



Our people: healthier, happier, safer

Customers rely on our people. Attracting, developing, retaining and partnering with the best talent is therefore a bedrock of our business.

To meet this outcome...

We will champion health, safety and wellbeing; develop new talent; and nurture an efficient, customer-focused workforce.

Performance highlights:

- 'North Star' values framework created in partnership with colleagues
- Customer focus identified as a key strength of Anglian Water by 89 per cent of employees in 'Love to Listen' engagement survey
- Licence to Operate scheme cited as a benchmark by the Drinking Water Inspectorate
- Recognised by the Royal Society for the Prevention of Accidents (RoSPA) for the 16th consecutive year, winning the Gold award this year

The values that drive our continued progress

Together we...

 **Build trust** 

Do  **the right thing**

Are always exploring 

Working with our people, we have defined the values that will drive our continued success in the next AMP and beyond. Starting with a 'culture capture' exercise to listen and understand the qualities our people most value today and for the future, our front-line managers, Future Leaders Board and a range of employee representatives distilled these into our articulated values: Together, we build trust; We do the right thing; We are always exploring.

The values sit alongside our Purpose and mission as the guiding star we follow, and the standards we hold ourselves accountable to. They are supported by behaviours, also developed with input from our people, that define how the values show up in practice. The behaviours are embedded in our people processes – from recruitment and selection to performance management, recognition and development – ensuring we live our values in everything we do.

Adapting to challenging times

The need to achieve significant savings to deliver our commitments within the funding provided by Ofwat in AMP7 led to difficult decisions that impacted our people. We took a range of actions to reduce operational costs, always with the scale of the challenge and fairness to our people in mind. These included significantly reducing spend on our employee-led recognition scheme; undertaking a field effectiveness review; introducing a recruitment freeze and restricting use of consultants. We are seeking to agree an affordable pay settlement that protects jobs and enables us to manage within the confines of the Final Determination; negotiations with our trade unions have been extended during the Covid-19 situation and we look forward to reaching agreement at the earliest opportunity.

These measures did not entirely bridge the operational funding gap, resulting in the need for headcount reduction. In doing this our priority was to protect our customers and our core business. The role reductions were managed through natural transition where possible, and we were able to protect the jobs of 98 per cent of our employees.

Throughout these changes we have been guided by our values and remained committed to our long-standing principles of supporting and developing our people, and providing an inclusive, collaborative culture where everyone is encouraged to be themselves and enabled to contribute to their full potential.

Working in partnership

The voice of our employees is a core factor shaping the development and execution of our strategies. We encourage all of our people to take part in our continuing employee conversation, from regular consultation with our trade unions and Open House representative forum to two-way communication channels such as Front Line Manager events, 'LIFE' events focused on health, safety and wellbeing, our digital social platforms and a range of feedback routes.

Our latest Love to Listen employee survey took place in September 2019 with more than 5,500 employees taking part, including, for the first time, our @One alliance and colleagues from our Anglian Water Group businesses.

The survey showed that, at 89 per cent, our employees see our customer focus as our biggest strength, along with effective line management, flexibility and support for our people, and pride in working for a sustainable business. The feedback also enables us to prioritise areas for continuing progress, such as our investment in upgrading our systems, and the development of professional communities across the business to drive collaboration and support those in specialist roles.

Employee feedback also led to Anglian Water being named the UK's Best Company to Work For 2019 by Glassdoor, while Peter Simpson was named CEO of the year in the June 2019 Glassdoor top CEO report, with a 99 per cent approval rating.

In preparation for AMP7, over the past 18 months we have worked with leaders across the business to adapt our operating model, moving responsibility for asset investments from a central specialist function into our Water and Water Recycling business streams alongside our operations. This will ensure that investment decisions are taken collaboratively and as close to the customer as possible, to prioritise and deliver efficiencies in the challenging financial environment of AMP7.

Sharing in performance

Each year since 2007, we have offered employees the opportunity to participate in the AWG Loyalty Savings Scheme. This scheme enables employees to save on a monthly basis and then potentially benefit from the financial performance of the Company at the end of the three-year savings period.

Building the workforce of the future

Our Future Leaders Board, a group of high-potential employees established in December 2018 to bring challenge and fresh thinking, has led a number of initiatives to drive our continued progress on diversity and inclusion, supported by active sponsorship from our Directors. This includes the creation of a pan-alliance inclusion charter; a refresh of our Dignity at Work policy; participation in Inclusion Week; introducing gender-neutral titles for our customers; providing e-learning on unconscious bias; and continuing the conversation on inclusion through thought-provoking activities at events and team discussions.



We welcome job applications from all sectors of society and base selection decisions on applicants' skills, experience and competence for the role, embedding flexible working practices for anyone with a disability, health condition or family responsibilities that affect how and when they work. Our gender pay gap improved, from a mean gap of 6.6 per cent in 2018 to 5.9 per cent in 2019, and from a median gap of 11.3 per cent in 2018 to 11.0 per cent in 2019. This continues to compare favourably with the national average mean and median gaps of 13.1 per cent and 12 per cent respectively.



Mean gender pay gap:

5.9% (2018: 6.6%)



Median gender pay gap:

11.0% (2018: 11.3%)

Our workforce, as with the rest of the water industry, remains male dominated at 68 per cent compared with 32 per cent female. This reflects both the high degree of loyalty and long service of our existing employees and the fact that among future workers, more males than females study the STEM subjects (science, technology, engineering and mathematics) that are core to many of our roles.

We continue to invest in building the balanced and highly skilled workforce of the future, from our apprentice and graduate programmes to continuing professional development and Licence to Operate training even for our most experienced people. In doing so we are mindful to encourage access across all sectors of the employee base.

For the first time, 2019 saw an all-female intake on our Accelerated Management Trainee programme with a cohort of six. The 12 leaders we are supporting through the Institute of Leadership & Management level 5 accreditation represent a varied cross-section of skills and business areas beyond traditional central functions, such as property management and electrical maintenance.

We hired 52 apprentices during the year, with a wide range of programmes from maintenance operations, engineering, water technicians and data analysts; and we celebrated the success of 30 apprentices who graduated from their programmes. These include Brianika Hewitt, a member of the Future Leaders Board and our first Leakage apprentice to graduate with distinction on the new level 3 standard. A number of our cohort have been well placed in the Apprentice of the Year awards, including Rosie Morris who reached the final of Young Pump Engineer of the Year.

As well as supporting those embarking on their careers we have development programmes for existing employees, with 24 people undertaking level 3 team leader training and seven following a master's degree apprenticeship.

We remain the only water company to have our Licence to Operate scheme accredited against an external standard (ISO 17024). The scheme was cited as a benchmark standard by the Drinking Water Inspectorate, which carried out audits on technical training and competence across the water industry in July 2019.

Drinking Water Inspectorate

“Anglian Water has a well-developed, resourced and embedded technical training and competence framework, which is given a high priority at all levels throughout the company and is externally accredited.”

Protecting our people

We have taken an active approach to the Covid-19 coronavirus outbreak, providing regular updates and guidance to our people as soon as the first case was confirmed in the UK and mobilising our platinum incident management plan as the situation escalated; see pages 10–11.

We continue to reinforce our commitment to wellbeing through our ‘Happier, Healthier, Safer’ strategy. It focuses on five clear outcomes:

- A healthier and safer work environment
- Positive engagement and collaboration
- High-risk activities managed
- Hazardous processes controlled
- Clear and simple safety information

The LIFE programme brings health, safety and wellbeing together, focusing on each of the five outcomes. Safer LIFE focuses on behavioural safety, Happier LIFE focuses on mental health and Healthier LIFE focuses on physical wellbeing, together creating a culture where it is everyone's responsibility to care not only for their own wellbeing but also for that of their colleagues. Behavioural safety workshops known as LIFE Orientations have been held throughout the three years the programme has been

running; more than 7,000 people have attended to date. In February 2020 we invested in a series of LIFE stand-down events, bringing some 900 field-based operational employees together for a day focused entirely on health, safety and wellbeing. We also carried out a Health and Safety Climate survey completed by more than 2,000 colleagues, with significant improvements since the previous survey in 2016.

Collaboration and engagement has improved through our health, safety and wellbeing networks, which has seen safety innovation brought to life through our Dragon's Den initiative, a forum to which colleagues bring ideas to solve health and safety issues. Best practice is also shared with our partners as we continue to collaborate and improve health and safety across all areas of the business.

Raising awareness of the support available for mental health has been a key focus, and to challenge ourselves we commissioned an independent review of our mental health

support services. The resulting report was positive about our existing provision and gave constructive pointers for further progress which we are now implementing.

We also continue to digitalise health and safety, with further development of our health and safety app to aid the front line and managers in reporting and tracking safety issues and capturing coaching visits on the active management app.

Health and safety performance is regularly monitored by the Board throughout the year. This year's performance is largely stable, though we have seen improvements in some metrics.

We have maintained our ISO 45001 standard for health and safety following an extensive audit process and been recognised once again by RoSPA, achieving the Gold award for our health and safety performance, the 16th consecutive year of recognition.

Measure and target	2015/16	2016/17	2017/18	2018/19	2019/20
Category 1 events*	7	3	10	5	4
-Reporting of Injuries, Diseases and Dangerous Occurrences Regulation (RIDDOR) reportable specified injury accidents					
- RIDDOR reportable non-worker/member of the public accidents					
- RIDDOR reportable (potentially life limiting) occupational diseases					
- Fatalities					
Accident frequency rate (AFR)	0.11	0.12	0.12	0.12	0.08
The number of reportable accidents in every 100,000 hours worked. Our AFR includes data from our own employees and our contractors					
Sickness absence (target 5.0 days)	4.26	4.39	4.61	4.60	4.54

* Last year, we made changes to the way we report on the more serious events. To ensure we have a more objective and refined way of reporting and measuring performance, we revised the event types that are now classified as Category 1 events. To ensure consistency of reporting, we have revised the previous years' Category 1 figures in line with the current reporting criteria so that we are comparing like for like.

Running an ethical business

Our policies and processes are underpinned by our values. We encourage everyone to speak out about anything they see in the workplace that concerns them, either directly to line management, via our range of feedback channels or through our whistleblowing policy (detailed in our Audit Committee Report on page 111); and have procedures in place to deal with allegations of inappropriate behaviour.

We expect all employees, partners, agents and contractors to adopt a high standard of business ethics and have zero tolerance of bribery and corruption. All Directors and senior managers of Anglian Water are fully committed to preventing bribery being committed by any employee, person or business that carries out work or performs services on our behalf (including any subsidiary or associate company within the Anglian Water Group).

We have policies in place to address the risk of bribery and failure to prevent criminal facilitation of tax evasion, and set out mandatory standards of conduct in relation to the acceptance of gifts and corporate hospitality, as well as political and charitable donations. All our people must comply with these policies and with the Bribery Act 2010 at all times. We require all our employees to complete online training, including anti-bribery, maintaining a level playing field (which deals with competition law risk) and data protection law, in line with the requirements of the General Data Protection Regulation (GDPR). We also take a zero-tolerance approach to modern slavery and human trafficking and have taken appropriate steps to ensure that it does not take place in our business or any part of our supply chain. Details of the procedures that we have put in place can be found in our Slavery and Human Trafficking Statement, available at www.anglianwater.co.uk/governance.