

## INTRODUCTION



Welcome to the commentary for the 2022 RWE Generation UK pay gap reporting.

At RWE Generation UK, we have once again improved our gender balance for 2022, however, we do appreciate we still have a lower representation of females in higher paid roles, particularly in Engineering. The Gender Pay Gap analysis compares all men and women within the organisation regardless of their job type.

We remain determined to increase our diversity in the Company. This will of course benefit the company by having a more diverse approach to decision making and agenda setting for the future.

The success of our business depends on the ability, commitment and dedication of our people. For our talent to thrive, we persevere in promoting a culture where individuals can develop and realise their full potential unhindered.

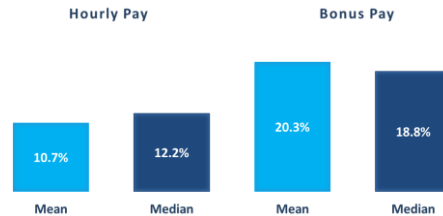
Our continued actions set out in this statement for 2022, and beyond, demonstrate our ongoing commitment to reduce the gender pay gap and reinforce our ambition to achieve greater gender balance in the future. I hereby confirm the data reported is accurate.

Sarah Standen, RWE Generation UK Board Director

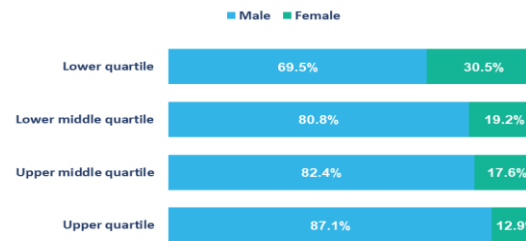
## GENDER PAY GAP FIGURES - APRIL 2022

As published on gov.uk

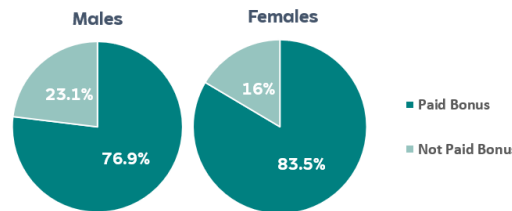
The difference between the average pay of males and females expressed as a percentage of men's pay



The hourly rates ranked from highest to lowest then split into four groups with the male/female split for each group



The proportion of males/females who were paid a bonus



The ratio of male/female employees in our population



## GENDER PAY GAP FINDINGS


The positive effect of our ongoing strategies has resulted in a decrease of 3.5% points in the average hourly pay gender pay gap (10.7% in 2022 vs 14.2% in 2021),

In 2022, we significantly improved our gender balance with an increase of 10.4% points in full time relevant female employees paid a bonus, and a slight increase of 3.8% in relevant male employees paid a bonus. However, we have seen a 6.6% points decrease in the average bonus pay gap (20.3% in 2022 vs 26.8% in 2021). A contributing factor to the high bonus pay mean is a result of the Long Term Incentive Plan pay out and Long Service Awards which due to the business demographic at the time of allocation/start of service with us were predominantly paid to males.


In 2022 we have seen a marginal increase of female employees in the top two quartiles (increase of 1.82% points). Whilst this is moving in the right direction we still find 62% of our female population work in roles in the lower and lower middle quartiles (64% in 2021). These are typically business support, administrative and entry level roles that do not attract additional remuneration such as shift allowances.


Overall our employee population has decreased slightly in 2022, with a reduction of 6% of female and male employees equally. This has also been a result of various strategic events during 2022.


## CONTINUOUS IMPROVEMENT

 Despite the challenges that 2022 has continued to bring, we have remained dedicated to continuing to make improvements to address our Gender Pay Gap.

## WHAT ACTION HAVE WE TAKEN?

 During 2021, we launched a **new competency-based pay model** for the majority of our employees within RWE Generation UK. It ensures employees who have the same competency within the same grade and job family are paid the same. The new model also achieves faster pay progression than our previous model for employees who attain defined competencies and skills set by the business.

 We have continued to make our **pay ranges** more transparent by sharing individual pay ranges with employees and giving access to pay ranges for managers to use when recruiting new roles.

 We continue to promote **agile and homeworking** to our employees to allow employees to work flexibly where possible within the workplace.



We are currently working closely with the **Diversity & Inclusion RWE group initiative** and the Gender Equality working group so that our recruiters can make a strong focus on this as part of future recruitment. In 2022 we also reviewed our recruitment process to ensure there is at least one female on the shortlist for our executive roles.



The **RWE UK Women's Network**, which is steered by a group of employee volunteers, focused on the three main topics for 2022; Advocating for Change, Active Engagement, and Cross-Network Collaboration. In addition to the ever popular career stories events featuring women from across the business, network members were offered workshops focusing on development including; networking skills, moving successfully into a leadership role, and fulfilling your potential. During 2022 (and continuing into 2023) the Network Steering Committee have engaged with HR and Occupational Health on menopause training/support within the workplace, including the introduction of a set of Menopause Guidelines and implementation of Peppy, a new service supporting health and wellbeing.

## WHAT ACTION WILL WE BE TAKING IN THE FUTURE?



We will continue to conduct equal **pay audits** and monitor the results to help us to review our reward policies.



The Generation UK Diversity Working Group are working on a new workstream focusing on gender inclusion.



We will continue to look at ways to provide transparency around pay and reward processes.



We will be reviewing our Shared Parental Leave guidance and policies to encourage more uptake by males.