



Gender Pay Gap Snapshot date 31 March 2019

Naturally *different.*

business stream
A SCOTTISH WATER COMPANY



Introduction

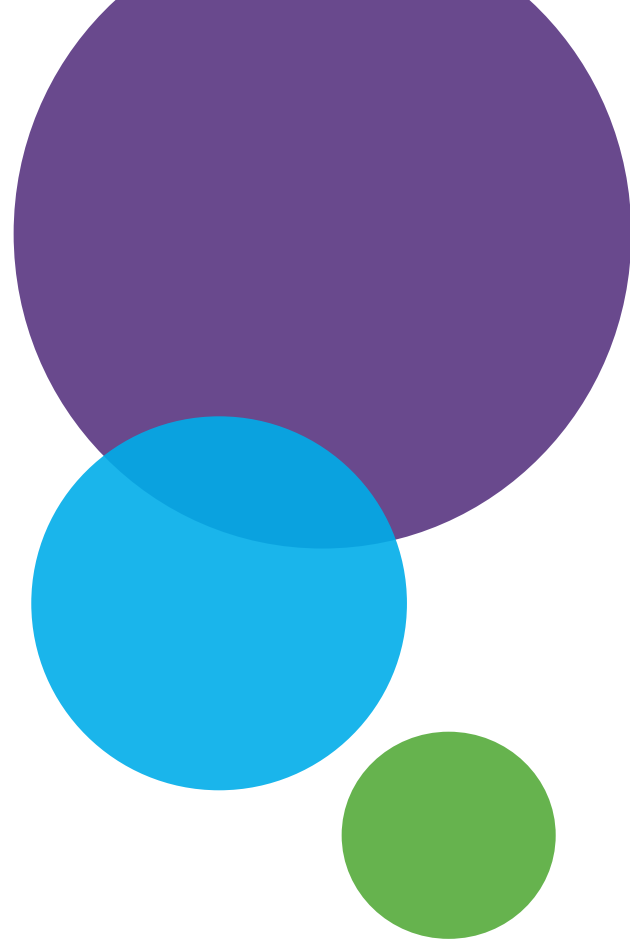
Business Stream is fully committed to providing equal opportunities for everyone to learn, develop and progress, regardless of their gender, ethnicity or age. We are passionate about providing a working environment that encourages diversity and inclusion at all levels of our organisation.

Statement

I confirm that the details included in this report are an accurate reflection of our gender pay position as at 31 March 2019.

A handwritten signature in black ink, reading 'Johanna Dow'.

Johanna Dow
Chief Executive



Why are we reporting these numbers in this way?

From 2017, organisations who employ 250 people or more, are required to publish statistics on their gender pay gap annually.

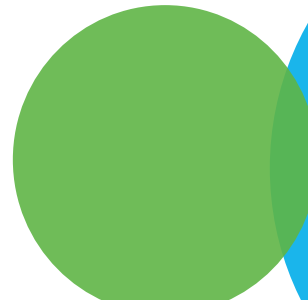
Understanding the gap

There are six metrics that must be published annually. The figures are calculated using a 'snapshot date' which in our case is 31 March 2019.

What is the difference between mean and median?

The **mean** gender pay gap is the difference in the average hourly rate of pay between men and women employed by Business Stream.

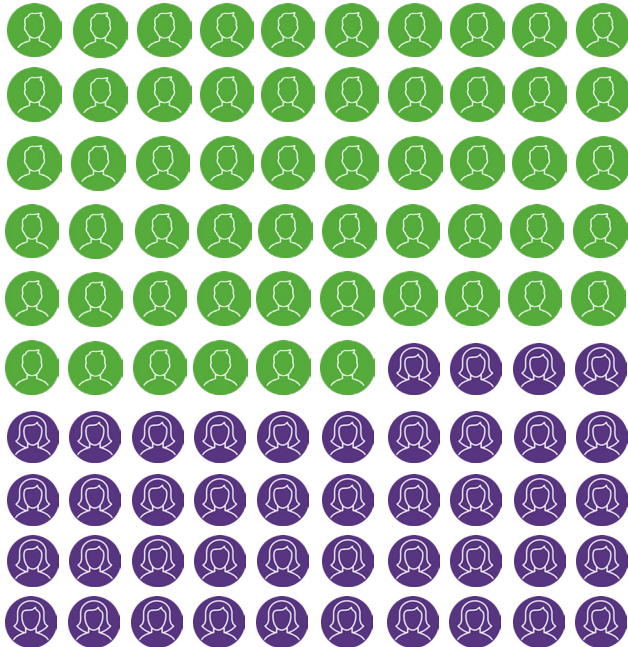
The **median** gender pay gap compares the hourly pay of the median man and the median woman. The median for each is the man or woman who is in the middle of a list of hourly pay, ordered from highest to lowest paid.



Our workforce

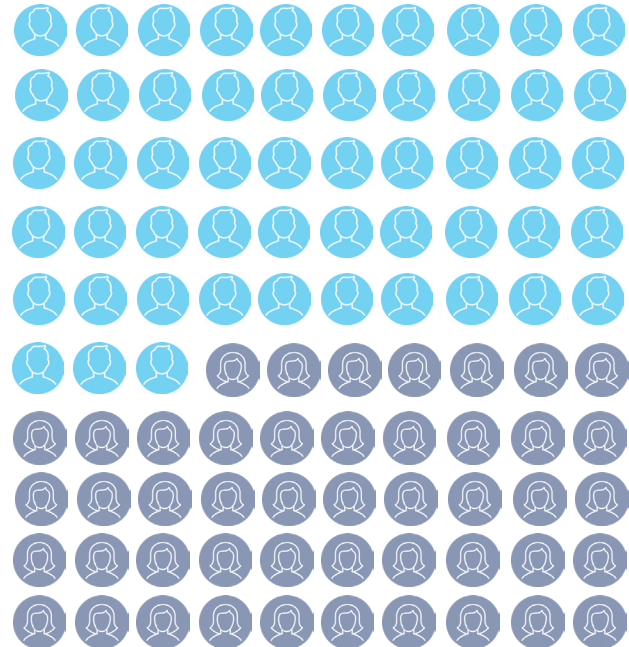
Workforce 31 March 2019

56% male and **44% female**



Workforce 31 March 2018

53% male and **47% female**



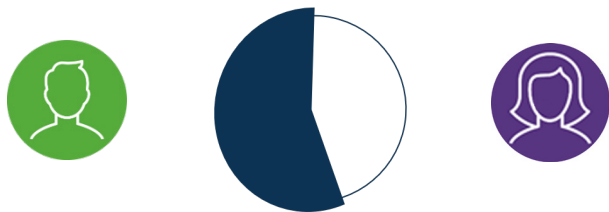
What is Business Stream's gender pay gap?

Gender pay gap 2019/20

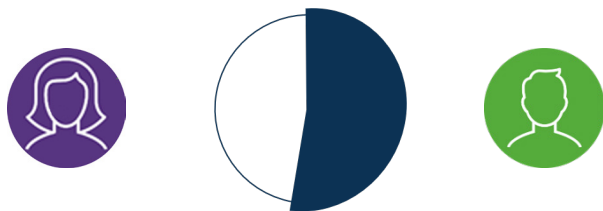
Our gender pay gap results for the year 2019/20 are shown below:

The mean gap was **10%** (in favour of males)

COMPARED TO A NATIONAL AVERAGE OF 17.3%* (IN FAVOUR OF MALES)



The median gap was **6%** (in favour of males)



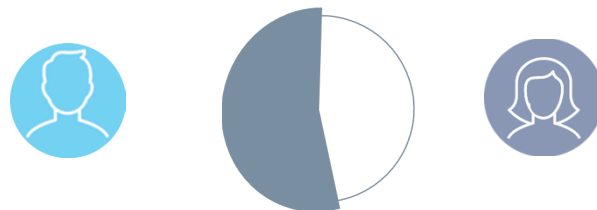
*Office for National Statistics 2019 estimated Gender Pay Gap

Gender pay gap 2018/19

Our gender pay gap results for the year 2018/19 are shown below:

The mean gap was **5%** (in favour of males)

COMPARED TO A NATIONAL AVERAGE OF 17.9%* (IN FAVOUR OF MALES)



The median gap was **3%** (in favour of males)



*Office for National Statistics 2018 estimated Gender Pay Gap

Although both metrics show a slight deterioration from the previous year, the figures are still significantly better than the national average.

What is Business Stream's gender bonus gap?

Proportion of males & females receiving a bonus

The bonus figures reported reflect the bonus paid in May 2019, which relates to the 2018/19 financial year.

The proportion of females receiving a bonus was higher than males at 84% versus 76%.

The average bonus paid was 5% higher for females than males. The median bonus pay gap was largely neutral showing a significant improvement on 2017/18 where the gap was 24% higher for males.

2019/20

76%

84%



2018/19

76%

75%



Mean bonus gender pay gap 2019/20



higher for
females

Median bonus gender pay gap 2019/20



higher for
males

Mean bonus gender pay gap 2018/19



higher for
males



Median bonus gender pay gap 2018/19



higher for
males



Pay quartiles

Proportion of males & females in each pay quartile 2019/20

	LOWER QUARTILE PAY BAND	LOWER MID QUARTILE PAY BAND	UPPER MID QUARTILE PAY BAND	UPPER QUARTILE PAY BAND
	58%	50%	52%	65%
	42%	50%	48%	35%

We had 62 males in the upper quartile payband in 2019/20 compared to 52 in the previous year, and 34 females versus 39 in the previous year.

Proportion of males & females in each pay quartile 2018/19

	LOWER QUARTILE PAY BAND	LOWER MID QUARTILE PAY BAND	UPPER MID QUARTILE PAY BAND	UPPER QUARTILE PAY BAND
	54%	46%	54%	57%
	46%	54%	46%	43%

We're passionate about providing a working environment that encourages diversity and inclusion - where all employees have access to the same opportunities and are encouraged to reach their full potential.

Next steps

While our gender pay statistics compare favourably against the national average, we can't afford to be complacent.

Our next steps will be to:

- Review and refine our candidate attraction and selection strategies to improve our gender balance in areas where we have traditionally had a higher proportion of males in role.
- Ensure our talent management and succession processes and our leadership development programmes drive actions that help to reduce our gender pay gap.
- Ensure our leaders and line managers are encouraging inclusion by attracting, promoting and retaining a diverse workforce.
- Create more opportunities for part-time and flexible working across our organisation.

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