

# GENDER PAY GAP STATEMENT 2024



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# FROM OUR MANAGING DIRECTOR & CEO

## ADDRESSING OUR GENDER PAY GAP

The additional transparency provided by this inaugural gender pay gap statement is welcome and worthwhile. While it makes for challenging reading, ultimately, it's a measure that will help us determine whether changes to our practices and policies are making a difference for women at Alinta Energy.

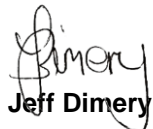
Our median gender pay gap is 39.4%. As with any statistics, context is critically important. In 2021, this gender pay gap increased by 17.1% when we onshored our contact centre, creating around 250 new jobs in the process and hiring mostly women.

That's not an excuse or a defence, but it's something that we need to be clear about up front. We have made, and continue to make, good progress on gender equality across the company – and we are determined to make more substantial progress in targeted action on the gender pay gap.

I'm proud that in recent years we have appointed two women to our executive leadership team and increased female representation on our Board. In 2023 we also increased the percentage of women in our management teams from 26% to 37%.

We are also proud to be an equal pay employer, ensuring that on a like-for-like job basis, our employees are paid the same, regardless of gender.

It's a good start but I'm conscious that we have much more to do, and I look forward to reporting back on our progress in the coming years.



Jeff Dimery



## EMPLOYER GENDER PAY GAP DEFINITIONS

*Adapted from Champions of Change Coalition Closing gender pay gaps: Our actions and commitment report.*

### Average or mean gender pay gaps

To establish the gender pay gap in an organisation, the total earnings of women is divided by the number of women, and the total earnings of men is divided by the number of men. A comparison of the two resulting figures will provide a high-level overview of the disparity in earnings between men and women. These calculations enable benchmarking against industry and national averages.

### Equal pay or 'like-for-like' pay

Equal pay is where people of different genders are paid the same for performing the same 'like-for-like' role or different work of equal or comparable value.

### Median gender pay gaps

Unlike the average pay gap or like-for-like pay gaps, the median gender pay gap offers a comparison of the middle-value in the remuneration range of women in an organisation, compared to the middle-value in the remuneration range of men.

The median gender pay gap is calculated by comparing these two data points and expressing the women's middle-value as a percentage of the men's middle-value. The higher the value, the larger the gender pay gap. A positive value (e.g. 20%) indicates a gender pay gap in favour of men, while a negative value (e.g. -20%) indicates a gender pay gap which favours women.

### Pay Quartiles

Quartile analysis of an organisation's gender pay data separates employees into four equal groups (quartiles) based on compensation, with the first quartile being the highest earning group and the fourth the lowest.

In the context of gender pay gaps, organisational gender composition and average total remuneration by quartile highlights disparities in gender representation and compensation, which are key drivers of gender pay gaps. Calculating gender composition and average total remuneration by quartile offers a segmented view of the workforce. It therefore provides more detailed insights into whether representation and compensation disparities at salary ranges, between roles, departments and job levels, are driving gender pay gaps.

## OUR GENDER PAY GAP FOR 2022-2023

At Alinta Energy, we have achieved overall gender balance across our workforce – 48% female and 52% male – which is something we are proud of.

We also pay equitably, ensuring people are paid the same for performing a “like-for-like” role, regardless of gender.

### Our median gender pay gap (total remuneration) 39.4%

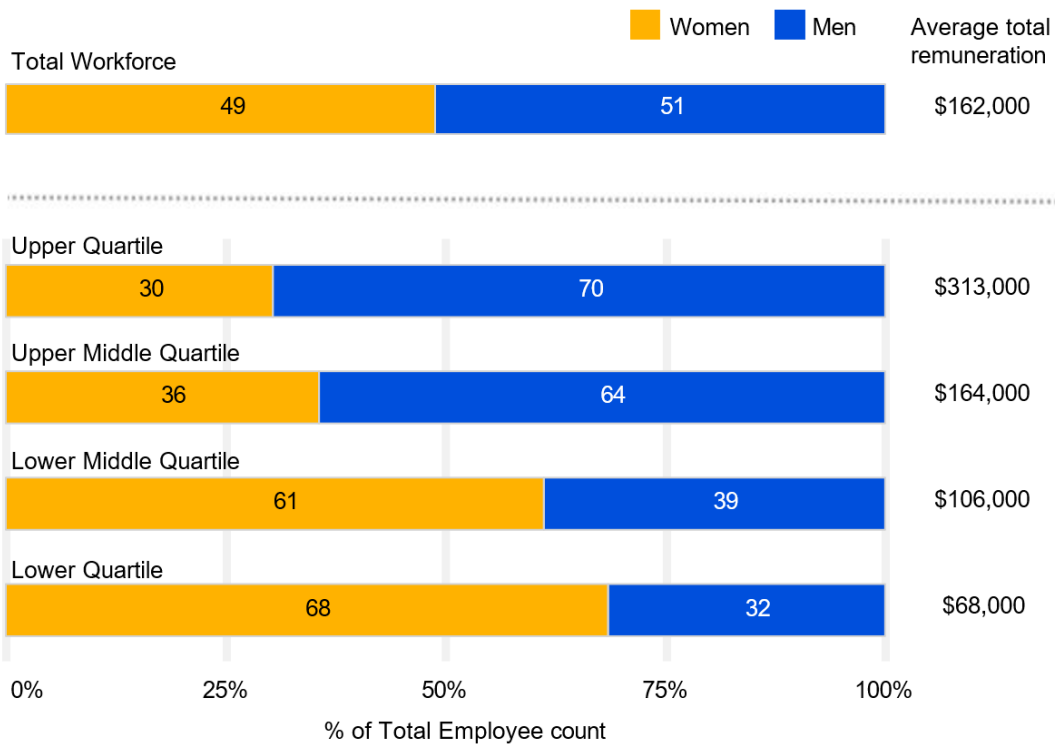
This result shows that our middle ranking (median) male gets paid 39.4% more than our middle ranking (median) female. Total remuneration includes wages, super plus any bonuses, allowances, or commissions.

### Our median gender pay gap (base salary) 40.5%

This result shows our middle ranking (median) male get paid a base salary of 40.5% more than our middle ranking (median) female.

### OUR GENDER BALANCE AND REMUNERATION PER PAY QUARTILE

The chart below divides the total remuneration pay of all Alinta Energy employees into four equal quartiles and identifies the gender composition within each of those quartiles.



70% of employees in the upper quartile for Alinta Energy are men, and 68% of employees in the lower quartile are women. Both are significant factors that drive gender pay gaps.

# UNDERSTANDING OUR GENDER PAY GAP DRIVERS

We have a gender pay gap, and we know why.

Our key drivers are:

## Workforce composition

A significant contributor to our gender pay gap is the composition of our workforce, particularly in our contact centres across our national offices. In 2021, when we brought our contact centres onshore, our median gender pay gap increased by 17.1%. This was because in the 250 new positions that this move created, the majority of roles were filled by women.

## Occupational segregation

Another major factor influencing our gender pay gap is the disproportionate representation of men in technical roles, such as in technology, engineering, and power generation, which historically command higher salaries.

Additionally, men still occupy a larger number of senior leadership, general management, and key managerial positions within our organisation. While we have made progress in diversifying our leadership ranks, with the percentage of women in leadership roles increasing from 26% to 37% in 2023, including the appointment of a second female executive leader and augmenting female representation on our board, we recognise that sustained efforts are imperative to achieve greater gender parity across all levels.

**These drivers are challenges for Alinta Energy, and the Energy Sector, and we know that as an organisation and industry we have much more work to do.**

At a broader societal level, we know that gender pay gaps are influenced by:

- **Discriminatory practices:** Conscious and unconscious biases in recruitment, hiring, and remuneration decisions.
- **Occupational segregation:** Traditional gender norms steering women and men toward different industries and occupations, often resulting in wage disparities, with female-dominated fields typically undervalued.
- **Workplace flexibility:** Insufficient flexibility in work arrangements, particularly at senior levels, posing challenges for individuals balancing professional responsibilities with caregiving duties, disproportionately impacting women.
- **Part-time employment:** Women are more likely to work part-time, which can restrict advancement opportunities and contribute to lower earnings.
- **Career interruptions:** Women's career trajectories may be interrupted due to caregiving responsibilities, impacting their ability to advance professionally and earn commensurate salaries.



## CLOSING THE GAP

To address the challenge of gender equity within our organisation, we are using our data to inform targeted actions to drive change. Our gender pay gap serves an important metric to inform these efforts.

At Alinta Energy, we have made significant progress in promoting gender equity by implementing various initiatives, including:

- Conducting our equity analysis on performance and promotion outcomes.
- Undertaking gender pay equity audits and promptly rectifying any identified disparities. Through these reviews and adjustments, we proactively maintain pay equity across our business.
- Strengthening our partnerships with diversity advocates such as Champions of Change Coalition, Diversity Council Australia, and work180. These collaborations underscore our dedication to adopting and implementing best practices in diversity, equity and inclusion at Alinta Energy.

Looking ahead, our future gender equity strategies will include:

- Unconscious bias and inclusive language training for employees and people managers to drive inclusion across our business and support fair and equitable decision making.
- Enhancing networking opportunities for women, including the establishment of a gender equity employee community.
- Reviewing and bolstering support for employees with family and caring responsibilities.
- Assessing and refining recruitment processes for diversity and accessibility. This includes setting gender-balanced interview panel targets and providing unconscious bias training for talent acquisition and hiring managers.
- Regular analysis of our gender pay gap and other gender-related data to improve understanding and ensure that our actions are continuously aligned with our needs and have a meaningful impact.

By focusing on these initiatives, we are confident that we can make substantial advancements in promoting gender equity and narrowing our gender pay gap in the future.

