will continue to focus on taking action to continue this downward trend. You can read more about our plans on page 10.

## Our mean gender pay gap over the last five years:



# Pay quartiles by gender

Overall, 34% of our workforce is female. Although women are still under-represented in the top three pay quartiles, we have seen more women in the upper middle quartile this year.

This is mainly due to more women than men being promoted into higher-paid roles as a result of our talent management programme, which has helped to reduce the pay gap. However, there is still more work for us to do, for example in our main operational roles, where it is more difficult to achieve a gender split that is representative of our organisation.

We continue to focus our efforts on adjusting the gender split within each of the four pay quartiles in line with the proportion of women we have working for us overall.

We are constantly looking at ways to break down patterns in the workforce that may reflect old gender stereotypes in the water industry as a whole. Our longer-term strategy continues to focus on the proportion of women and men in our workforce, aiming to provide inspiring entry-level opportunities for female school leavers, and by advertising the achievements of women in leadership roles.

Over the last 12 months, we have worked hard to attract more women to our apprentice and graduate programmes and to our senior roles. There has been an increase in the proportion of women on both schemes this year compared with last year, and over half the people on our 'aspiring manager programme' are female.

**45%**

of all promotions in 2021 were achieved by women.

**44%**

of our graduates are female.

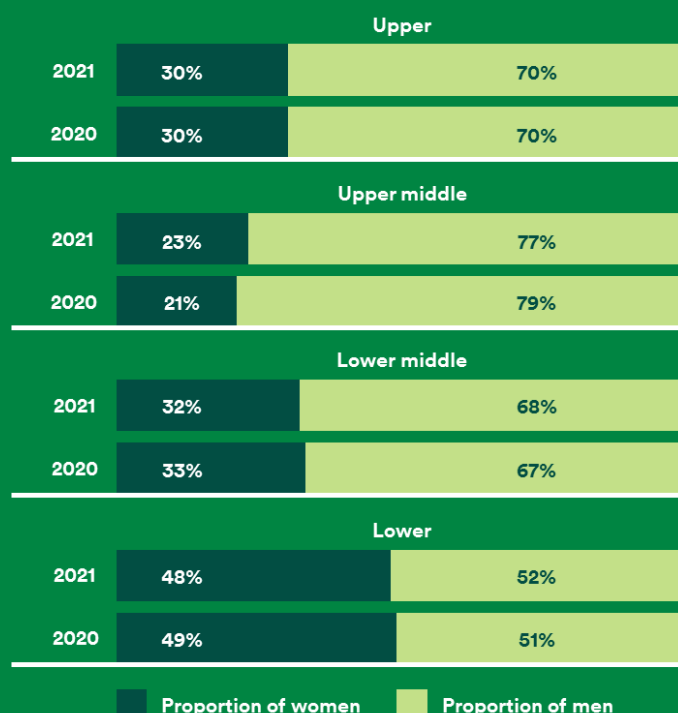
**35%**

of our combined board and executive team is female.

**22%**

of our apprentices are female.

Percentage of women and men overall and in each quartile of the pay range (figures for 2021 and 2020):



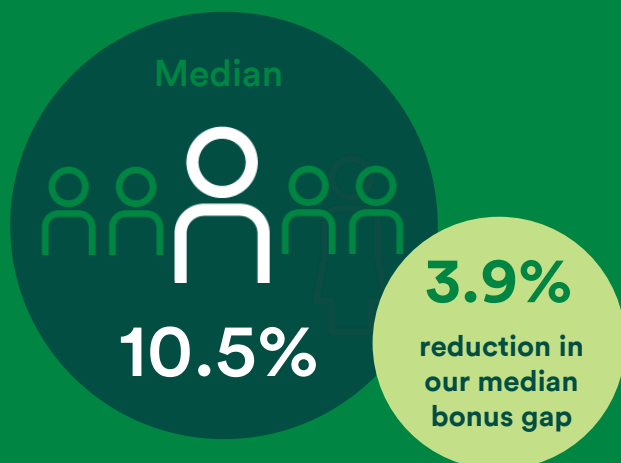


# Our gender bonus gap

**This year, we have seen our median gender bonus gap fall by 3.9%, and our mean gender bonus gap by 7.8%. This is a significant improvement on last year and continues the downward trend.**

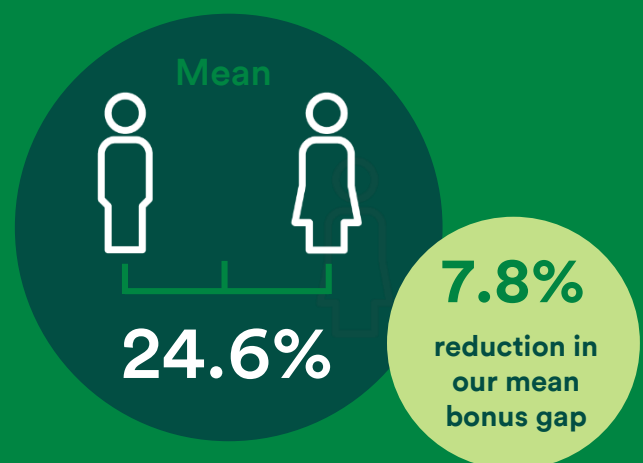
Our inclusive pay practices mean that employees at all levels in the company are eligible for a bonus, and the same performance measures of success apply across the organisation. This makes sure we are all focused on delivering the right outcomes for customers and stakeholders, and there is a fair and transparent approach to rewarding performance for all our employees.

One of the main things that affects our gender bonus gap each year is the difference in the maximum bonus that is available depending on the seniority of each role. We still have some work to do to achieve a more balanced proportion of women and men at all levels, which will lead to a reduction in our gender bonus gap. However, an increase in the number of women moving to more senior roles has had a positive effect on reducing the gap for this year.



## Our median gender bonus gap

We have seen an improvement in the median gender bonus gap this year, due partly by changes within our organisation that have led to an increase in the number of women in roles which pay higher bonuses. We have also seen a slight increase in the proportion of women working full-time. The bonus gap calculation does not take into account how many hours employees work, and bonuses are calculated using the actual salary that an employee earns. An increase in the number of women working full-time will have had a small positive effect on reducing our gender bonus gap.



## Our mean gender bonus gap

Our mean bonus gap has narrowed this year, due to the increase in the number of long-term incentive payments to females. This comes as more females have moved to senior roles, and variable pay now makes up a greater proportion of overall pay at senior levels within the organisation.

# Closing the gap

With just 24% of females in the UK workforce employed in STEM roles in 2020 (source: [stemwomen.com](https://www.stemwomen.com)) and, traditionally, more men than women taking up STEM-related careers, it is important to maintain a focus on inspiring females to join the water sector if we are to close our gender pay gap. Here are a few examples of action we're taking to do just that.

## Giving back to our community

We're proud of our female role models who are inspiring future female talent in our communities. Working with the Careers and Enterprise Company, we have joined over 800 enterprise advisers across the country to provide high-quality careers support to under-represented groups in schools, and 75% of our enterprise advisers are female.

Anisha Somani, one of our monitoring and control managers, volunteers as an enterprise adviser. She explains the importance of the role: "Throughout the pandemic we've seen a large number of young people miss out on valuable careers support. High-quality links between schoolchildren and business improve employability chances. I'm really proud to be supporting a school to help improve the outcomes of under-represented young people and giving back to our community."



Inspiring  
future female  
talent

## The wonder of water tour

As part of our CEO challenge, which encourages teams of graduates to explore innovative solutions to business problems, our graduates have created a '**wonder of water tour**', offering a new virtual learning experience to inspire a diverse workforce for the water industry.

Students get to meet our female apprentices and graduates, who will bring to life our business and try to inspire them to consider STEM-related careers.

The virtual tour is aimed at secondary school students and is linked to the geography curriculum. It takes learners around one of our treatment works so they can find out just what we do to keep the North West's taps flowing and toilets flushing for our seven million customers.



Happy to show  
you around:  
The wonder of  
water tour



# Closing the gap

## Tap into your future

We've launched a virtual work-experience programme for under-represented groups across the North West.

The programme is targeted towards different minority groups, and aims to attract and inspire them to apply for a future role at United Utilities, increasing the diversity of our early careers opportunities. We have sessions dedicated to females.

The first session consisted of a range of challenges led by our amazing female role models, panel sessions, Q&As, virtual tours and employability skills to inspire those taking part to consider a STEM-related career and apprenticeship.

**100%**

of those taking part said they would recommend the session to a friend.

"It's made me realise that I 100% want to pursue an apprenticeship with United Utilities."

**Female year-11 student, Wigan**

**76%**

of those taking part said it had changed their perception of STEM-related careers.

"The experience was informative, exciting and unforgettable."

**Female year-13 student, Manchester**

## Engineering your future

We've launched our annual 'Engineering your future' competition to over 80 students in schools across the region.

The competition matches teams of pupils with mentors from within our organisation to crack an engineering conundrum. During the final of the competition, a 'Dragons' Den' panel decides on the winning team.

**60%**

of students who enter the competition are female.

The competition changes young people's perception of engineering as a career choice.





# Focused on diversity and inclusion



We're delighted to be ranked seventh on the 2021/2022 Inclusive Top 50 UK Employers list.

Building an inclusive workplace is an important strategic priority for us, and we've launched our 'Better together' programme of diversity and inclusion work to involve all of our people in helping us achieve it.

In our employee opinion survey, 88% said they felt we support diversity and inclusion in the workplace.

1

## Inclusive leadership

With workshops, masterclasses, and talks on inspirational topics from external speakers, we're leading a fresh approach to diversity and inclusion.

We've held leadership talks on gender equality with Simone Roche (CEO of Northern Power Women) and Charlotte Nichols (Shadow Secretary of State for Women and Equalities in the UK from 2020 to 2021), and we've been raising awareness of topics such as fertility week.

2

## Encouraging openness

We launched our 'About Me' campaign to find out more about our employees' needs and improve our employee records.

50% of staff who responded told us that they had a caring responsibility, and 22% of those related to caring responsibilities for the elderly. We're using the information we received to improve how we support our colleagues.

3

## Improving our policies

We have a number of policies in place which focus on supporting all our employees to achieve the balance between home and work life, with enhanced family-friendly leave options and maternity benefits that are better than those that employers in the UK have to provide by law.

We've improved our flexible-working policy, and employees can now apply for flexible working from day one of their employment.

4

## Increasing awareness

Our 'We are better together' video shows our employees that we want to create and maintain a working environment where we value and respect one another's unique contribution.

**Take a look at the video here.**

We've used guest speakers to shine a spotlight on gender equality, with podcasts featuring our female board members to mark International Women's Day and Women in Engineering Day.

5

## Supporting inclusion

Through our gender equality network with new executive sponsors, we've been focusing on normalising some tricky conversations.

We've been raising awareness of the menopause, promoting our policy and support, and have launched our menopause yoga sessions.

We've highlighted the challenges of caring responsibilities, with live panel discussions and Q&As.

# From apprentice scientist to production manager



Meet Laura, one of our rising STEM stars, who tells us about her career journey since joining our apprentice scheme.



**Laura Rimmer**  
**Laboratory Production Manager**

Laura has worked for us for 13 years. She started out as an apprentice scientist before moving on to become a production scientist, then a water quality officer team leader, and most recently being appointed as a laboratory production manager.

## What does your current role involve?

I oversee the day-to-day activities of a highly regulated, multidisciplinary analytical team. I'm responsible for helping team members to progress, and for developing new and upcoming methodologies. I also oversee health, safety and wellbeing for our whole Scientific Services team.

## Tell us about your journey to where you are now.

On completing my A levels, I didn't feel university was the right choice for me, which was why I applied to join United Utilities' apprenticeship scheme. As part of my apprenticeship I completed a chemistry HNC and NVQ level 2 and 3, then when I moved into the life sciences team I studied for a foundation degree in microbiology. I self-funded my top-up to a full degree in biology, studying part-time alongside my work, and graduating with first class honours in 2020.

## How has United Utilities supported you in that journey?

A career in science is something that I was always interested in, and the ability to achieve this has been thanks to the education and training opportunities that I've been fortunate enough to receive whilst working for United Utilities.



# Attracting new STEM talent

Heena and Lindsay have both joined the company this year, as senior leaders in STEM roles.



**Heena Mistry**  
Chief Digital Officer

Heena joined us in January 2021 as Chief Digital Officer, a role created to help us achieve our ambitions as a 'digital' utility company.

## **Tell us about your journey to where you are now.**

I've worked in multiple industries, from defence and aerospace through to steel and logistics, supporting companies such as Babcock, Rolls-Royce and Harsco with their IT and digital transformation journeys.

## **What are your impressions of diversity at United Utilities?**

In the short time I've been with the company it's evident that the culture is one of people first. There is a high energy and desire to look after the wellbeing of our colleagues, and to stamp out any form of injustice, which has made for a very welcoming and inclusive place to work. United Utilities' journey towards becoming a digital utility embraces diversity, and I'm very proud to be given the opportunity to be a part of that.



**Lindsay Page**  
Water Network Business Manager

Lindsay joined us in April 2021 as a network business manager, overseeing all of our water network assets in the south of the region.

## **Tell us about your journey to where you are now.**

I'm from a tiny seaside town in the west coast of Scotland. I graduated from the University of Paisley with a BSc in biomedical sciences. After university I worked for Johnson & Johnson Medical as a trainee research scientist, before joining Yorkshire Water as a project scientist and later becoming the company's Bathing Water Manager. I joined United Utilities six months ago, and my role as a network business manager means I'm accountable for the planning, development, investment, operation and maintenance for all of our water network assets within the south of the region – making sure we provide customers with safe, reliable drinking water.

## **What are your impressions of diversity at United Utilities?**

It's great to see the company focus on making sure all colleagues' differences across the organisation are recognised and valued in an open and transparent environment. I was recruited from outside the business, showing the drive to increase diversity across United Utilities.



# Leading the way in STEM roles

Amina and Joanne tell us about their technical roles within United Utilities.



**Amina Aboobakar**  
Commercial  
Director to The  
Rivers Trust  
(secondment)

Amina joined United Utilities six years ago, most recently working as our Natural Capital Strategy Planning Manager.

## **Tell us about your journey to where you are now.**

I come from a truly multi-cultural family – I was born in Mozambique and raised in Portugal, then moved to the UK when I was in my teens. I studied applied biochemistry at university and after joining the NHS as a graduate I went on to carry out a PhD through Cranfield University, based at Severn Trent Water. Whilst studying, I also took on a role as Severn Trent's Sludge Strategy Manager, worked with their operations and renewables teams and was also part of their innovation team for a while.

I joined United Utilities in 2015 as an integrated catchment strategy development manager, and later became the Natural Capital Strategy Planning Manager, responsible for developing how we work at catchment scale to deliver our environmental objectives and achieve better value for customers and the environment. After a career break at the end of 2019 to go travelling with my husband, I began a secondment with The Rivers Trust as their Commercial Director.

## **What are your impressions of diversity at United Utilities?**

I really like how the company provides flexibility around work patterns, and the improvements made to the flexible-working policy are an example of the drive for a more diverse and inclusive culture within the business. The focus we place at United Utilities on improving our people has given me the opportunity to be on this secondment – in terms of career progression I couldn't have asked for better!



**Joanne Rands**  
Head of  
Process  
Delivery

Joanne has been with the company in technical roles for more than 27 years. She heads up our process delivery teams within our engineering department.

## **Tell us about your journey to where you are now.**

I'm from a small town in the South Wales valleys. I studied chemical engineering at Loughborough University and initially joined Yorkshire Water on their graduate scheme, but moved across to North West Water in 1994. I've held roles in technology development and looking at on-site treatment opportunities for our largest key customers. My role as Head of Process Delivery means I'm responsible for making sure we have the right technical people to support the business.

In the early stages of my career the business supported me to get the experience I needed to become chartered, and I am now very proud of being a Fellow of the Institute of Chemical Engineers. More recently I was given the opportunity for a secondment in a senior operational role, which gave me opportunities to continue developing even after more than 20 years in the organisation.

## **What are your impressions of diversity at United Utilities?**

It's really important to me to keep encouraging young people to study STEM subjects and I'm really proud that we work with five local high schools in Warrington, encouraging girls and boys to be the engineers of the future.

The company has given me the flexibility I needed to be a working mum – working part-time and from home when my family was young – and allowing me to develop and giving me opportunities as my children became less dependent.

# Gender pay report by business – statutory declaration

We confirm that the data within this gender pay report is accurate.

Within United Utilities Group PLC there are two companies that employ staff. Most of our employees are employed by United Utilities Water Limited (our main water and wastewater services business). And a small number of employees (typically our most senior employees and those working in central functions) are employed by United Utilities PLC.

By law, companies in the UK that have more than 250 employees must produce a report which includes information on their gender pay gap. Our report shows the data for the United Utilities Group PLC, and below we also show the data for United Utilities Water Limited.

## Hourly gender pay gap

Business	Headcount (as at 5 April 2021)	Description
United Utilities Group PLC	5,684	Group company consisting of all employees within United Utilities
United Utilities Water Limited	5,517	Regulated water and wastewater services business

Business	Median		Mean	
	2021	2020	2021	2020
United Utilities Group PLC	14.7%	15.3%	8.1%	10.7%
United Utilities Water Limited	15.1%	15.2%	7.6%	9.8%

## Gender bonus gap

Business	Median		Mean	
	2021	2020	2021	2020
United Utilities Group PLC	10.5%	14.4%	24.6%	32.4%
United Utilities Water Limited	11.5%	14.5%	16.9%	22.0%

## Proportion of employees who received a bonus

Business	Women		Men	
	2021	2020	2021	2020
United Utilities Group PLC	95.7%	94.7%	95.6%	93.2%
United Utilities Water Limited	95.7%	94.4%	95.7%	93.0%

## Proportion of women and men in each quartile of the pay distribution

Business	2021							
	Lower		Lower middle		Upper middle		Upper	
	Women	Men	Women	Men	Women	Men	Women	Men
United Utilities Group PLC	47.7%	52.3%	32.4%	67.6%	22.7%	77.3%	30.4%	69.6%
United Utilities Water Limited	47.0%	53.0%	32.0%	68.0%	22.4%	77.6%	29.8%	70.2%
Business	2020							
	Lower		Lower middle		Upper middle		Upper	
	Women	Men	Women	Men	Women	Men	Women	Men
United Utilities Group PLC	49.4%	50.6%	33.3%	66.7%	21.4%	78.6%	30.1%	69.9%
United Utilities Water Limited	48.8%	51.2%	32.8%	67.2%	21.6%	78.4%	28.8%	71.2%