

Our gender pay in 2019

e.on



Our mean average hourly pay gap is:

10.6%

↓ down 2% from 2018

Our median average hourly pay gap is:

16.7%

↓ down 0.9% from 2018

What do the figures show?

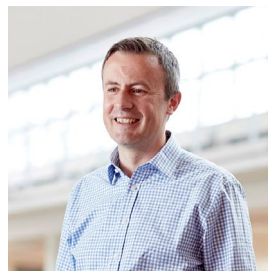
Our figures show a decreased mean pay gap of 2% from 12.6% last year to 10.6% this year. Our median pay gap follows a similar trend of 0.9% reduction from 17.6% last year to 16.7% this year. Reducing our gender pay gap remains a priority for us as we aim to become an employer without a meaningful pay gap.

The gender pay gap is a measure of the difference in the average pay of men and women across E.ON UK. It is predominantly a figure which reflects the number of men and women in roles across our different pay grades. The reporting is not focused on equal pay for men and women doing the same job, as equal pay is required by law and is set out in the 'equality of terms' provisions of the Equality Act 2010.

Why do we have a pay gap?

We have a higher proportion of men than women across our organisation. This is also reflected in the proportion of men within our upper pay quartile.

Reducing our gender pay gap remains a key priority for E.ON UK, our gap has reduced but we don't want to lose focus



We're pleased to see a decrease in our gender pay gap. However, we know there's more we need to do to achieve our aim of becoming an employer without any meaningful gender pay gap.

At E.ON, we recognise that everyone is different and aim to provide a working environment where each person feels respected, valued for who they are and can be their best. This is why fostering an inclusive culture is a core part of E.ON life, and we're proud to have been recognised for the third time in a row as a Top 50 UK Inclusive Employer, by Excellence in Diversity.

Reducing our gender pay gap remains a priority and we're committed to doing this; in the way we attract new talent into the organisation and provide purposeful work for all. We're embedding inclusivity in our approach to developing talent, providing career opportunities for all and rewarding performance. We'll continue to monitor our progress in a measurable way, to ensure we achieve gender balance at all levels of the organisation.

I certify that the information and data included within this report is accurate and in line with mandatory requirements.

**Chris Norbury,
HR Director, E.ON UK**

Pay quartiles

Men Women



Upper

Our upper quartile is 65% male 35% female, we see this as the primary driver of our pay gap.



Upper middle

Our upper middle quartile is 71.5% male 28.5% female, which adds to the overall disproportionate level of men in the top two quartiles.



Lower middle

Our lower middle quartile is 53.6% male 46.4% female.



Lower

Our lower quartile is 52.9% male 47.1% female.

Hourly pay gap

Our mean average hourly pay gap is:

10.6%

↓ down 2% from 2018

Our median average hourly pay gap is:

16.7%

↓ down 0.9% from 2018

Our mean average bonus pay gap is:

29%

(this is in favour of men)

Our median average bonus pay gap is:

-19.2%

(this is in favour of women)

Bonus

The proportion of people receiving a bonus is:

Men

77.5%

Women

99.9%



What are we doing to close the pay gap?

We're taking a holistic approach to advancing gender and all diversity representations across the entire organisation by:

Improving our workplace culture

We're working to embed an inclusive culture as an integral part of our employer value proposition, E.ON life. Through this approach, we're making sure that inclusivity is woven through each area of E.ON life; in the way we provide purposeful work, career progression, development opportunities and reward great performance. Monitoring these in a strategic and measurable way.

We're developing a diverse pipeline of future leaders

We want to make sure we're developing talent at all levels of the organisation, so we have talent programmes across all levels. We provide a Women in Leadership development programme for female leaders in our senior talent pool with the aim of increasing the number of women in executive positions. We also target gender representation in executive level recruitment and all talent pools with the aim of achieving 50/50 gender balance at all levels of leadership. We provide sponsorship and mentoring opportunities to everyone in the talent programmes and encourage all employees to find a mentor to support their development. During 2019, we increased female representation in all talent pools to 46% and achieved 50/50 gender balance in our early career's talent programme.

We're ensuring fairness in our recruitment processes

To make sure our job descriptions and vacancies are not inadvertently biased we use software that checks language and corrects wording to be gender neutral. All recruiting managers must complete 'Licence to Recruit' training, including unconscious bias awareness before hiring.

We're continuing to offer flexible working and a family-friendly policy

We're committed to making sure commitments outside work, like being a parent or a carer do not hold back career progression at E.ON. So, we provide flexible working and family friendly policies, including carers passports and comprehensive flexible benefits offers such as childcare vouchers, purchasing holiday etc. In 2019, we reviewed and communicated changes to our flexible working policy to encourage increased uptake. We also worked with new parents to review our processes, before, during and after returning from maternity, paternity and adoption leave. Based on these insights, we've introduced simple new parent guides for all employees and managers aimed at encouraging open conversations and making sure colleagues get the support they need during these journeys. We've also set up a New Parent Network to encourage networking, shared learning, experience and career guidance.

We're normalising conversations about menopause and supporting colleagues

We know that menopause can often affect women and their aspirations at work, so we're proud to be the first energy company to become a menopause friendly employer. In 2019 we launched employee and manager guides to support colleagues going through menopause at work, making sure that colleagues going through this experience continue to feel supported, valued and engaged. We've continued to showcase role models and use colleague stories to inspire others, encourage inclusivity and utilisation of these guides.

We're providing training and development for all

During 2019, E.ON senior leaders completed our newly introduced Inclusive Leadership training and are also taking part in a reverse mentoring programme, where they are mentored by diverse group of entry level employees. Following

this training, 100% of surveyed senior leaders now feel better equipped to lead inclusively. The training is now available for all colleagues and our focus remains on equipping everyone with the skills to role model inclusivity.

We're committed to providing a range of development tools for all colleagues to achieve their potential. During 2019 we supported over 300 colleagues through various apprenticeship qualifications which are aligned to their own development and career aspirations.

We've signed up to the Energy and Utilities Skills sector inclusion commitment and social mobility pledge

We're working with other organisations to advance gender and other diversity representation within our organisations and across the sector. We know that socio-economic gaps can affect access to career opportunities, so in 2019 we rebalanced our approach to recruiting graduate talent into the organisation, introducing Degree Apprenticeships which provide paid employment and university degree qualifications for these apprentices. We're also committed to providing Career Inspiration work experience week to support young people within the care leavers system and those from disadvantaged backgrounds.

We're taking a holistic approach to addressing gender imbalance within the organisation and advancing diversity across the organisation. We're pleased with the progress we're making but know we still have work to do to close our pay gap and also achieve 50/50 gender balance at all levels of leadership.