

INTRODUCTION



Welcome to the commentary on the 2021 RWE Generation UK pay gap.

At RWE Generation UK, although we have improved gender balance in 2021, we recognise there continues to be lower representation of females in higher paid roles, particularly in Engineering roles which attracts additional remuneration.

We remain committed to increasing our diversity in the Company, including gender balance, which benefits the company by having a more diverse approach to decision making and setting our agenda for the future.

The success of our business depends on the ability, commitment and dedication of our people. For our talent to thrive, we must work harder to provide a culture where individuals can develop and realise their full potential.

Our intended actions set out in this statement for 2022 and beyond demonstrate our continued commitment to reduce the gender pay gap and reinforce our ambition to achieve greater gender balance in the future.

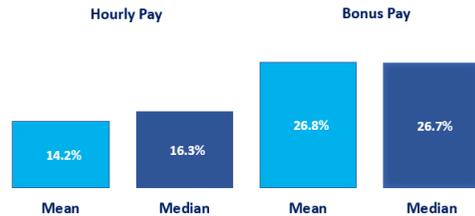
I hereby confirm the data reported is accurate.

Helen Mallett, RWE Generation UK Board Director

GENDER PAY GAP FIGURES - APRIL 2021

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

In 2021, we saw an improved gender balance following 19% reduction in full time relevant male employees as a result of recent restructures that have taken place within the business.

We have seen a slight increase in female talent being recruited and promoted in the upper middle and upper quartiles compared to 2020.

Our analysis has shown that 64% of our female population continue to work in roles in the lower and lower middle quartiles. These are typically business support and administrative, intake and entry level roles that do not attract additional remuneration such as shift allowances, which amounts to 4.3% of the median gender pay gap.

We have seen a 4.1% increase in female relevant employees who are receiving a bonus payment. We have also seen an additional 6% of male relevant employees receiving a bonus payment in 2021. A contributing factor to the higher bonus pay mean and median was as a result of the Long Term Incentive Plan pay out and Long Service Awards which were predominantly paid to males.

The effect of this has been to see an increase of 0.5% in the average hourly pay gender pay gap (13.7% in 2020) and 2.3% increase in the average bonus pay gap (compared to 24.5% in 2020).

CONTINUOUS IMPROVEMENT

 Despite the changes that COVID pandemic has continued to bring in 2021 and the many adaptations that have been required, we have remained dedicated to continuing to make improvements that address our Gender Pay Gap, including having a Diversity Steering Group supported by our working group who look at ways of ensuring that RWE Generation UK is a great place to work and inclusive for everyone.

WHAT ACTION HAVE WE TAKEN?

 In 2021, the **RWE Women's Network UK** continued to offer their very popular career story events featuring women from across RWE as well as further supported the continuous professional development of women by hosting different workshops. In addition, they joined 'Gender Networks' which proved a very valuable source of ideas for raising awareness and understanding of issues affecting women and for enabling women to be more influential.

 As part of RWE's commitment to **Equality, Diversity and Inclusion**, the company supported the launch of a LGBT*IQ & Friends Network in 2020 for colleagues from across RWE to support each other through shared experiences. In 2021, the network members delivered a 'Transition Guideline' (accompanying individuals, colleagues and managers through the gender transition process) and promote the

community within RWE and externally, to maximise inclusion and enable all colleagues to be their authentic selves at work.

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

 We have launched a new **Personal Life Events support page** to provide one central location for all employees to access information and support, to help people cope when faced with the major life events. This includes the launch of a new **Menopause Guidance** that provides support and information for anyone affected by the menopause

 We have made 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.

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



We have promoted **Neurodiversity** within the business to raise awareness amongst our employees to be able to recognise and support colleagues making our working community more inclusive.

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.



We will be implementing new recruitment and retention policies in 2022.



We are reviewing our recruitment process to ensure there is at least one female on the shortlist for executive roles.



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.