



Gender Pay Gap Report

April 2023

This report and the data contained within covers both of our UK companies:

- SmartestEnergy Limited and
- SmartestEnergy Business Limited



Foreword

At SmartestEnergy, we report on gender pay because it's the right thing to do for our business and our people, and it's a critical element of our values and our diversity and inclusion strategy. I'm encouraged to say that we have continued to close our gender pay gap from 25% in 2022 to 23% in 2023, a reduction of 2%.

Our work will continue to keep building a culture of inclusivity where our employees have opportunities to learn, progress, grow and feel supported.

We still have significant work to do, but we are absolutely dedicated to our goals, and with the help of our wonderful employees, we will continue to work tirelessly to make SmartestEnergy a great place for everyone.



Caroline Pear, VP Human Resources

Foreword

It's been an exciting year for SmartestEnergy. We are working hard to understand where we are in our DE&I journey and we have taken on some new projects and initiatives. We recognise that in order to inspire real, meaningful, long-lasting change, we must continue with this momentum. We must continue to listen to our greatest assets- our people- we must continue to do better.

Our ambitions for gender equality are still some way away, but we hope that by holding leaders accountable, setting targets, and maintaining a people centred approach while reflecting on data, our actions will steer us in the right direction.

I joined SmartestEnergy in September 2022. Since then, I have had the opportunity to listen to SmartestEnergy employees at all levels to find out about our previous approach to gender pay equality and to gather views and perspectives on our future direction. We have learned that unless we take targeted and purposeful action, we will not see the scale of change that we aspire to achieve and the kind of workplace environment that we can be sure is beneficial and equitable for all.



Claudia McIntosh, EDI manager



What is the Gender Pay Gap?

The gender pay gap is the difference in the average salaries earned by men and women in an organisation. It does not compare salaries earned by men and women in similar roles.

Based on a snapshot of 4th April 2023, this year's data shows that the mean hourly pay gap at SmartestEnergy is 23 percent. These numbers are calculated based on an average of what we pay all men and women at our firm in the UK, regardless of their role, seniority or performance.

How do we calculate it?



Pay data sets

1. % difference in the mean hourly rate of pay between male and female full-pay relevant employees
2. % difference in the median hourly rate of pay between male and female full-pay relevant employees
3. Proportions of male and female full-pay relevant employees in each of the four quartile pay bands a % of total full-pay relevant employees in the relevant band

Bonus data sets

1. % difference in mean bonus pay between male and female relevant employees
2. % difference in median bonus pay between male and female relevant employees
3. Proportions of male and female employees who receive bonus pay



UK Legislations & Calculations

From 2017, if you are an employer who has a headcount of 250 or more on your 'snapshot date' in the UK, you must comply with regulations on gender pay gap reporting.

Gender pay gap calculations are based on employer payroll data drawn from a specific date each year. This specific date is called the 'snapshot date'.

Staff on long term leave are excluded (sickness, paternity, maternity or adoption for example).

All staff are included for bonus calculations.

The gender pay gap measures the difference between men and women's average pay. Equal pay, on the other hand, is the legal obligation under the Equality Act 2010 that requires employers to give men and women equal pay if they are employed to do like work.

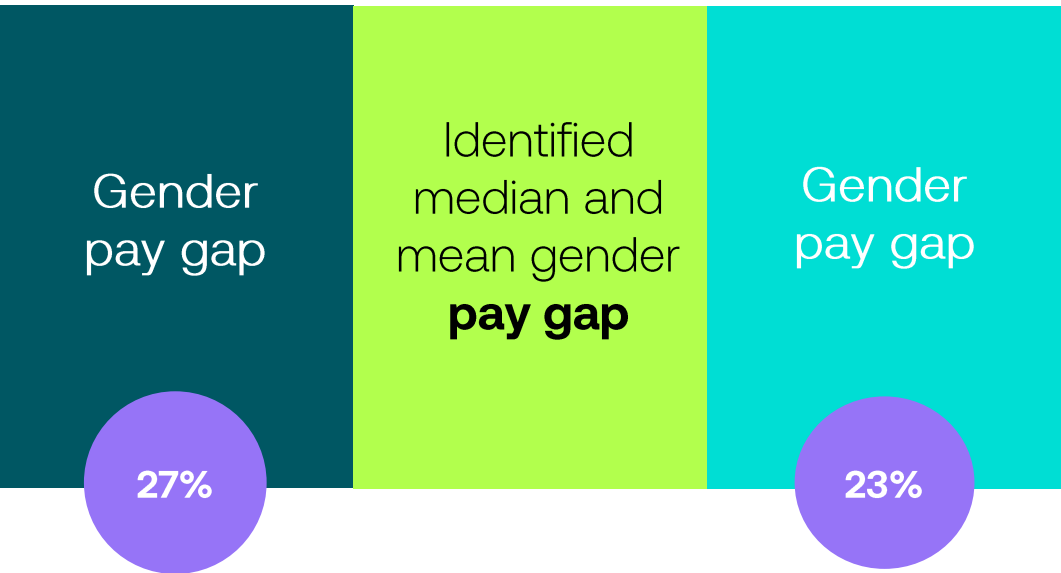


How did we measure up in 2023?

Hourly Pay Gap

Median

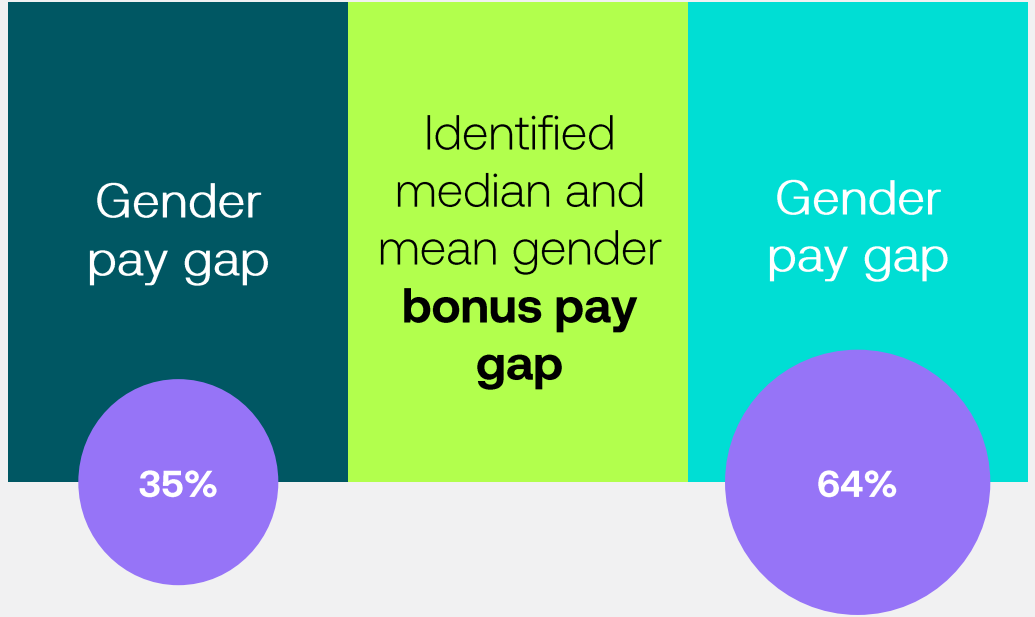
Mean



Bonus Pay Gap

Median

Mean



The Data



What does our data tell us in 2023?

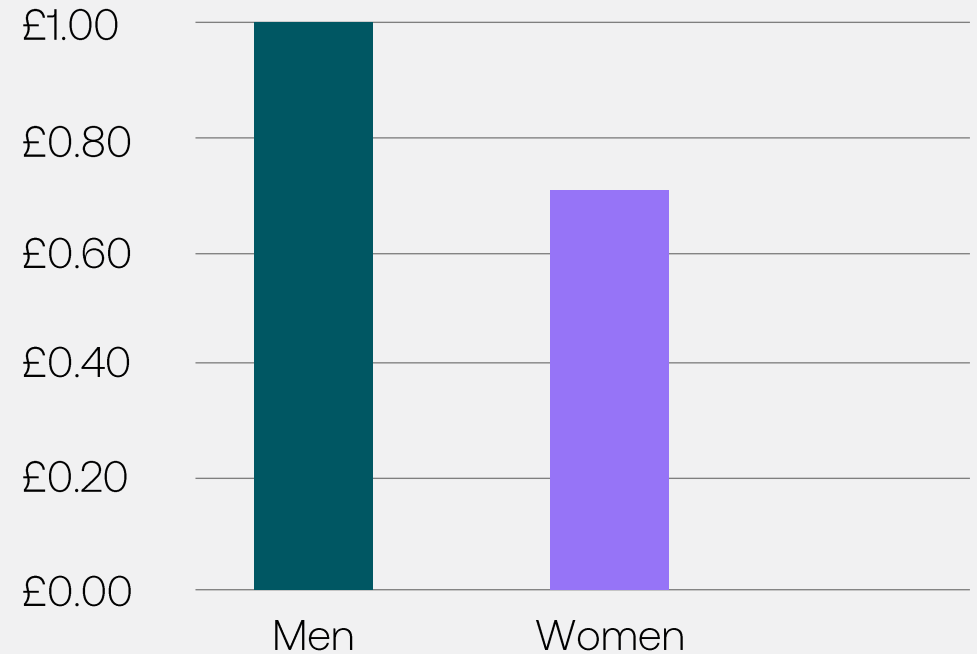
Hourly pay gap

In this organisation, women earn **73p** for every £1 that men earn when comparing median hourly pay.

Their median hourly pay is **27%** lower than men's.

When comparing mean (average) hourly pay, women's mean hourly pay is **23%** lower than men's.

Median hourly pay gap



What does our data tell us in 2023?

Hourly pay gap between pay quartiles

In this organisation, women occupy **27%** of the highest paid jobs and **54%** of the lowest paid jobs.

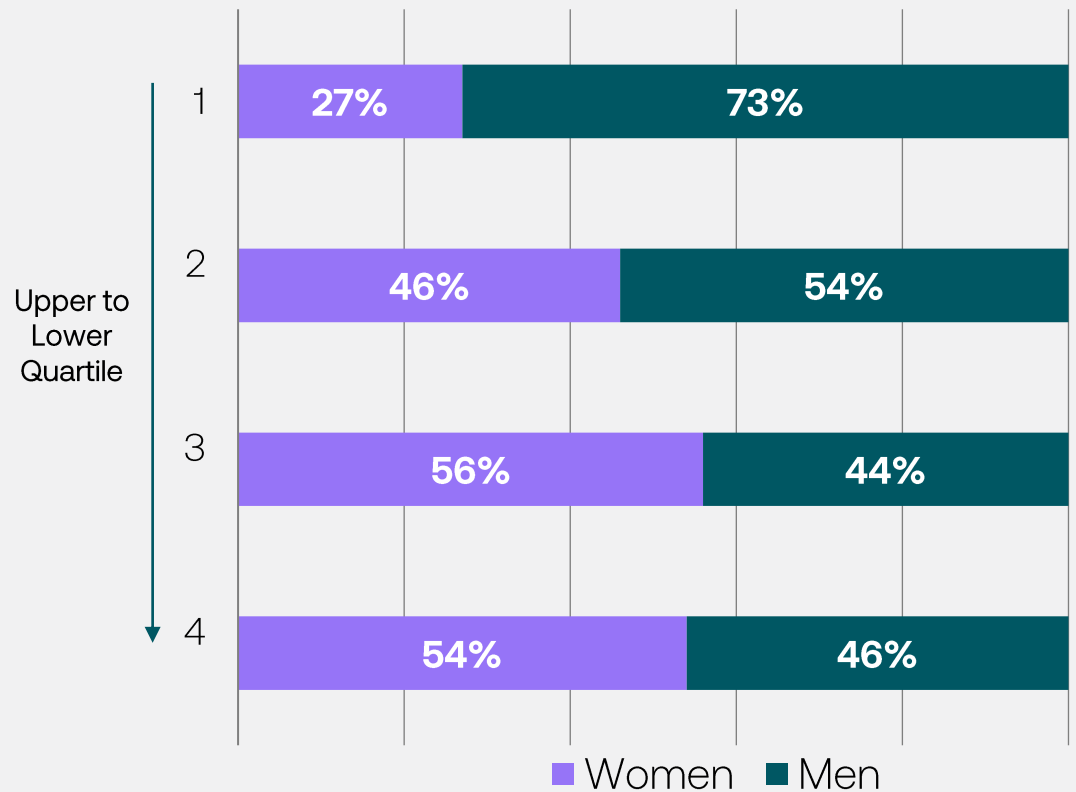
This has increased slightly from **26%** of women in the Upper which was the proportion of women in the upper quartile in 2022.

Pay quartiles give us an indication of women's representation at different levels of the organisation – our women are not represented at higher paid levels.

Our lowest quartile of women earners has reduced from **59%** in 2022 to **54%** today.

We have made a number of female hires in 2022-2023 which has helped us to increase the proportion of women in the upper pay band.

Pay Gap between Quartiles



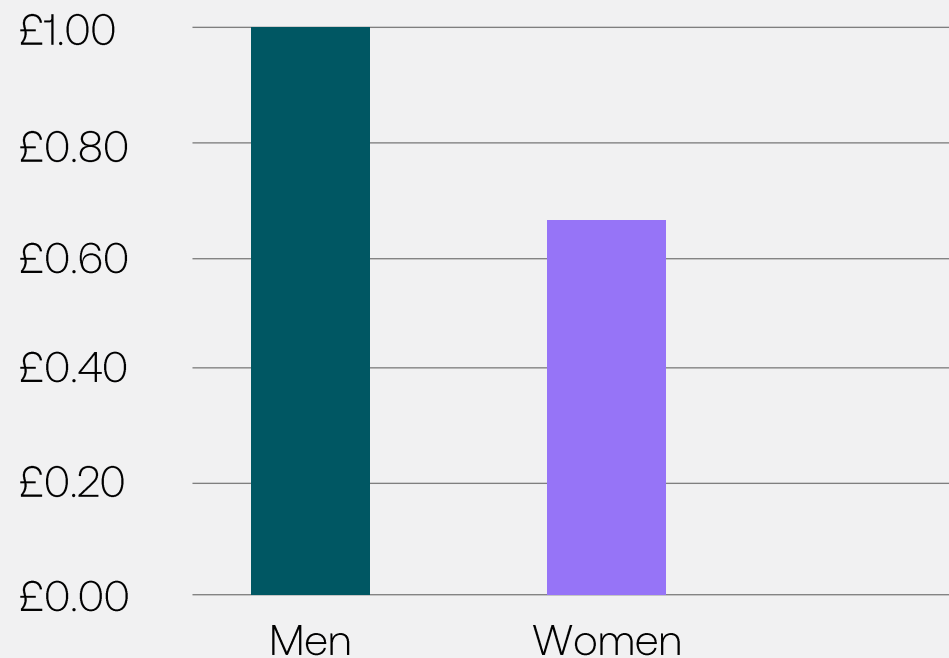
What does our data tell us in 2023?

Median Bonus Pay

In this organisation, women earn **65p** for every £1 that men earn when comparing median bonus pay. Their median bonus pay is **35%** lower than men's.

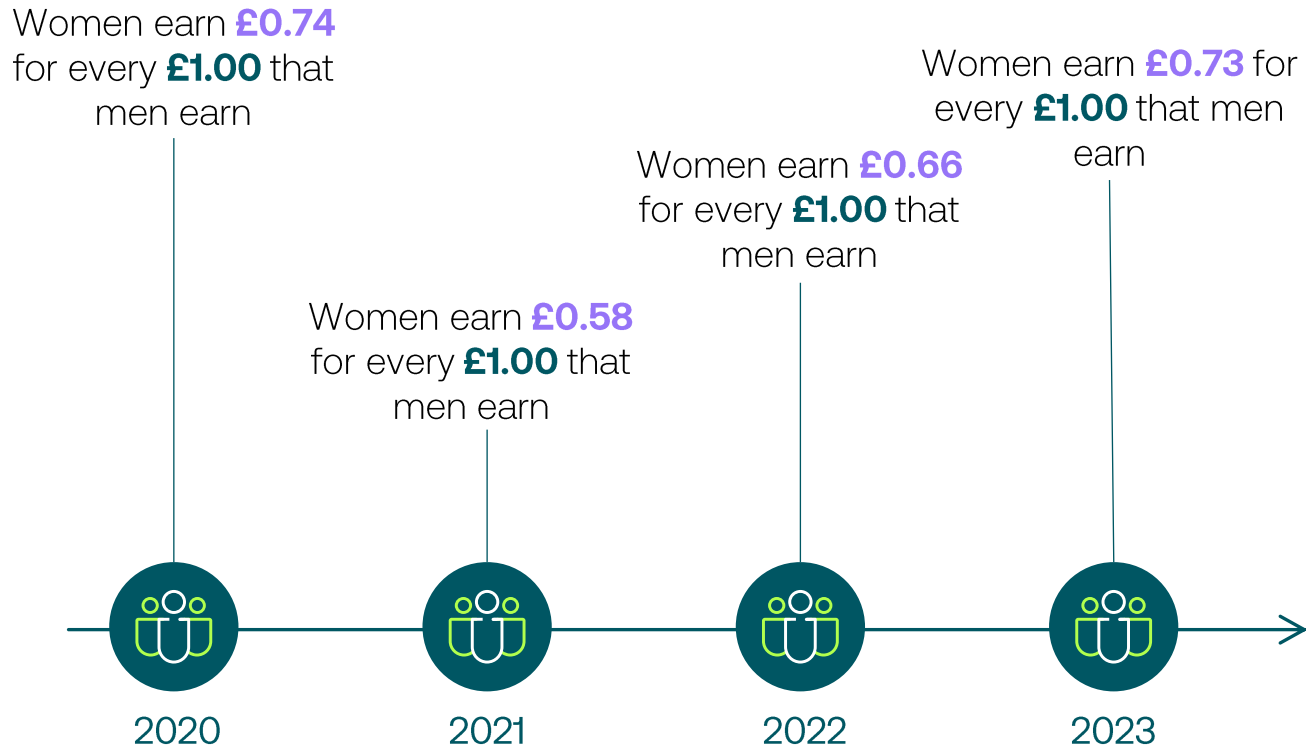
When comparing mean (average) bonus pay, women's mean bonus pay is **64%** lower than men's.

Median bonus pay gap



What has happened over time?

Hourly Pay Gap



What has happened over time?

Hourly pay gap between pay quartiles

Women occupy **31%** of the highest paid jobs and **47%** of the lowest paid jobs

Women occupy **27%** of the highest paid jobs and **51%** of the lowest paid jobs

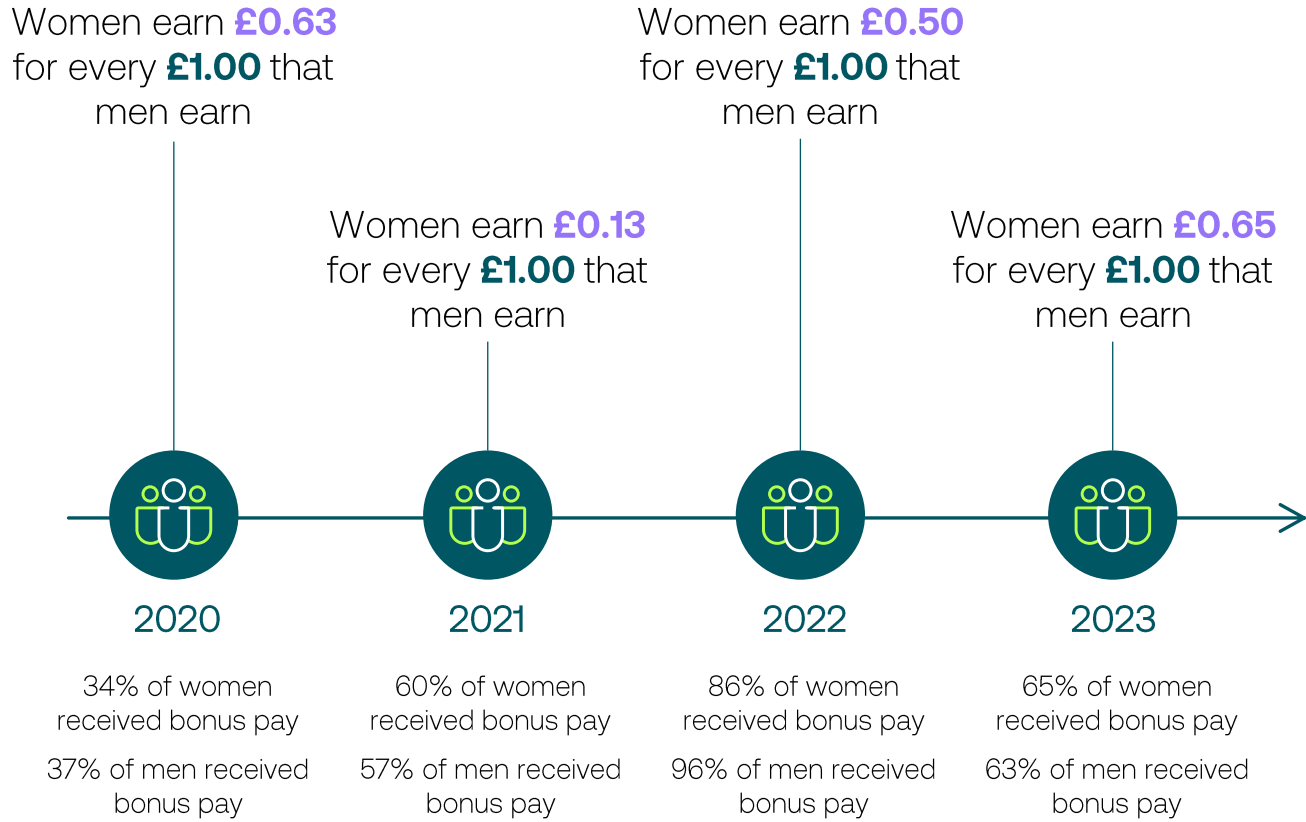
Women occupy **26%** of the highest paid jobs and **59%** of the lowest paid jobs

Women occupy **27%** of the highest paid jobs and **54%** of the lowest paid jobs



What has happened over time?

Median Bonus Pay



In this organisation, women earn 0.64p for every £1 that men earn when comparing median bonus pay. Their median bonus pay is 36% lower than men's.

2020 In this organisation, women earned **63p** for every £1 that men earn when comparing median bonus pay. Their median bonus pay is **36.9%** lower than men's.

2021 In this organisation, women earn **13p** for every £1 that men earn when comparing median bonus pay. Their median bonus pay is **86.7%** lower than men's.

2022 In this organisation, women earn **50p** for every £1 that men earn when comparing median bonus pay. Their median bonus pay is **50%** lower than men's.

2023 In this organisation, women earned **65p** for every £1 that men earn when comparing median bonus pay. Their median bonus pay is **35%** lower than men's.

Our Commitments



Our Commitments



Diverse pay reporting

We recognise that building a working environment which fosters equity, diversity and inclusivity at its core is critical to attracting and retaining the best talent, and our reporting plays a key role in helping to achieve this. It enables us to better understand the make-up of our firm, across all levels, monitor progress, identify where more support is needed, and ultimately helps us to drive change.



Mentoring scheme

Coaching and mentoring are development approaches based on the use of one-to-one conversations to enhance an individual's skills, knowledge or work performance. We want to give the groups that we understand to be impacted by a pay gap to have the opportunity to upskill, advance in their line of work, and make the kind of career progress that they aspire to. We want to support social mobility at SmartestEnergy.



Our Commitments



Positive action for women

We are committing to finding ways to bring more women into the business. We know that one way to do this is to expand our hiring pools. We are currently partnered with the Women's Utility Network (WUN) to establish further partnerships and opportunities for women, gender equality and allyship. However, we are looking to further our enterprises both in and outside of the energy space to ensure that our recruitment funnel invites more women to apply for roles here at SmartestEnergy.



Annual D&I survey

By capturing robust EDI data from our employees, we hope to understand exactly what we need to do in order to make progress with every aspect of our EDI offering. We want to address those equity and inclusion gaps, improve our processes, and ensure that everyone has a fair opportunity to a seat at the table and to thrive in the workplace irrespective of their protected characteristics or personal identifiers.

Initiatives and Policy



Domestic Violence Policy Creation

This year, HR will be making public our first domestic violence policy to support anyone who may be suffering at the hands of an abuser, and also to help others to support those who are suffering.

Whilst we know that both men and women can fall victim to domestic abuse, On Track (2023) data showed that domestic abuse is a gendered crime - 94.6% of perpetrators were male and 73.0% were a partner/ex-partner of the service user.

Providing support in the workplace for someone who is affected by domestic violence could be their lifeline and offer ways to improve their situation.

We want to provide support and help where we can during times of crisis. We also want to make managers and all employees aware of the signs of domestic violence and to provide education on legislation. It is also important to raise awareness of the types of domestic violence that can manifest and the kind of impact this can have on employee's capacity to perform at work.



Menopause Support Group

The introduction of SmartestEnergy's Menopause Support network has grown momentum in 2023. A 2019 survey conducted by the Chartered Institute for Personnel and Development ([CIPD](#)) found that three in five menopausal women—usually aged between 45 and 55—were negatively affected at work. [BUPA](#) found that almost 900,000 women in the UK had left their jobs because of menopausal symptoms. Whilst we accept that menopause is an inevitable and natural part of growing older, feeling compelled to give up work at the peak of your careers is neither inevitable nor normal.

Organisations should treat the menopause as they would any other health issue, not only to break the stigma and taboo surrounding the menopause at work, but to create an inclusive environment where employees and managers feel able to discuss any reasonable adjustments that may be needed.



“We can conquer anything if we understand it and if we have the right support around us. The Menopause Support Group was created to provide an extra layer of care and awareness for anyone who is affected by perimenopause, menopause, post menopause or andropause.”

Group leader - Laura Broome

Training & Development Manager, SmartestEnergy Limited



Neurodiversity and Disability Group

In 2023 we expanded our current employee networks to include a steering group to champion neurodiversity and disability. Neurodivergent people often report challenges in work environments. The Office for National Statistics last year reported that 22% of autistic people were in work, the lowest among the disabilities they analysed.

Somewhere between 10% and 20% of the global population is considered neurodivergent (Deloitte 2022). For every woman diagnosed with autism spectrum condition (ASC), roughly 3 to 6 men are diagnosed (UCL, 2018). It is also estimated that the most common age for women to be diagnosed with ADHD is late 30s to early 40s, compared to aged 7 for boys.

The NDG provides a safe space for SmartestEnergy employees with Neurodivergent traits and conditions, and those with disabilities the opportunity to share the benefits of neurodiversity and disability inclusion at work, as well as challenge misconceptions. It is also a welcome place for allies to learn and actively advocate.



Highlights of 2023



Awards in 2023

The Diversity Champion & The International Inclusion Dual Award

In order to achieve this dual award, SmartestEnergy had to demonstrate that it has specific initiatives already in place to promote diversity, equity and inclusion. These initiatives must be appropriate and relevant to SmartestEnergy and our employees.

We were able to demonstrate the following:

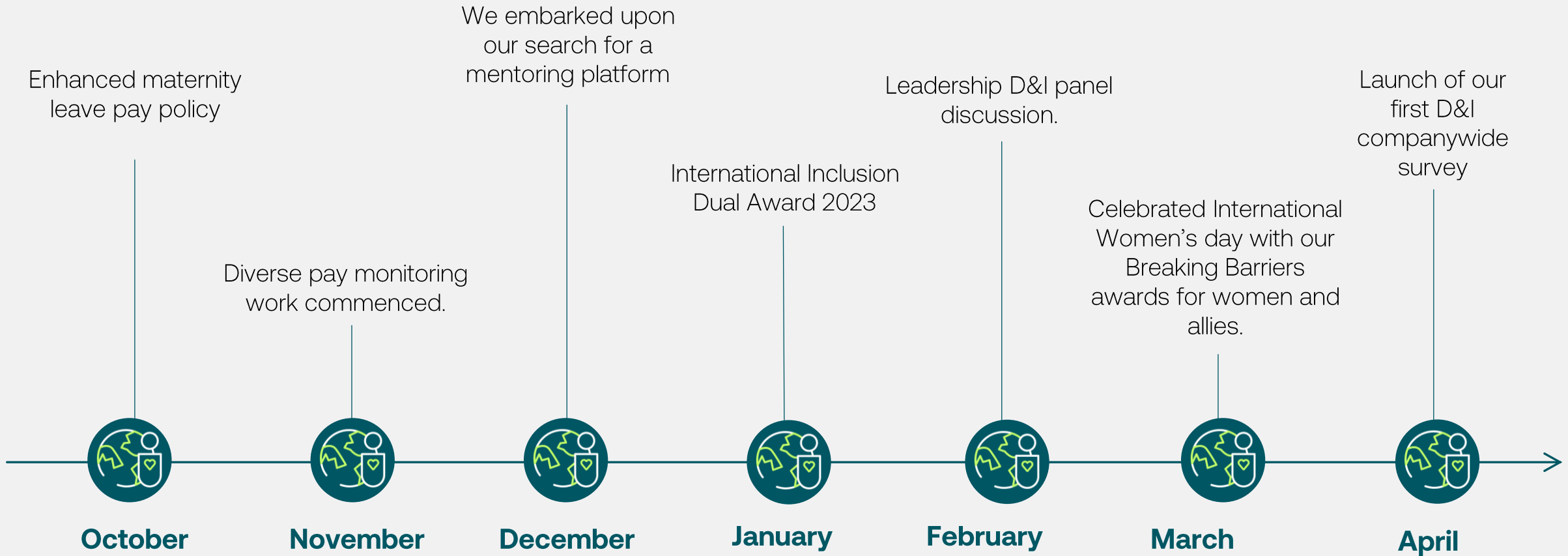
- Training programmes in diversity for staff.
- An organisation Equality and/or Diversity policy.
- Employee access to diversity resources (e.g. training materials, an on-line diversity calendar, eBooks or eLearning).
- Community projects that offer opportunities for others outside of the organisation.

The Dual Awards for Diversity and Inclusion seek to acknowledge and recognise those organisations who are working towards being outstanding in promoting respect, supporting inclusion, creating opportunities for all staff, and valuing the uniqueness of individuals. Our work to close our gender pay gap is aligned with these actions.





Highlights of FY2022-23



Summary

Supporting SmartestEnergy to launch the company's first ever DE&I employee focused assessment has been the highlight of the year for me. Employees were given the opportunity to have their voices amplified, and diverse perspectives heard. We were able to look at responses from women in the business and gain better insight into what we must do to achieve gender equality in the workplace.

The employee assessment has given us the capacity to see with clarity exactly what our inclusion and equity gaps are in 2023. It supports the narrative of our gender pay gap and allows us to assess how satisfied our people are on a granular level.

We have been able to identify our training needs and understand better where we are in our DE&I journey. Moreover, we have seen to what extent individuals at SmartestEnergy have a sense of belonging, happiness and contentment at work.

As I have mentioned previously, we are not yet where we should be. However, we are taking steps in the right direction.

Claudia McIntosh
EDI manager



A message from the CEO:

It is important that we make targeted steps to further close our gender pay gap in FY2023-24. Our progression with this since 2021 has been steady, and although our gender pay gap is reflective of the industry that we are in, we can and must take responsibility for continuing to ensure that opportunities at SmartestEnergy are as equally available to women as they are to men. The initiatives that we have committed to this year will not only create a more gender balanced playing field for women in the business but will also provide the equity we need to create a fair workplace environment for all.



Robert Groves, CEO,
SmartestEnergy Limited