GENDER PAY GAP REPORT 2024



LEADING INDUSTRY CHANGE FOR THE BENEFIT OF THE PLANET



A MESSAGE FROM OUR FINANCE DIRECTOR



NAIRN BLACK.FINANCE DIRECTOR OF THE NWH GROUP

"As Finance Director, I am aware of the importance of transparency and accountability in all our business practices, particularly when it comes to fostering diversity and inclusion. The landscape of gender pay equality in the UK, as highlighted by the Office for National Statistics (ONS), continues to evolve. While there has been progress, particularly among younger age groups, the waste management and haulage industries still face significant challenges in achieving gender parity. These challenges stem from long-standing stereotypes and barriers that have historically discouraged female participation in these sectors.

At the NWH Group, we recognise these obstacles and are committed to overcoming them. We believe in the intrinsic value of diversity and are dedicated to ensuring fair employment opportunities for all individuals, regardless of gender. This commitment extends to every role within our organisation, from drivers and operatives to management positions.

We acknowledge that effecting change in traditionally male-dominated industries requires deliberate and sustained effort. To this end, we have implemented targeted initiatives aimed at attracting and retaining female talent. These efforts include recruitment strategies where we have revised our processes to focus on merit and potential, rather than traditional gender biases. We actively promote job opportunities within our company to diverse audiences, ensuring that our workforce reflects the communities we serve. We provide comprehensive training and development programs designed to support the professional growth and advancement of all employees. By investing in continuous learning and skills development, we seek to empower individuals to excel in their roles and progress within our organisation. We foster a supportive and inclusive work environment where everyone feels valued and respected. Through awareness campaigns, mentorship programs and employee resource groups, we strive to create a sense of belonging for all members of our team. We actively collaborate with industry partners, educational institutions and government agencies to advocate for policies and initiatives that promote gender diversity and equality in the waste management and haulage sectors.

As we reflect on the findings presented in this report, it is clear that there is still work to be done. However, I am confident that with our collective efforts and commitment to change, we can drive meaningful progress towards a more equitable future for all."

WHAT IS THE GENDER PAY GAP?

The gender pay gap among full-time employees is higher in every English region than in Wales, Scotland or Northern Ireland.

While progress has been made in narrowing the gap over time, the pace of change has been gradual. Trends indicate that certain sectors and industries continue to grapple with wider disparities, perpetuating inequalities in opportunities and outcomes for women in the workforce.

Understanding the complexities of the gender pay gap goes beyond mere statistics; it necessitates a deeper examination of the underlying factors at play. Occupational segregation, wherein certain industries or roles are dominated by one gender, unconscious biases in recruitment and promotion practices, and disparities in caregiving responsibilities all contribute to the perpetuation of the gap. The NWH Group remains steadfast in our commitment to fostering a workplace culture that values diversity, equity, and inclusion. This gender pay gap report serves as a testament to our dedication to transparency and our resolve to address inequities.

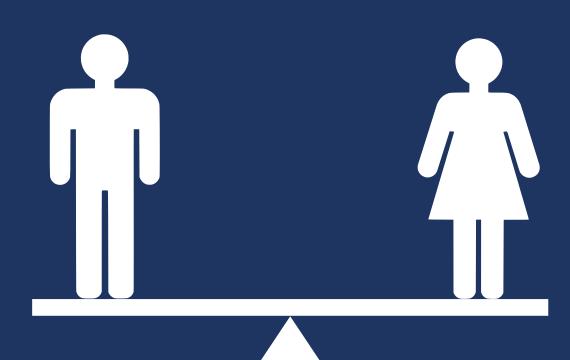
Simply put, it represents the difference in average earnings between men and women within a given workforce. This gap is calculated by comparing the median or mean hourly earnings of male and female employees, revealing any discrepancies that may exist.

Despite advancements in gender equality initiatives, the gender pay gap remains a prevalent concern in the United Kingdom. The latest data from reputable sources such as the Office for National Statistics (ONS) underscores this reality. The gender pay gap has been declining slowly over time; over the last decade it has fallen by approximately a quarter among full-time employees, and in April 2023 it stands at 7.7%.

There remains a large difference in the gender pay gap between employees aged 40 years and over and those aged under 40 years.

Compared with lower-paid employees, the gender pay gap among higher earners is much larger; however, this difference has decreased in recent years.

The gender pay gap has fallen across all major occupational groups between 2022 and 2023. The gender pay gap in skilled trades occupations remains the largest of the major occupational groups, however, it has also been reduced by the largest amount.



WHAT IS BEING DONE IN THE UK TO COMBAT THE GENDER PAY GAP

The issue of the gender pay gap is not one that is unique to any single organisation or sector; it is a societal challenge that demands collective action and commitment. Recognising the significance of this issue, the United Kingdom has implemented various measures and initiatives aimed at addressing and reducing the gender pay gap. These efforts span legislative changes, policy interventions and advocacy campaigns, all aimed at fostering greater equality and fairness in the workplace. Some key actions taken by the UK to tackle the gender pay gap include:

GENDER PAY GAP REPORTING

One of the most significant steps taken by the UK government is the introduction of mandatory gender pay gap reporting for organisations with 250 or more employees. This requirement compels companies to disclose their gender pay gaps annually, shedding light on disparities and encouraging transparency and accountability.

EQUAL PAY LEGISLATION

The UK has long-standing legislation in place, such as the Equal Pay Act 1970 and the Equality Act 2010, which prohibit discrimination in pay and conditions based on gender. These laws provide a legal framework for addressing instances of unequal pay and promoting fair compensation practices.

FLEXIBLE WORKING POLICIES

The UK has long-standing legislation in place, such as the Equal Pay Act 1970 and the Equality Act 2010, which prohibit discrimination in pay and conditions based on gender. These laws provide a legal framework for addressing instances of unequal pay and promoting fair compensation practices.

SUPPORT FOR PARENTAL LEAVE

Recognising the impact of caregiving responsibilities on women's career progression and earnings, the UK has introduced reforms to parental leave policies. Shared parental leave and pay allow parents to share childcare responsibilities more equally, thereby reducing the burden on women and promoting greater gender equality in the workplace.

EDUCATIONAL INITIATIVES

Addressing the gender pay gap requires addressing underlying societal norms and stereotypes from an early age. The UK government has implemented educational initiatives aimed at challenging gender stereotypes, promoting STEM (science, technology, engineering, and mathematics) education for girls, and encouraging young women to pursue non-traditional career paths.

WORKPLACE DIVERSITY AND INCLUSION INITIATIVES

Many organisations across the UK have implemented diversity and inclusion initiatives aimed at creating more inclusive work environments. These efforts include unconscious bias training, mentorship programs for women, and initiatives to promote diversity in leadership positions.

While these measures represent significant steps forward in addressing the gender pay gap, there is still much work to be done. Continued collaboration between government, employers, advocacy groups and individuals are essential to drive meaningful change and create workplaces where gender equality is not just an aspiration.



PAY BY GENDER (MEDIAN GAP)

The median pay gap is driven by the gender distribution of our workforce and the technical nature of our business. This comparison is not comparing average pay across the same job roles for males and females within the organisation.

A large proportion of our roles are in male dominated sectors and a high percentage of those occupying these roles are males. This is representative of industry across Scotland and Northeast England.

The median hourly pay gap is the difference between the midpoints in the ranges of hourly earnings of men and women. It is the middle salary when all salaries are sorted in numerical order.

In 2023, NWH Group are reporting that this measurement is -2.19%, meaning that woman employed at the NWH Group earn more than men under this metric in this reporting year.

The negative median gender pay gap indicates that the median female is paid more than the median male. Across three of the quartiles, the median is higher for males but when all employees are considered, the median is higher for females.

PAY BY GENDER (MEAN GAP)

The mean gender pay gap is the difference between the average hourly earnings of men and women. In 2023, the NWH Group reported this to be 3.45%. According to the Office for National Statistics as of 2023, the gender pay gap in the UK for all employees was 14.3%. This is down from 2022 where the UK mean gap stood at 14.4% and we stood at 6.23%. For NWH, this reflects a movement of -2.78% on the previous year in favour of female employees.

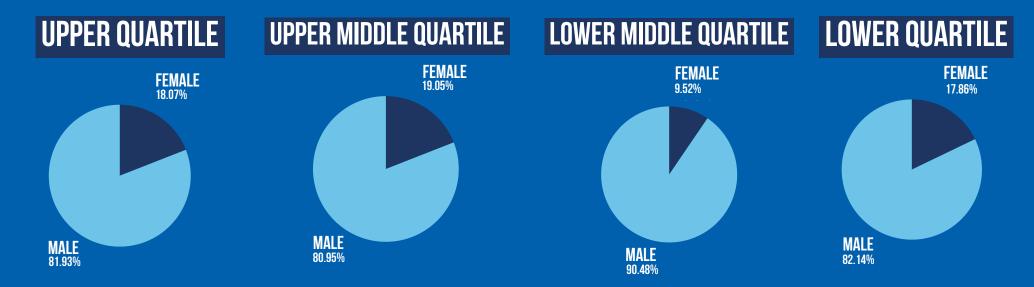
In 2023, within two of the four pay quartile bands, the average pay is greater for woman; however, the delta in these bands is less than 1%. This is more than offset by males being better represented within managerial and professional grade roles which are typically higher paid.



PAY QUARTILES BY GENDER

We have provided a comprehensive analysis of pay quartiles by gender, offering insights into the distribution of male and female employees across different salary bands within our organisation. This analysis is crucial for understanding the extent of gender representation at various levels of our workforce and identifying any potential disparities in pay.

Pay quartiles divide the workforce into four equal groups based on pay, with each quartile representing 25% of the total workforce. By examining the gender composition within each quartile, we can assess the distribution of male and female employees across different salary levels.



OUR ANALYSIS REVEALS THE FOLLOWING OBSERVATIONS:

- Quartile 4 comprises employees with the lowest salaries within our organisation; 82.14% of employees in Quartile 4 are male, while 17.86% are female. The predominance of one gender over the other in this quartile of our industry may indicate potential disparities in recruitment, promotion, or pay practices that warrant further investigation. However, it is apparent on analysis of our sector that the NWH Group perform higher than industry peers on this metric.
- Quartile 3 employees occupy positions with slightly higher salaries compared to Quartile 4, 90.48% of employees in Quartile 3 are male, while 9.52% are female.
- Quartile 2 includes employees with salaries in the upper-middle range within our organisation. 80.95% of employees in Quartile 2 are male, while 19.05% are female. Understanding the gender composition in this quartile provides insights into the representation of men and women in mid-level and managerial positions.
- Quartile I consists of employees with the highest salaries, typically occupying senior leadership or executive roles. 81.93% of employees in Quartile I are male, while 18.07% are female.
- Overall, while there may still be disparities in gender representation across pay quartiles within the NWH Group, our performance exceeds industry norms. We have observed an increase in the representation of women in both upper and lower-middle quartiles (with the lower quartile unchanged) from 2022 to 2023, demonstrating our commitment to promoting gender equality and fostering an inclusive workplace for all employees. Through ongoing analysis and proactive measures, we will continue to address any disparities, promote gender diversity, and strive towards achieving greater equity in pay and opportunities within our organisation.

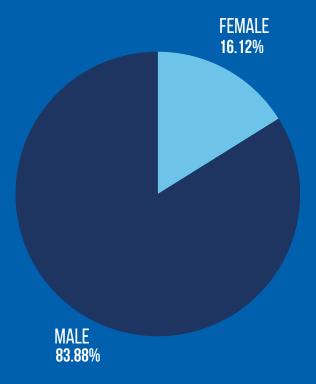
GENDER SPLIT

Overall Gender Split:

Male: 83.88% Female: 16.12%

Our workforce predominantly comprises male employees, reflecting the industry's reliance on roles such as HGV drivers, where historically, male representation has been higher. However, it's crucial to highlight that the NWH Group's gender split surpasses industry norms. Typically, the waste management industry has seen a male-dominated workforce due to factors such as the physical nature of the work and historical gender stereotypes.

We recognise the importance of creating a work environment where all individuals, regardless of gender, have equal opportunities for employment, advancement, and success. While our workforce composition may still reflect industry trends, our performance betters industry benchmarks, underscoring our commitment to fostering an inclusive workplace where everyone can thrive.

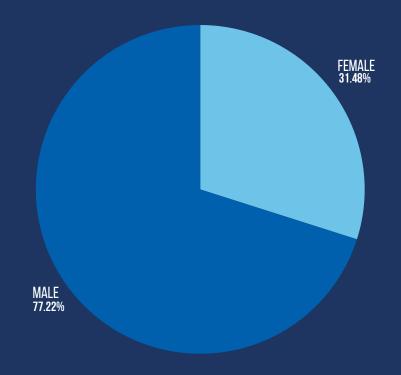




PROPORTION OF MALE AND FEMALES RECEIVING A BONUS

The data suggests a notable increase in the proportion of female employees receiving bonus payments from 2022 to 2023, indicating efforts to address gender disparities in bonus allocation has been successful.

In 2022, 24.07% of female employees received bonus payments. This figure increased to 31.48% in 2023, reflecting a positive trend in bonus payment distribution among female employees. For male employees, 76.24% received bonus payments in 2022. This percentage slightly increased to 77.22% in 2023.



While the percentage of male employees receiving bonuses also saw a slight increase, the focus on improving bonus payment equity has had a more significant impact on female employees. By narrowing the gap in bonus payment distribution between male and female employees, we are fostering a more inclusive workplace culture where all employees are recognised and rewarded equitably for their contributions.









SUMMARY & CONCLUSION

At the NWH Group we take pride in the progress made and the positive steps taken towards advancing gender equality within the NWH Group. Our report has shed light on several key areas where our organisation has moved forward, demonstrating our commitment to fostering diversity, equity, and inclusion.

WE ARE PLEASED TO HIGHLIGHT SEVERAL POSITIVE FINDINGS FROM OUR REPORT

- The median gender pay gap of -2.19% indicates that, on average, female employees earn more than their male counterparts within our organisation.
- Our mean gender pay gap of 3.45% reflects a movement of -2.78% from the previous year, indicating significant progress in favour of female employees.
- Analysis of pay quartiles by gender reveals an increase in the representation of women across different salary bands, notably in the upper and lower-middle quartiles.
- The proportion of female employees receiving bonus payments has increased, signalling our commitment to ensuring no gender disparities in bonus allocation.

While we are proud of our achievements, we recognise that our journey towards gender equality is ongoing. Moving forward, we remain committed to taking proactive steps to further improve our practices and close any remaining gaps:

- We will continue to implement targeted initiatives aimed at attracting, retaining, and promoting female talent within our organisation.
- Our recruitment strategies will focus on merit and potential, ensuring equal opportunities for all individuals, regardless of gender.
- Comprehensive training and development programs will be provided to support the professional growth and advancement of all employees.
- We will continue to foster a supportive and inclusive work environment through awareness campaigns, mentorship programs, and employee resource groups.
- Collaboration with industry partners, educational institutions, and government agencies will be strengthened to advocate for policies and initiatives that promote gender diversity and equality.





We are committed to leading industry change and we reaffirm our commitment to driving meaningful progress towards gender equality at the NWH Group.

We recognise that effecting change in traditionally male-dominated industries requires deliberate and sustained effort. Through collaboration, transparency, and accountability, we will continue to lead by example and strive towards creating a workplace where all individuals are valued, respected, and empowered to succeed.

