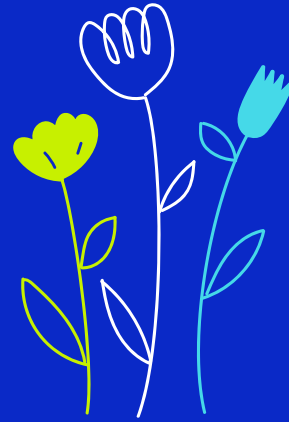# AffinityWater

Diverse voices.
One team.

Our strategy for equality, diversity and inclusion 2023-2030

Foreword

This strategy for equality, diversity and inclusion (EDI) builds on our EDI Commitment. It adds to the great work carried out by everyone who's been part of our EDI journey so far, including our EDI Committee and employee networks.

I want us to be open about how we're doing and transparent about the work we still need to do, to make sure that Affinity Water is a company where people from across our communities are encouraged to build their career with us. Everyone at Affinity Water should feel that they can be themselves, stay and thrive here.

In this document we explain why EDI matters to us as a business and to our people, and how it can help us deliver our purpose and vision.

EDI matters to me personally because I want to create a more inclusive and fair organisational culture where everyone can contribute and participate, and where everyone feels valued and respected. At Affinity Water we have higher levels of diversity than most organisations in the utilities sector, but we must strive do more.

We will address the need for equity across our policies, practices and actions. A lack of diversity means that we are missing opportunities for a wide range of people to contribute their talent and skills, further our business excellence and help us to understand, predict and tackle many of society's pressing challenges.

This strategy is a living document that sets out how we intend to make a difference. It includes an initial plan outlining our specific priorities and actions for the next two years.

I am keen to demonstrate to the communities we support that we take EDI seriously, so we will report annually on our progress. As we move into AMP 8, we will publish updated action plans and goals.

I welcome your support in achieving our EDI ambitions.

Keith Haslett

Keith Haslett
Chief Executive
Affinity Water

> " EDI matters to me personally because I want to create a more inclusive and fair organisational culture where everyone can contribute and participate, and where everyone feels valued and respected"

Why does EDI matter to Affinity Water?

Supplying water to our customers is an essential public service, so we have a duty to treat everyone with fairness and respect. We must also be accessible and remain responsive to different needs.

It's vital that we attract, retain and develop talented people from across our diverse communities, giving everyone an equal chance to progress. Reflecting the diversity of our communities will help us to build trust among – and better serve – our customers.

Diversity increases the breadth of knowledge in our organisation, generating new insights and different ways of thinking. This will help us to innovate and to meet some of our biggest challenges, including supplying high-quality water to a growing population while also ensuring sustainability and achieving our net zero carbon goals.

We need to be inclusive and show that we care. When people feel valued and accepted for who they are, they feel safe sharing ideas and voicing concerns; they gain the confidence to take on new challenges; and they learn from feedback. All of this is essential to achieving high performance, safety and wellbeing at work.

What does EDI look like at Affinity Water?

Equality:
- treating people the same way in similar circumstances, without bias
- making adjustments to meet different needs
- helping people to overcome barriers to level the playing field and give them an equal chance to succeed.

Diversity:
- acknowledging the wonderful diversity that exists in our communities
- recognising the benefits that different experiences and viewpoints bring to decision-making, problem-solving, creativity and innovation.

Inclusion:
- acting in a way that makes everyone feel welcomed and valued, so that we can be ourselves and perform at our best.

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We will deliver the best experience for our customers and communities when we recognise and value each other as individuals and we work well together as one inclusive team.

What EDI means to our employees...

"I believe our organisation should reflect the community we serve, and everyone should be seen to be given an equal opportunity to maximise their potential without fear or favour."

"EDI means that all people are treated equally, fairly and with respect. Given the same opportunities in their lives and are judged on what they can do, nothing else."

"Equality, diversity and inclusion are incredibly important and not just in the workplace – it should be standard throughout people's lives that no matter who you are, whatever your religion, colour, sexuality or gender preference, you are treated fairly."

"Having the tools to be myself at work, encouraging others to be themselves and thereby all being able to contribute effectively to Affinity Water achieving its aims."

"Embracing that our differences are what make us unique and should be celebrated every day."

"I have observed the detrimental impact that a lack of inclusion has on people, and conversely the way people come to life when they are genuinely valued for who they are as an individual."

"A fair, open and welcoming environment for everyone to be their best selves."

"As a single parent, I really need flexibility in hours and location to allow me to achieve a happy balance between my work and home life. An employer that promotes EDI creates a welcoming environment for people of all different backgrounds and helps me to be an effective part of pushing the business forward."

"As a person that comes from a different country, EDI is important to me as it creates a culture where all people are listened to. Working in a diverse environment enriches us. We learn from each other to approach problems differently and it helps us introduce innovative solutions."

"Giving everyone a voice, making them feel valued and part of our Affinity Water family."

"As a manager, EDI is very important to me. I want to create a team atmosphere where every single person truly feels part of my team, feels understood, listened to, supported and valued. Where they can see how their contribution makes a real difference in helping to shape our service."

"Using the wonderful skills and diverse nature of our employees to share lived experience so we can learn from them."

"We have diverse skills and experiences across our colleagues, which can help us ensure that the journeys we create for our customers are inclusive, because we consider the varying needs of our customer base."

"Embracing our differences, ensuring fairness and creating a fully inclusive culture where we can be ourselves and not be judged by others."

"As an employee I want to ensure that I understand different cultures and backgrounds, so I'm not afraid to be inquisitive or upset anyone by saying the wrong thing."

Diverse voices. One team. Our strategy for equality, diversity and inclusion 2023-2030

"As someone who has invisible disabilities that impact my day-to-day life, EDI is opening the doors to making working at Affinity so much easier. Recognition of neurodiversity has helped me to understand myself and has given me tools to help me work more effectively to achieve goals, which is a great feeling. Having people around me also beginning to understand my needs and quirks has also proven empowering."

"It's at the heart of creating trusting, creative, supportive and amazing teams. For me, people are the most important part of our business, whether it's our colleagues, customers or delivery partners, and a solid respect for EDI is at the centre of building those good, successful relationships."

"Feeling safe to be authentic at all times regardless of background, sex, religion etc."

"As a woman, I need to feel confident my workplace is a fair place to work and that my sex, background, religion etc will not impact my progression."

"As a non-binary person, it is important to me that LGBTQ+ people feel safe, accepted and valued. For some, not feeling able to come out if they choose to means spending valuable mental effort on presenting a version of themselves they think is acceptable to the people they work with. This can impact mental health, as well as how successful they are in their chosen career."

"The quote from Vernā Myers says it all to me: 'Diversity is being invited to the party, but inclusion is being asked to dance.' It is about treating people with respect and fairly, and in the work environment it is the skills and experience that should matter most. We should respect that all people have different perspectives and be open-minded."

"Diversity (being invited to the party) at Affinity Water for me would mean having different people with different backgrounds, identities, experiences and perspectives working in all parts of the business and seeing this reflected in our Leadership team and Board members.

Inclusion (being asked to dance) at Affinity is something that is reflected in the way we treat each other as colleagues, and how our managers and leaders are towards everyone. We are not only present as individuals but valued, respected and involved in our department and company matters.

I would like to add belonging to EDI. Belonging is being able to reveal that I cannot dance but would still be invited to the Affinity party. What a great place and feeling belonging is, knowing that people feel comfortable, accepted and can be their true authentic selves, regardless of their differences."

"EDI means embracing the beauty of human differences, advocating for equal opportunities and creating a world where everyone's story is heard, valued and respected."

"It is the cornerstone of my role as a service delivery manager overseeing a team of over 100 individuals. It signifies our unwavering commitment to fostering an environment where every unique voice is valued, representation is embraced and opportunities are accessible to all. By championing EDI, we empower our team to thrive collectively, driving innovation, empathy and excellence in our service delivery endeavours."

"EDI is important to me because growing up I didn't see many Muslims in 'important' roles. Representation is a motivator."

"As a disabled person I have always faced hurdles that others haven't had to face. I want to be able to access the same things as them and have the same experiences, but this can't happen until we become more inclusive. I want to be able to come to work and still have the energy to do things at home like everyone else because small changes have made things easier for me in the office."

Where are we now?

On this page we provide a snapshot of our current EDI metrics. As part of our actions for 2023-25, we aim to further improve our data collection and analysis (see page 9), to give us a more detailed picture.

We will ensure that we are regularly listening (for example, via our Tap In survey, employee networks and EDI Committee) to get regular feedback on our culture and how inclusive it feels.

Gender

In 2022/23, **35%** of our employees were female and **65%** were male. The most recent published data for the UK water industry shows that it is 33% female[1].
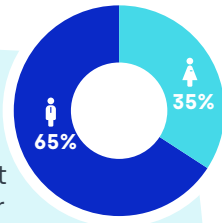
A lower proportion of our managers and senior leaders are female – **29%** of managers and **30%** of leaders (Board, ELT and SLT). This is better than the UK water industry average of 17% of managers, directors and senior officials.

Our gender pay gap for 2021/22 was **30.8%** on a comparison of median hourly pay and **21.5%** on a comparison of mean hourly pay for all male and female employees (see our *Gender pay gap report* for more details). This is higher than median and mean gender pay gaps for the water collection, treatment and supply industry at 20.6% and 4% respectively[2].

30.8% Difference (mean)

21.5% Difference (mean)
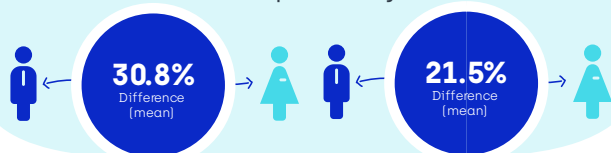
Ethnicity

In 2022/23, **69%** of our employees recorded their ethnicity as White/White British; **6.2%** as Asian/Asian British; **3.6%** as Black/Black British; **2%** as mixed heritage; and **1%** as another ethnic group. We lacked ethnicity data for **18.2%** of our employees.

69% White/White British
18.2% No data
1% Other
2% Mixed heritage
3.6% Black/Black British
6.2% Asian/Asian British
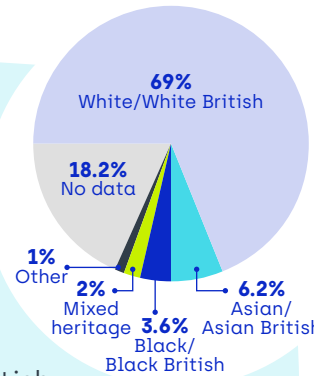
Our workforce is more ethnically diverse than the water industry average – **15.6%** of employees for whom we have ethnicity data are Black, Asian or minority ethnic, compared to 7% across the UK water industry[3].

However, our local area is more ethnically diverse than the UK as a whole, with significantly higher diversity among younger age groups – the future workforce. In our local area, 31% of the population is Black, Asian or minority ethnic and the largest group is Asian/Asian British at 18%[4].

Among our managers, **83%** are White/White British and **6.7%** are Black, Asian or minority ethnic. We do not have ethnicity data for **10.3%** of our managers.

LGBTQ+

In July 2023 we started to include sexual orientation and gender identity in our anonymous diversity data collection. To date, around a fifth of the workforce have completed these new fields.

Religion or belief

Fewer than one in five employees has shared information about their religion or belief as part of our anonymous diversity data collection.

Disability

In 2022/23, **1.5%** of our employees let us know via our anonymous diversity data collection that they had a disability or long-term health condition. This compares to 15% of UK water industry employees[5]. It is estimated that 20% of the working-age population in the UK is disabled and that around 15% has a neurodivergent condition such as dyslexia, dyspraxia, ADHD or autism.

We have embarked on our journey to become a Disability Confident employer. It's already starting to have an impact: during the first few months of 2023/24 we saw an increase in the proportion of employees identifying as disabled or having a long-term condition.

Employee perceptions of EDI

We have been listening to our employees via our quarterly Tap In survey since September 2022. Employees provide a score out of 10 on statements related to things that are proven to drive employee engagement. They can submit anonymous comments too.

In 2022/23 our average score for diversity and inclusion overall was above the utilities sector benchmark (8.2 vs 8.0). We had a positive employee net promoter score too, with just over half of employees giving us a score of nine or 10.

The initial round of our Tap In survey did show a gender gap in overall engagement. But after we enabled managers to review and act on the regular feedback, this gap narrowed.

1. Energy & Utilities Skills, Diversity and Inclusion Profile (Office for National Statistics data, 2020-21) 2. Energy & Utilities Skills, Diversity and Inclusion Profile (ONS data, 2020-21) 3. Based on Census 2021 local authority area data
4. Energy & Utilities Skills, Diversity and Inclusion Profile (ONS data, 2020-21) 5. Energy & Utilities Skills, Diversity and Inclusion Profile (ONS data, 2020-21)

Diverse voices. One team. Our strategy for equality, diversity and inclusion 2023-2030

Where do we want to be?

Our long-term vision is for EDI to be fully integrated into our business – EDI must be core to how we lead, how we treat each other and how we do things.

We'll know we've achieved that when we:

- ✓ have no concerning gaps or patterns of under-representation in our workforce data
- ✓ are more responsive and better able to meet the needs of our customers
- ✓ work well together as one inclusive team
- ✓ are curious about different views and experiences
- ✓ welcome feedback to help us learn, improve and innovate.

1 Compliance

Focus on preventing discrimination and complying with the Equality Act 2010.

2 Programmes

Diversity is beginning to be seen as a benefit.

Employess network and events are developing.

3 Leader-led

More understanding of how EDI contributes to business strategy.

Leaders and managers are committed to EDI and act as role models for inclusion.

4 Integrated

EDI is integrated into all aspects of the business.

Teams across the business are demographically diverse.

Diversity of thought is welcomed.

Figure 1: Adapted from Deloitte's DEI Maturity Model

Where we are now

We already have policies, processes and monitoring in place to make sure we comply with the Equality Act 2010. However, some of these need to be reviewed and updated. And in certain areas we're working on new policies or developing a more structured approach.

We've been talking more about the benefits that diversity can bring to the business and what feeling recognised and included at work means to us. Examples include our regular EDI webinars and events, as well as our new employee networks for women, ethnicity and cultural heritage, LGBTQ+, disability and neurodiversity.
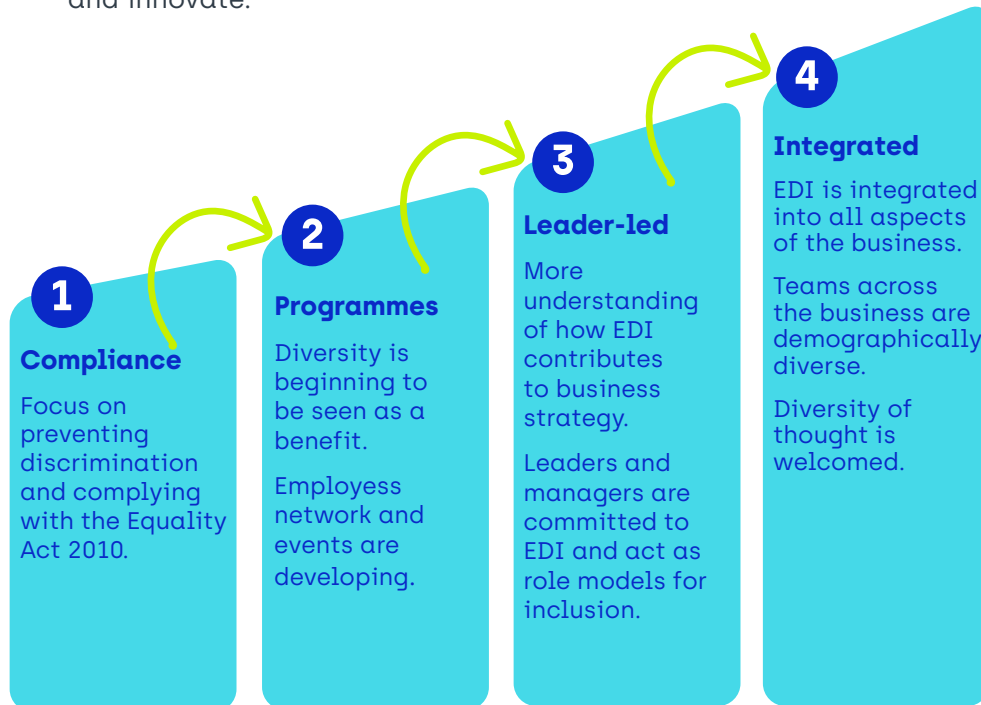
How will we deliver change?

We will apply the five Es to deliver change and achieve the outcomes listed below.

Equip
Managers and leaders are equipped with the necessary skills and knowledge so that they understand the importance of EDI, they know the right thing to do and they do it.

Embed
Our policies and procedures are based on good practice and support EDI. Employees and managers can easily access and use them. They can also get individual support when needed.

Engage
Employees across the business play their part in creating a more inclusive culture. We mark key EDI events in a way that's relevant to our people, shows what we are doing and signposts resources or support.

Encourage
Women and those who have been in a minority (and not so visible) in the water industry are encouraged to work and build their careers with us, knowing they will be welcomed and can be themselves.

Evaluate
We use good-quality and reliable data to evaluate how we're doing, so that we can learn and improve. We participate in good-practice forums and external networks, and we benchmark our EDI performance.
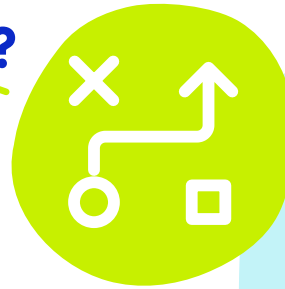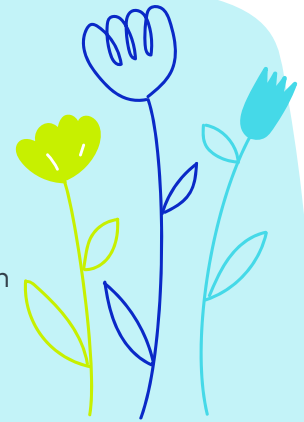
Our EDI Committee and networks

The EDI Committee includes representatives from the Executive Leadership Team and the Board, along with the Head of Culture & EDI and employees reflecting the diversity of our business areas and lived experience, including the co-chairs of our employee networks.

The Committee oversees the development and implementation of our EDI strategy and actions. Our employee networks for women, ethnicity and cultural heritage (ONE network), LGBTQ+ and disability and neurodiversity are vitally important.

They help us build an inclusive culture and equitable policies and processes by:

- providing a place where people with similar lived experience can connect
- raising awareness of diversity and the importance of inclusion
- being a collective voice.

Diverse voices. One team.

EDI Committee

Women's network · ONE network · LGBTQ+ network · Disability and neurodiversity network
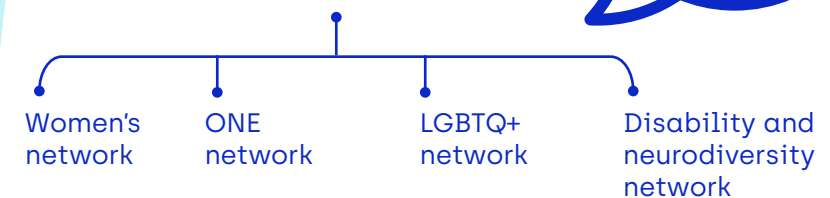
Our priority themes for 2023-25

Our five priority themes are focused activities that strengthen our EDI foundations.

They are informed by our current data and insights, Tap In survey feedback and listening sessions with different groups of employees.

They also reflect where we are in terms of our approach to EDI, our wider people and culture plans, and our business strategy.

Priority themes

1. Take action to narrow our gender pay gap

2. Become a Disability Confident and neuro-inclusive employer

3. Embed EDI in our talent acquisition and development plans

4. Ensure dignity at work and develop a more inclusive culture

5. Improve our diversity data collection and analysis

1. Take action to narrow our gender pay gap

During 2023/24 we will keep working to improve gender equality and to create a more inclusive working environment, by:

- providing guidance and engagement to bring our new policies to life and create a more supportive and flexible culture. Introduced in March 2023, our new policies incorporate enhanced maternity, adoption and shared parental leave and pay arrangements, paid carers' leave and a supportive approach to the menopause and fertility treatment

- supporting maternity and parental leave returners

- implementing job-evaluated grades to create more structure and transparency around reward

- working with our women's network, our learning and development team, and partnering with the Women in Utilities Network to ensure good access to networking, mentoring and sponsorship, as well as career development advice and opportunities.

WUN
womens utilities network

If we make good progress, we expect to see the following by the end of 2024/25:

- no gap between male and female engagement in our Tap In surveys (and both will be positive against their external benchmarks)

- improved maternity and parental leave returner rates, including retention one year after return

- increased female representation in the workforce (back to the pre-pandemic level of 39%), with improvements seen across the business and at all levels

- female participation in mentoring, management and leadership development programmes that matches or is greater than the proportion of women in the workforce.

Our published gender pay gap will take longer to show significant and sustained improvement. The next published figure (in April 2024) will reflect April 2023 data, but we expect to see narrowing in the reported data after that.

2. Become a Disability Confident and neuro-inclusive employer

In 2023 we registered as a Disability Confident Committed (Level 1) employer, joining 13,000 other employers committed to good practice as part of this government scheme.

This means we commit to:

- ensuring that our recruitment process is inclusive and accessible
- anticipating and providing reasonable workplace adjustments
- supporting any existing employees who become disabled or who acquire a long-term health condition to stay in work.

disability confident COMMITTED

Here's what's in the pipeline for 2023/24:

- implementing a reasonable workplace adjustment policy that clarifies when and how adjustments are requested and implemented
- providing appropriate disability and neurodiversity training and guidance for line managers and others involved in making workplace adjustments
- reviewing what assistive software we can make available to improve accessibility.

By the end of 2024/25, we expect to have:

- achieved Disability Confident Level 2
- further increased the proportion of employees who are comfortable sharing information about their disability or long-term condition.

3. Embed EDI in our talent acquisition and development plans

We have already taken steps to reduce the risk of bias influencing our recruitment. For example, we do name-blind shortlisting and we screen for gender bias in the language we use for our job ads.

We will be:

- ensuring all our hiring managers have received training to make them aware of the potential impact of bias and how to avoid it
- reviewing our recruitment data, materials and processes regularly to check that they are fair and inclusive – and identifying the steps that are needed to address any shortcomings
- completing a more focused review of ethnicity data and engaging with our ONE network (for ethnicity and cultural heritage) to discuss the findings and identify actions to improve
- delivering an in-person, one-day EDI module as part of our training for all new people managers
- piloting a reverse mentoring scheme. This will include enabling senior leaders to be mentored by a more junior employee with a different lived experience.

As we take a longer-term view of our future skills needs, we anticipate a greater focus on early careers. We will make sure any work we do in that area is open and inclusive, and we will encourage job applications from a diverse range of talented people.

By the end of 2024/25, we expect to have seen notable improvements in how reflective our workforce is of the communities we serve, including at managerial level.

4. Ensure dignity at work and develop a more inclusive culture

An inclusive culture helps us retain, engage and get the best out of all our people.

In creating a more inclusive culture, we need to reach out to different people, listen to their experiences and be prepared to change.

Committed Member of
Inclusive Employers

Among the actions planned are:

- making sure that inclusion is reflected in wider work on developing our culture and refreshing our company values

- reviewing and updating our Dignity at Work policy, to align it with current good practice, and ensuring there is awareness of it across the business

- supporting and engaging with our employee networks for women, ethnicity/cultural heritage, LGBTQ+, and disability and neurodiversity, to raise awareness and improve understanding of different experiences and needs.

By the end of 2024/25, we expect to have:

- sustained above-benchmark scores for diversity and inclusion in our Tap In survey

- good engagement with our EDI networks across different locations, and with our EDI-related communications, activities and events.

5. Improve our diversity data collection and analysis

As with all business strategies, we need data and insights to help us assess how we're doing, learn, adapt and improve our approach.

In July 2023 we reviewed our diversity data collection and invited employees to check, update and complete any new fields.

During 2023-25, we will:

- continue to encourage diversity data completion among new joiners and existing employees

- monitor and report on a quarterly basis to the EDI Committee

- publish a gender pay gap and ethnicity pay gap report in April 2024 and April 2025, with an accompanying narrative and action plan

- benchmark externally by taking part in the Energy & Utilities Skills Group Inclusion Measurement Framework in October each year.

ENERGY & UTILITY SKILLS

By the end of 2024/25, we expect the proportion of employees who are completing the newer categories of diversity data to have risen to more than 50%.