



Waterstons

we're with you

Waterstons Pay Gap Report - 2025

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Published Date: April 2026



Our Commitment

We believe that a company that works to truly embrace inclusion and value diversity, create an environment where everyone from any background can do their best work, and feel valued and appreciated, is a better company to work for. This will result in better outcomes for us and our clients. We encourage freedom and empowerment, whilst taking responsibility and accountability.

To be engaged our people need to feel included, valued and appreciated. We work hard to build a smart, creative, thoughtful place to work and strive to create a community that feels a sense of pride and commitment that goes beyond any role, department or level and throughout everything we do. We want to create genuine opportunities for everyone, removing barriers so people from all backgrounds have opportunity, and belong at Waterstons. We're in an increasingly, globally connected world. We have a diverse client base, and our colleagues come from all walks of life. We want to demonstrate our inclusive culture and create enriching environments for colleagues to thrive.

We strive to make data led decisions which is why we are monitoring our diversity data both for our current employees and at recruitment so that we can make informed strategic decisions.

We're not doing this because it's good for business. We have no doubt that we will benefit from more diverse experience, more inclusive ideas and a broader range of backgrounds and life experience but that's not our motivation. We're doing this because it's the right thing to do.

Definitions

This report details the gender, ethnicity and disability pay gap at Waterstons Limited. It provides context on what the results do (and do not) tell us and outlines what steps we will take to address these gaps.

Our pay gap figures are calculated using a consistent methodology across gender, ethnicity and disability, based on pay and workforce data and bonus payments made in the 12 months to 5th April 2025.

We align our gender pay gap calculations to the approach set out in the Equality Act 2010 (Gender Pay Gap Information) Regulations 2017, and we

apply the same principles when reporting ethnicity and disability pay gaps, until legislation specifies otherwise.

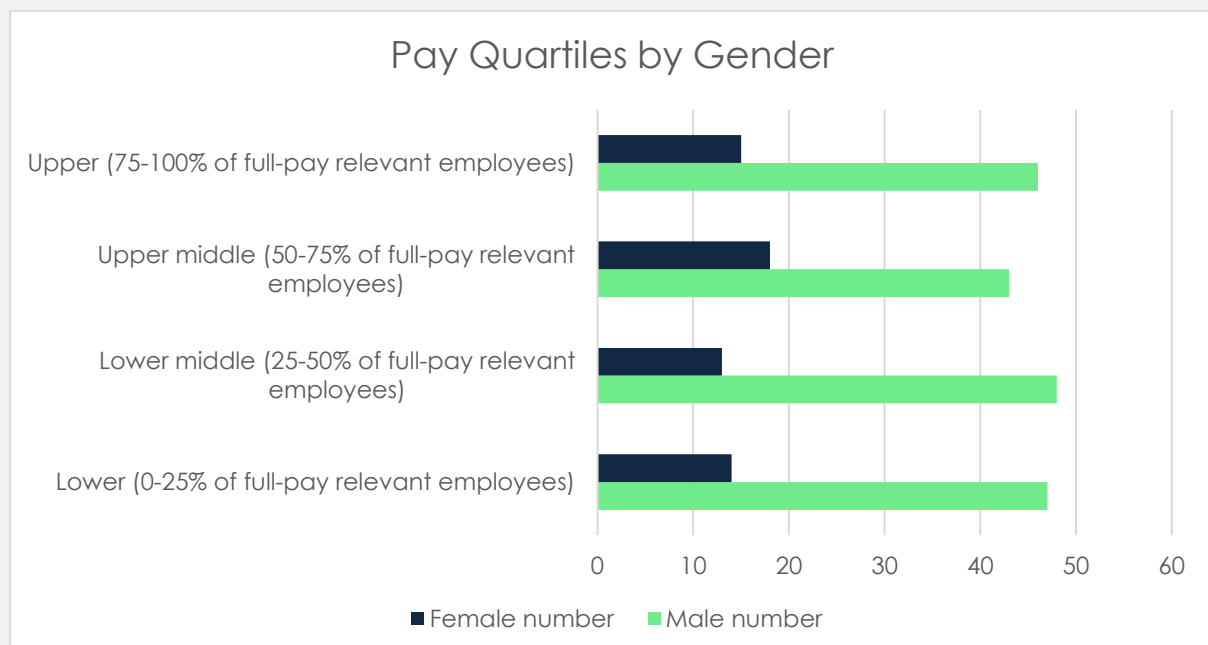
The 'snapshot date' refers to the date that the UK Government requires Private companies to use to capture the data, which we have used in this report. For private business such as ours, this is the 5th April of any year where the total headcount for eligible employees is 250 or more with the reporting deadline being the 4th April the following year.

There are certain regulatory calculation we are required to make including mean and median hourly pay calculations, and the same for bonuses awarded in the twelve months leading up to the snapshot date. We also must document how many males and females sit within each pay quartile.

On 5th April 2025, Waterstons has 244 eligible employees, therefore we are not required to report, however we have decided to still report for this year to continue to be transparent about our pay gap.

Gender Pay Gap

The graph below shows the gender make up of our pay quartiles, as set out in the government guidance. Full pay refers to allowances, and full-time equivalent salary.



Our Mean Gender Pay Gap is -5.83%

This means that on average, the hourly rate of our female colleagues is 5.83% higher than that of our male colleagues.

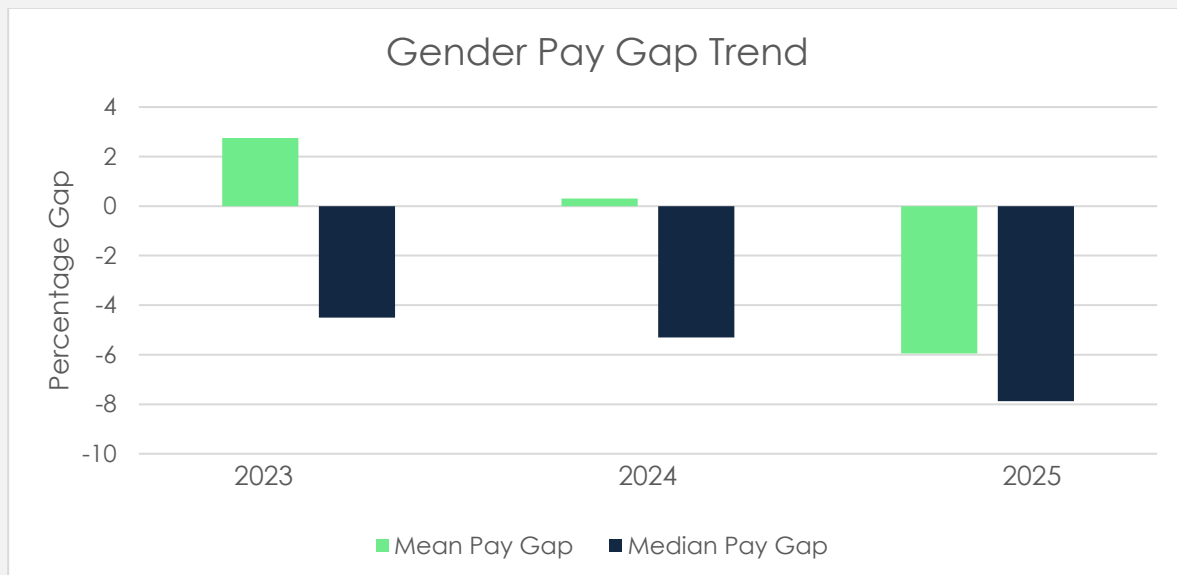
Our Median Gender Pay Gap is -7.88%

This tells us that the middle value hourly rate of female colleagues is 7.88% higher than that of our male colleagues.

Pay Gap Analysis

Equal Pay is different from pay gap, which is important for us to note. We ensure that we monitor pay at all levels of the organisation and we are firmly committed to equal pay, as set out in the Equality Act (2010). This ensures that a man or woman doing the same or a similar role are paid equally and is different from pay gap.

Whilst the pay gap data shows that we have made significant progress in addressing our pay gap, our proportion of females across the business is still something that we need to improve. The distribution of women across our pay quartiles is positive and means the work we have done to increase progression and support for women across Waterstons has worked. However, with only around 24% of our workforce being women we have some further work to do to increase that.

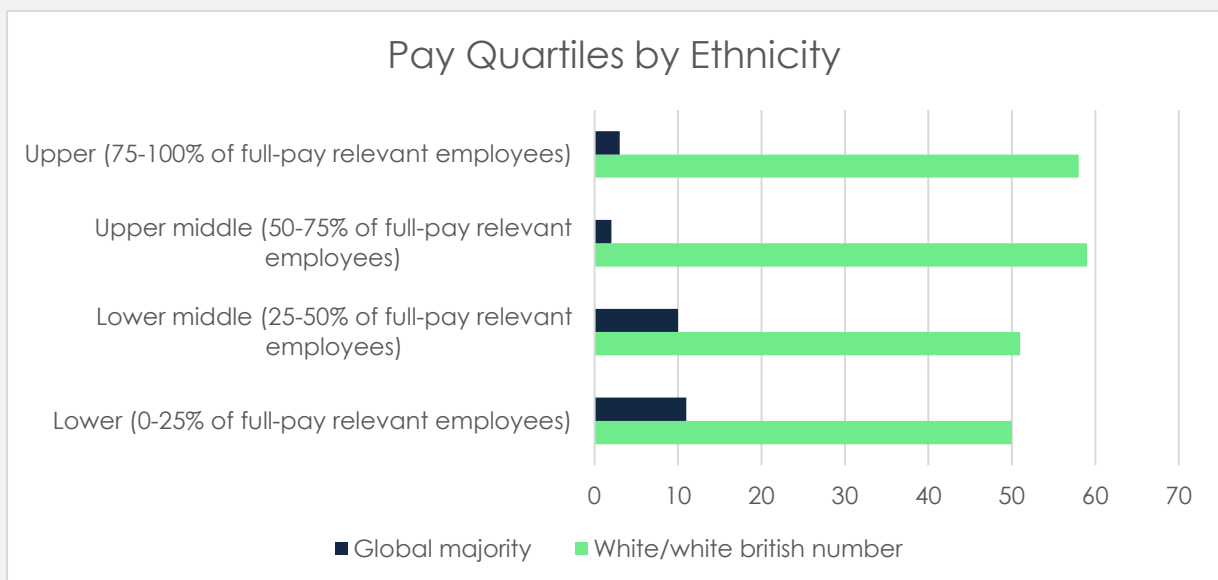


Over the last 3-years, the gender pay gap has been decreasing, and from data from the latest snapshot date, has now become a negative pay gap across both mean and median data ranges. We don't automatically see this as an issue that needs to be corrected, but we should work to understand and

review regularly. Our focus is on ensuring fair pay practices and equitable access to recruitment, development and progression for all our colleagues.

Ethnicity Pay Gap

The graph below shows the ethnicity make up of our pay quartiles. On the snapshot date our organisation was made up of 218 employees who identified as white or white British, and 26 employees who identified as black, Asian, mixed rather or other. We are referring to these individuals as the global majority in our graphs and comparisons below.



Our Mean Ethnicity Pay Gap is 20.38%

This means that on average, white or white British employees hourly pay is 20.38% higher than global majority employees

Our Median Ethnicity Pay Gap is 21.99%

This tells us that the middle value hourly rate of white or white British employees is 21.99% higher than that of global majority employees.

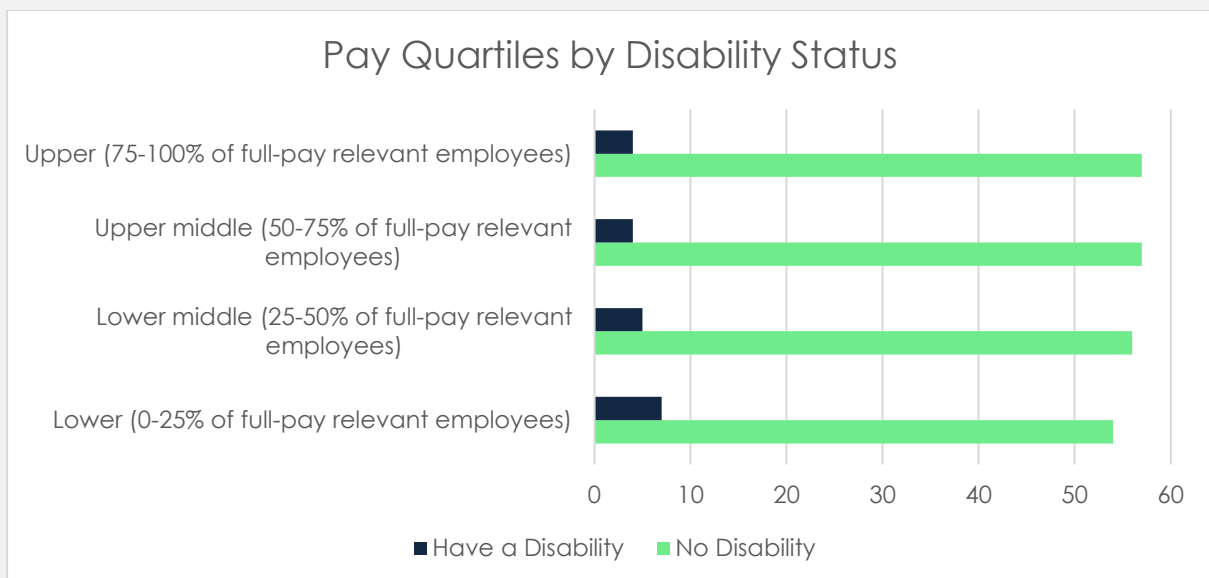
Pay Gap Analysis

The mean and median ethnicity pay gap, alongside the pay quartiles tell us that the ethnicity pay gap across both metrics is driven by a disproportionate representation of global majority employees across our pay quartiles. This

distribution helps explain our ethnicity pay gap and suggests that the gap is primarily driven by differences in representation across pay levels and seniority within the organisation, rather than by any differences in pay for equivalent employees.

Disability Pay Gap

The graph below shows the make up of our pay quartiles by disability status. On the snapshot date our organisation was made up of 224 employees who identified as having no disability, and 20 employees who had declared that they had a disability.



Our Mean Disability Pay Gap is 7.21%

This means that on average, non-disabled employees hourly pay is 7.21% higher than disabled employees.

Our Median Disability Pay Gap is 5.68%

This tells us that the middle value hourly rate of non-disabled employees is 5.68% higher than that of disabled employees.

Pay Gap Analysis

Our disability pay gap figures show that non-disabled employees have higher hourly pay, on average, than disabled employees. Although the gap is notably smaller than our ethnicity pay gap. From our pay quartiles data, disabled employees are distributed slightly less evenly across the organisation than non-disabled employees. This profile suggests that our disability pay gap is likely influenced by representations across the pay levels, with disabled employees somewhat less represented in the upper-paid quartiles, than in our lower-paid quartiles.

Whilst the pay gap exists, the data tells us that there is not an extreme imbalance but does indicate an area for us to monitor further.

Actions

We recognise that our pay gaps, both positive and negative are primarily driven by the distribution of colleagues across the organisation and their representation in the different pay quartiles. With this in mind, our focus is on improving equity of opportunity across our employee lifecycle, from attraction and recruitment all the way through to career development, progression and retention strategies.

It's important that we continue to review the data we have available, listen to our colleagues experiences and take any targeted action which addresses gender, ethnicity and disability pay gaps.

Our Priorities

To address the pay gaps and continue to improve where we can, we are focussing on 4 priorities which align with our broader 5-year business strategy, with particular focus on ensuring our people succeed and thrive with us and being a positive force in our society. Our focus is on our people and their success.

Asses our pay and promotion decisions at one point in time.

We have always encouraged our managers to make pay decisions that reward the right behaviours and reflect our values. In order to strengthen this, we are moving away from individual salary reviews taking place throughout the year, and moving to a single point in time. This will enable us to:

- Conduct equal pay exercises and assess awards across the whole organisation.

- Ensure promotion decisions and pay awards are fair and consistent.
- Ensure that external factors such as inflation and market drivers impact all individuals equally.

We are making this change in our 26/27 financial year (from 1st July 2026).

Attract and retain diverse talent

We continue to make improvements to our recruitment process across seniority levels, and working to ensure that once we attract and hire diverse talent, we ensure that we retain them. Over the last year we have invested in new recruitment tools to reduce unconscious bias and enable fairer recruitment processes, and into the next year we will:

- Introduce anonymous CVs at application stage.
- Introduce additional hiring manager support and training to assess candidates based on skills and competencies.
- Explore and seek partnerships across social mobility and those looking for a career change to diversify our candidate pool.
- Review our reward and recognition offering to retain talent.
- Strengthen our values and culture to build the best place to work.

Support and improve career progression

We recognise that a driving factor in our pay gaps is representation across pay quartiles. This is why our focus will include improving and supporting career progression across all levels, we will:

- Ensure senior individuals have succession plans in place, and filter this across the organisation.
- Strengthen our performance/development review process and encourage regular career development discussions.
- Enable managers to have clear career pathway discussions with their teams.
- Provide training and development for employees who wish to progress, whether that is through leadership or technical capability.

Summary

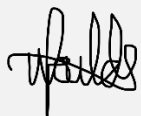
Whilst this pay gap report highlights some of the success we have had when reducing our pay gap within certain demographics, it is clear that we still have work to do in areas highlighted in this report. We will continue to strive to reduce all of our pay gaps to zero, and commit to addressing the issues that impact this.

We recognise that one of our biggest challenges is representation of gender, ethnicity and disability across our organisation is not as balanced as we would like it to be. Improving this will be a significant ongoing focus for Waterstons moving forwards.

We are proud of the work that we have done to address these pay gaps, and whilst we know there is still work to do, we are sure that our values, culture and strategic focus on inclusivity, fairness and empowerment will prove fundamental to our further success. We will continue to monitor these results and report annually on gender, ethnicity and disability pay gaps.

Declaration:

We declare that the information and data contained in this report is accurate



William Foulds
Head of People and Culture