

# Diversity, Equity and Inclusion at Northern Powergrid

It's everyone's business

Our plan for 2023



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This plan is about all of us. I'm proud of the progress we made last year in building the foundations to open up even more opportunities for existing and future colleagues to succeed at Northern Powergrid. Our focus on better representing the communities we serve and making us a better place to work will not waiver as we continue to build a sustainable, skilled and diverse workforce. In turn, this helps us to be a better business that will better serve our region and our customers.



Phil Jones,  
Chief Executive Officer



# Introduction

## Delivering for our colleagues, customers and communities

Our Diversity, Equity & Inclusion (DEI) Plan this year reflects the great progress we made in 2022 in raising awareness of DEI with colleagues right across Northern Powergrid to achieve a common understanding of:

- What DEI means to us;
- Why it is so important as part of our People Strategy to attract, retain and develop high-quality people from a range of backgrounds to support the delivery of our ambitious business goals;
- The actions we are taking to achieve that; and
- How our colleagues can actively engage in these activities.

2023 marks the beginning of our five-year business plan through until 2028, where there will be a significant focus on Northern Powergrid's role in enabling decarbonisation in our region. Our workforce of over 2,600 people is at the heart of delivering for customers and we expect to create more than 1,000 new job opportunities over the next five years, opening up new opportunities for people to join us and for existing colleagues to develop their careers.

To do that, we need to be the employer of choice for those seeking new careers and to continually engage and listen to our existing colleagues about what matters to them in building more inclusive and engaging workspaces where they feel valued.

Representing the communities we serve as an anchor organisation in our region is an integral part of continuing to deliver the highest standards of customer service by recognising the varied needs of our different customer groups. Expanding the make-up of our workforce to have a range of backgrounds and views represented means we are able to do that more effectively, making us a more successful company.

Northern Powergrid believes in *equality*. We do not set targets or quotas for any particular group of people and we will always make recruitment and promotion decisions based on who is best for the job.



We can be proud of our work last year, taking some significant steps forward in embracing Diversity, Equity and Inclusion at Northern Powergrid. We welcomed over 300 new colleagues into our business in 2022 and expect to see similar levels in the coming years so it's vital to our success that we continue on our DEI journey to attract and develop the best people and create an inclusive environment for everyone to succeed.

The views of over 700 employees through our first-ever DEI survey have informed our plan for 2023. We will continue to listen to our colleagues and learn from others to shape the actions we take.



Jodie Coe,  
Director of People  
and Change



We are committed to *equity*. Removing barriers for colleagues and candidates from underrepresented groups to encourage them to seek opportunities with us, particularly within technical, engineering and leadership roles. Our prime focus is on increasing the number of women, people from ethnic minority backgrounds and those from disadvantaged backgrounds, such as lower income households and areas of high unemployment.

We will do that by working hard to attract more people from these underrepresented groups to apply for roles with us and encouraging existing colleagues to seek career growth opportunities.

### Our priority action areas



Increasing awareness



Opening up the workplace



Creating opportunities



Measuring and learning



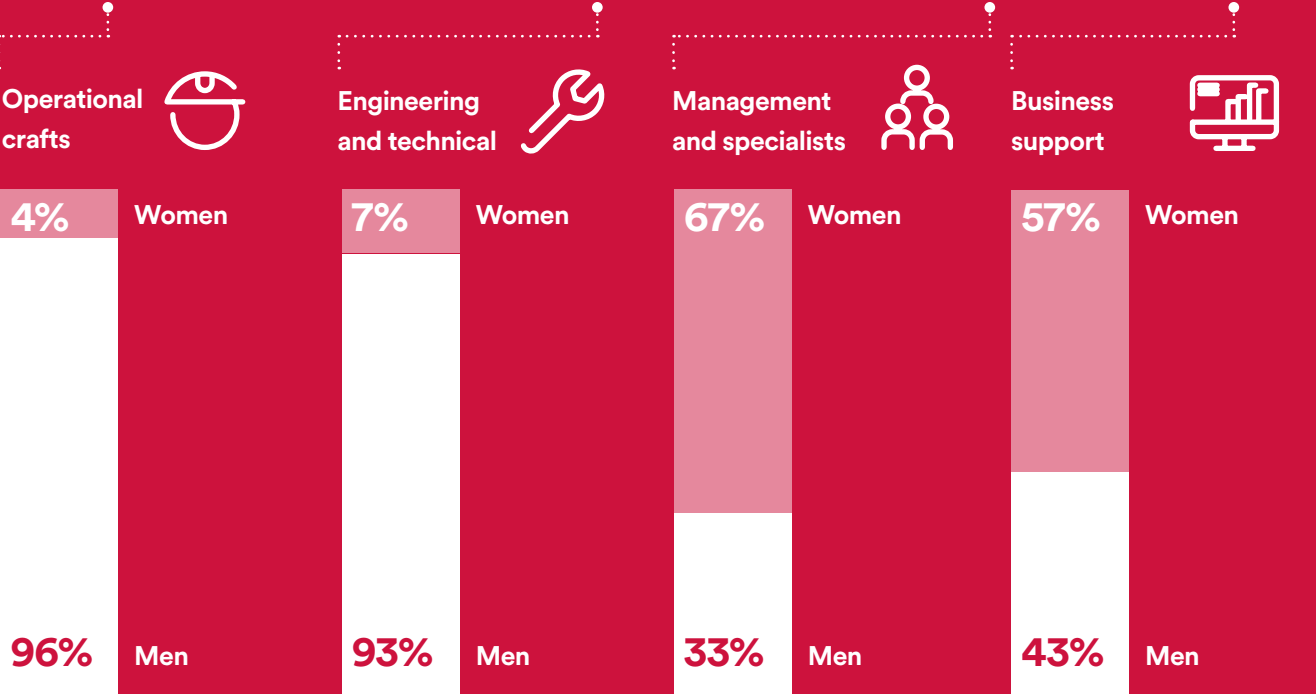
Driving leadership accountability



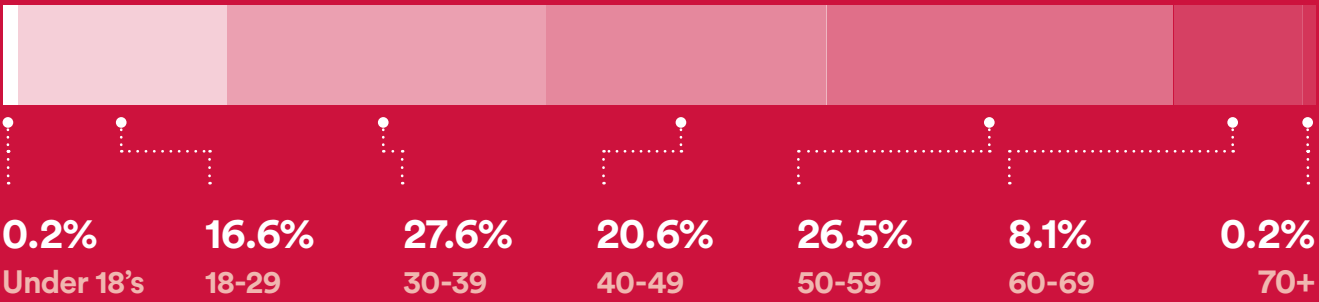
# Our workforce

## Our workforce today

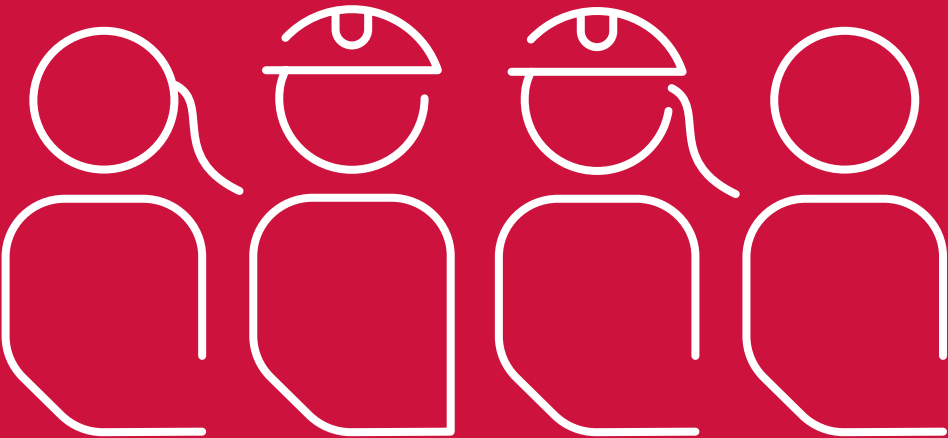
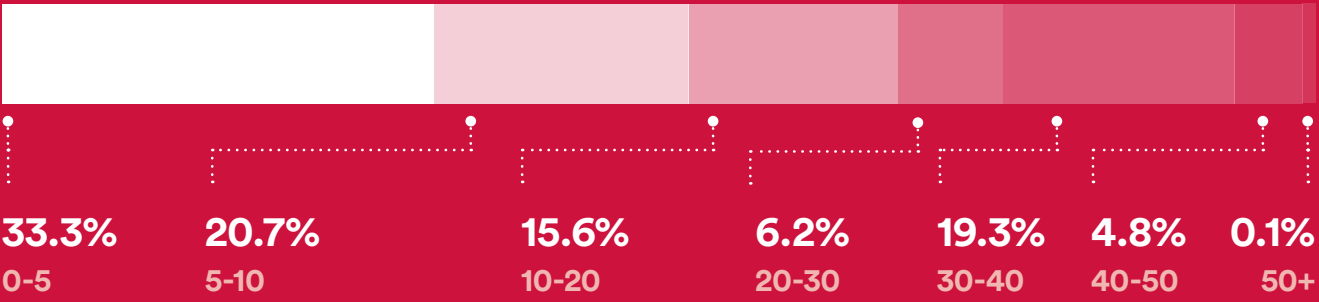
### Our workforce



### Age groups



### Length of service (years)



# Our workforce

## Our workforce today

### Gender pay gap

Each year, in line with government requirements for companies our size, we publish our Gender Pay Gap, which shows the difference between the average earnings of men and women at Northern Powergrid.

In the 12 months between April 2021 and 2022 we saw a slight increase of 0.2% in our gender pay gap, which was largely a result of the timing of a new pay deal for colleagues being secured after April 2022.

Our gender pay gap continues to reflect the balance of men and women in our business and the roles they carry out; it's not about pay equality. The proportion of men in the traditionally higher-paid technical and engineering roles, which make up the majority of our workforce, has a significant impact on gender pay.

Our DEI plan prioritises attracting women to apply for these types of roles; as new entrants to the energy sector or by switching roles within Northern Powergrid. With over 1,000 new job opportunities being created by 2028 there is great potential for us to reduce our gender pay gap.



We have transparent and equal pay scales and competency frameworks for collectively bargained groups of colleagues

	2022	2021	Movement
Mean pay	24.5%	24.3%	+ 0.2%
Mean bonus	40.6%	39.1%	+ 1.5%
Median pay	31.4%	29.3%	+ 2.1%
Median bonus	-7.2%	0%	- 7.2%



Pay equality - if you do the same job, you are paid the same



### A highly skilled and experienced workforce...

80% of our total workforce (over 1,900 people) are men. In the Operational Craft, Engineering and Technical roles that grows to over 94%, on average.

Combined with long lengths of service, we have typically had low turnover rates in these roles with people often spending their entire career at Northern Powergrid.

Those joining in Operational Craft, Engineering and Technical roles on our Ofsted Outstanding-rated apprenticeship programme and structured development programmes tend to stay for many years. As workforce trends change in the UK and new generations join us we have seen the average length of service drop in Business Support, Management and Specialist roles.

### ...and lots of new skills and job opportunities in the future

The UK's net zero ambitions through decarbonisation of the energy sector bring lots of opportunity for the growth of **green jobs** in our region. For us that means more opportunities in:

- Smart grids
- Smart technology
- Forecasting and planning
- Data science
- System design
- Innovation and system development

Other skills that are becoming increasingly important in how we deliver a 24/7/365 service for customers are data, digital, customer service and commercial.

We hope that the broad range of roles and career paths on offer at Northern Powergrid coupled with our vital role in addressing climate change and reducing carbon emissions will attract more, diverse groups of people to want to work for us.

We will be expanding the range of structured career development programmes we offer into other parts of our business.



Minister for Skills, Apprenticeships and Higher Education, Rt Hon Robert Halfon MP, visits our Swillington training centre



# Our objectives

Opening up opportunities and creating space for all

## Diversity, Equity & Inclusion Objectives



### Diverse workforce

Build a workforce with more varied backgrounds, perspectives and experiences to enhance our performance and contribution to the region and its people



### Diverse skills

Bring in and develop the diverse skills required to deliver our current and future business needs



### Inclusive workplace

Open up the way we work to create a more flexible, inclusive and equitable workplace where there is space for everyone, so our people feel valued, confident and can thrive, and a greater range of talent wants to join and stay

Our DEI objectives have not changed. A diverse workforce with diverse skills in a workplace where everybody feels valued, included and able to share their ideas and thoughts, knowing their voices will be heard will make us a stronger, high-performing business.

These objectives guide our approach to DEI and ultimately help to create a better experience for all colleagues from all backgrounds in the pursuit of equity.




# Our objectives

Meeting our objectives


The actions we'll take this year build on our approach from 2022. We have refined our five *priority areas of action* to reflect the focus for this year, which will continue to evolve over time as we mature in all aspects of DEI.

## Our priority areas of action




### Increasing awareness

Establish effective ways for colleagues to engage directly in DEI activities and encourage them to take positive action through ongoing training, support and recognition of their contributions




### Opening up the workplace

Adapt our ways of working to embrace agile working and offer an inclusive benefits package




### Creating opportunities

Maximise business growth by providing career and development opportunities that attract and retain high quality people from a diverse range of backgrounds



### Measuring and learning

Increase the breadth and depth of workforce data and our capabilities to generate meaningful insights that drive positive action



### Driving leadership accountability

Embed DEI into our leadership and performance management frameworks and maintain a relentless focus on the role of all leaders in demonstrating inclusive behaviours

## Priorities that respond to the views of our colleagues

In November 2022 all colleagues were invited to share their experiences of working at Northern Powergrid in our first ever DEI Survey. More than 700 people took part and the results of that have helped to shape our plan for this year. We will continue to listen to colleague views on what matters to them as our plan evolves.

Our survey used an index to measure inclusion based on the colleague responses to questions linked to **belonging, impartiality and opportunity**. We benchmark similar to other companies in the energy sector and the actions in our plan aim to improve the level of inclusion colleagues feel within Northern Powergrid.

## What drives inclusion?

- **Belonging**  
Accepting and respecting all
- **Impartiality**  
Ensuring full contribution to success
- **Opportunity**  
Providing equal access to what is valued



## Top insights from our colleagues

Driving leadership accountability was ranked the highest priority action area

Senior leadership support for DEI is the top driver of inclusion

Colleagues feel that fair and transparent performance evaluation helps to build trust

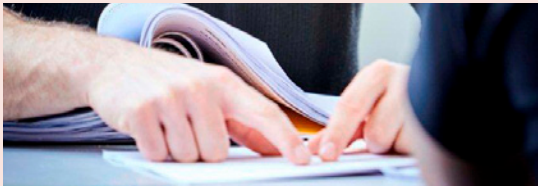
Colleagues want to be more involved in change that affects them and be able to have their say

# Increasing awareness



## 2022 highlights

- Launch and promotion of our first DEI Plan
- All colleagues completed Unconscious Bias training
- All office-based colleagues sat face-to-face Equipping Bystanders training
- Onboarding training for new joiners now includes DEI modules
- Series of activities run during Pride month



## Priorities in 2023

- Establish a network of DEI representatives and Employee Resource Groups (ERGs)
- Elevate our programme of DEI communications and engagement opportunities
- Increase external awareness of our DEI activities and promote colleague stories



## Insights from our colleague survey

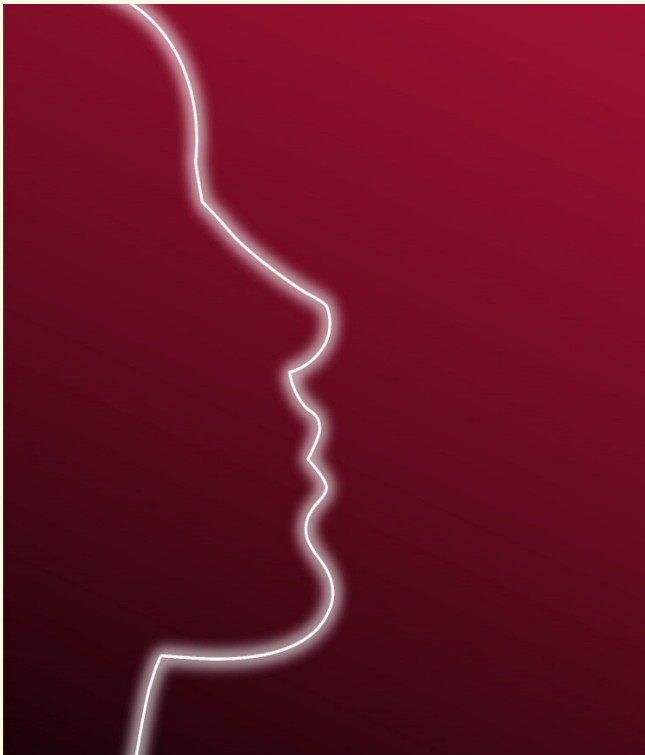


79% agree

People treat each other with dignity and respect regardless of their personal identities



Recognise and reward colleague achievements



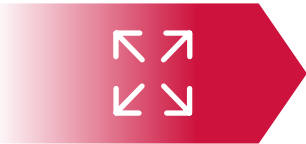
79% agree

Everyone has the same opportunity to advance



Inclusion should extend to those with mental and neuro differences

# Opening up the workplace



## 2022 highlights

- Introduced Agile Working for over 60% of colleagues, where remote working is possible
- Revised job specifications for relevant roles to remove mandatory qualification requirements
- Simplified our Flexible Working Policy and aligned it to Agile Working



## Priorities in 2023

- Re-confirm details of existing colleague benefits and assess options for updating our packages
- Provide tools and materials to support collaborative working remotely and in-person to maximise the benefits of Agile Working

Also see related actions in 'Creating Opportunities' and 'Measuring and Learning'.



## Insights from our colleague survey



75% agree

Everyone has access to supporting resources they need, regardless of personal identity



Provide a wider range of colleague benefit options



66% agree

I am confident that I can achieve any goal I set for myself



Provide more opportunities for colleagues to share ideas, opinions and influence decision making



# Creating opportunities



2022 highlights

- Expanded our use of non-academic assessments in recruitment processes
- Enhanced our partnerships with local colleges and universities to promote STEM careers
- Upgraded material for recruitment and promotion to appeal to more diverse candidates

Priorities in 2023

- Develop strategic partnerships with educational institutes and community organisations to support recruitment activity for underrepresented groups
- Develop specific recruitment strategies for each priority underrepresented group
- Enhance key stages of our internal and external recruitment processes to remove any potential unconscious biases and drive a more inclusive experience for candidates

Insights from our colleague survey

**81% agree**

In our team, we give each other a fair chance to demonstrate our talent and capabilities

Invest more in upskilling and enhance the Personal Development process

**66% agree**

Everyone has the same opportunity to advance regardless of personal identity

Dedicate more time to performance management, development and informal opportunities such as shadowing and mentoring

# Measuring and learning



2022 highlights

- Quarterly shareholder reports on workforce demographics and progress made
- Completed our first ever DEI colleague survey, with over 700 responses
- Increased data collection in early recruitment stages for some roles

Priorities in 2023

- Run a self-identification campaign for colleagues to provide demographic data
- Enhance capabilities for workforce analytics and insights to drive improvement actions
- Enhance the way we listen to colleague views and opinions by providing regular opportunities to have a say with pulse surveys and involvement in change activity
- Work with industry groups, and beyond, to establish best practices and identify areas for collaboration

Insights from our colleague survey

**79% agree**

People treat each other with dignity and respect regardless of their personal identities

Provide regular opportunities for colleagues to share ideas and opinions, to influence decision making

Recognise and act on other groups of people who may have different requirements to feel included



# Driving leadership accountability



## 2022 highlights

- Multiple executive and Senior Leadership DEI workshops
- First stage of updating leadership framework to incorporate inclusive behaviours
- Executive-sponsored and board-governed DEI programme



## Priorities in 2023

- Update our performance management framework to include clear accountabilities for colleagues to demonstrate inclusive behaviours and promote an inclusive culture
- Refresh and reinforce our Change Management Methodology to include consultation and communication with impacted colleagues
- Provide training and materials that support Continuous Improvement activities within teams and empower people to share ideas



## Insights from our colleague survey



**74%**  
agree

In our team, we get to know one another before forming opinions about each other's performance



Greater visibility of senior management and better two-way communication in down lines



**67%**  
agree

Senior leadership supports equality of opportunity



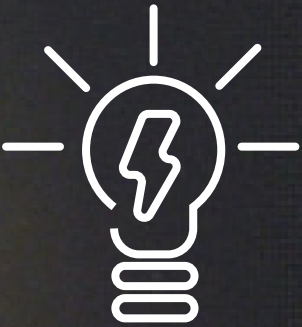
Better cross-company collaboration to build stronger working relationships and encourage difference of thinking and approach to problem solving

“Improving Diversity, Equity and Inclusion at Northern Powergrid is everyone's business”





# Measuring success



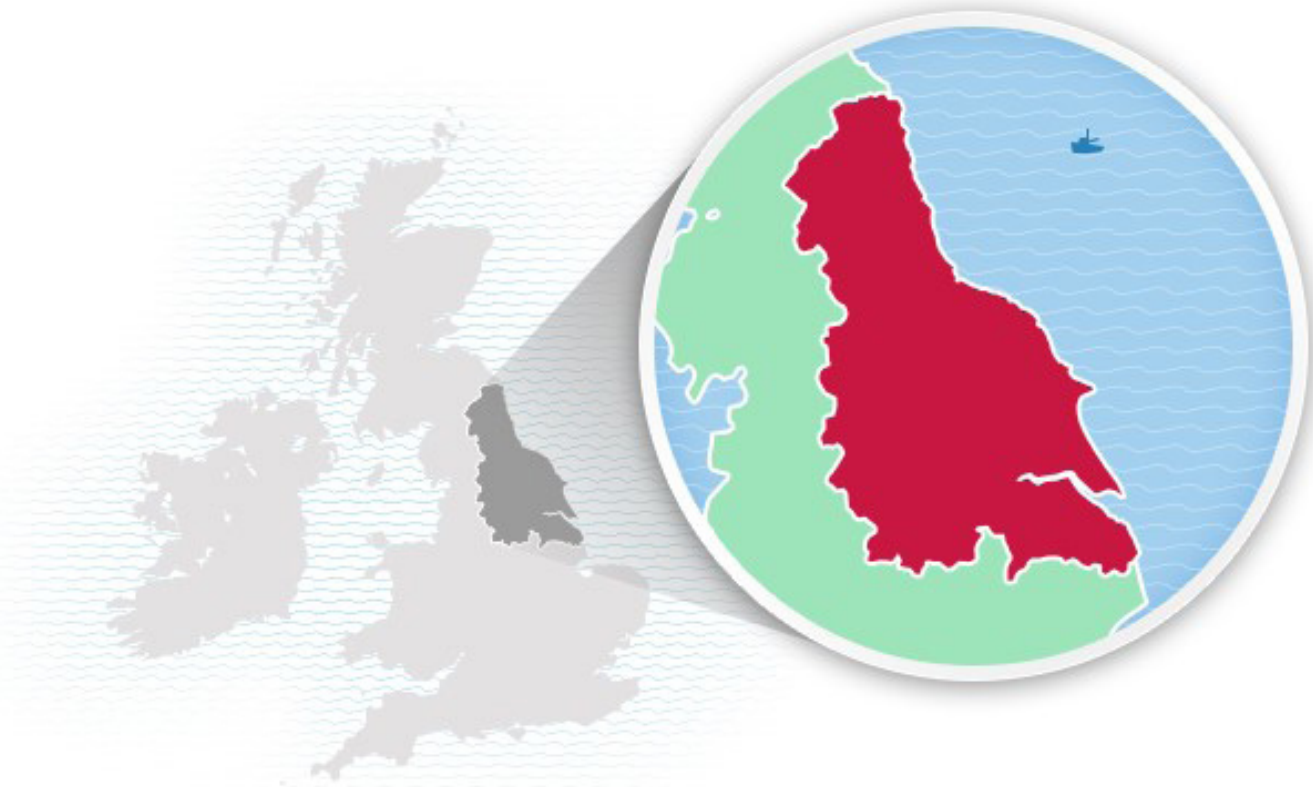
**We are working on fully defining how we measure the impact of our actions on our DEI objectives and this is a key priority for us.**

Greater insight will enable us to drive transparency, accountability and continuous improvement, which will inform robust decision making and ensure we are placing focus in the right places at the right time.

Improving access to, and quality of, robust employee and potential employee data is key to this, where colleagues trust us to use their personal data for good.

Alongside this, we will track the outputs and outcomes of the actions we have set out to complete across our DEI priority areas.

*For example, participation and activities in our ERGs, completion rates and colleague feedback on DEI training, and the number and range of DEI colleague engagement campaigns.*



# Learning from and working with others

The energy sector is not alone in its ambition to increase diversity and inclusion and there are many organisations that facilitate collaboration and good-practice sharing.

**We are actively engaged in a number of groups to learn from the success of others and collaborate on actions, including:**

Energy Networks Association (ENA)

Tackling Inclusion and Diversity in Energy (TIDE) Taskforce

Energy & Utilities Skills

Confederation of British Industry (CBI)

Women into Science and Engineering (WISE)



Northern Powergrid enjoys being part of the Berkshire Hathaway Energy (BHE) group of companies, headquartered in the USA. With a dedicated Chief Diversity Officer, the drive and commitment for proactive action to improve DEI comes from the top.

The community of colleagues from more than 10 BHE companies champions DEI best-practice and progress on a day-to-day basis. We have access to valuable shared resources and knowledge that support our actions, provides a shared sense of direction and opens up opportunities for our colleagues to build their diverse networks beyond the UK.



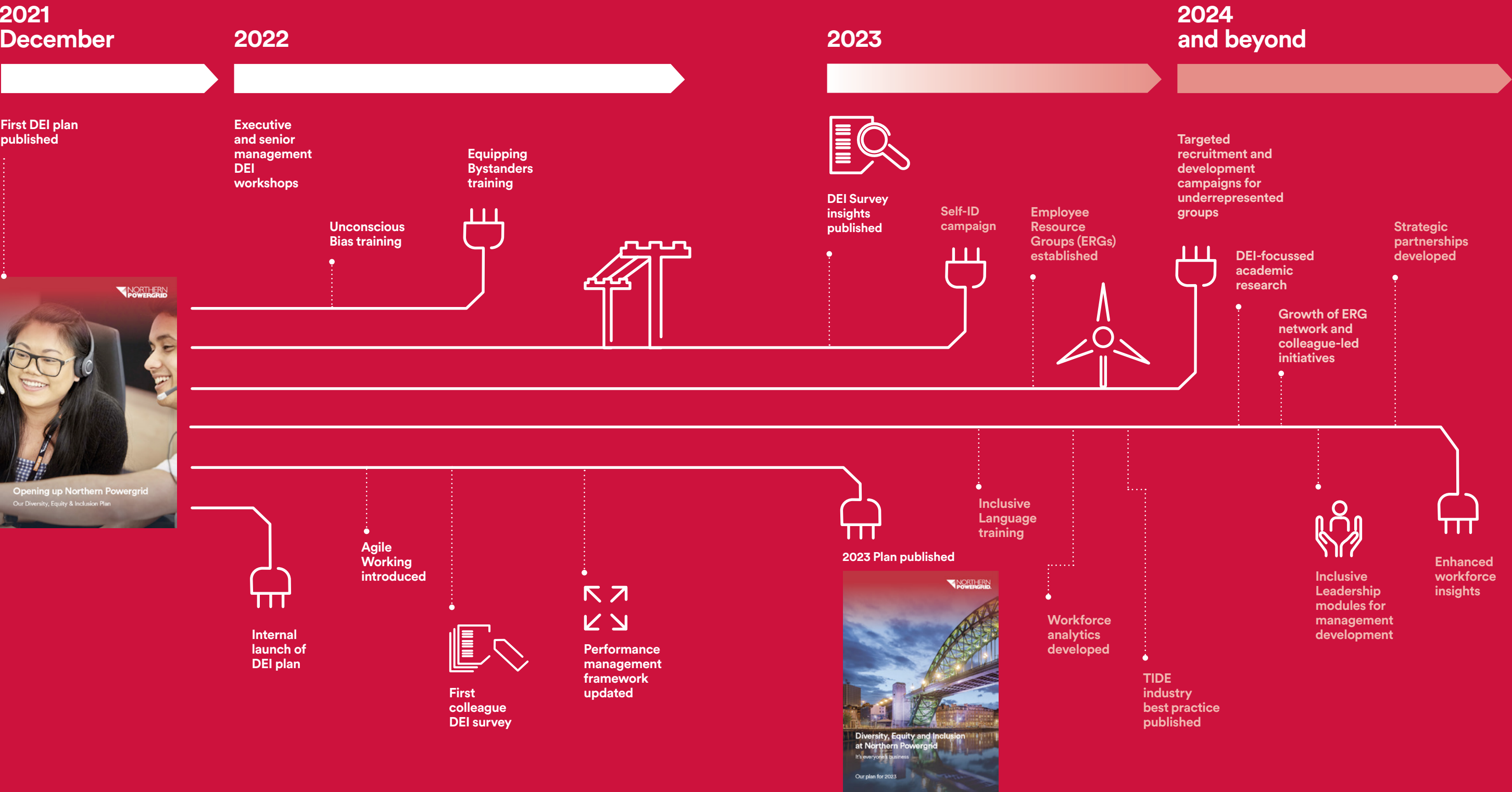


# Evolving Northern Powergrid

## Building a more diverse and inclusive organisation

Improving Diversity, Equity and Inclusion at Northern Powergrid is everyone's business. We all have a part to play and we want to be considered, by all, as a company where anyone can succeed no matter of background.

Our plans will evolve over time as we mature our approach and respond to the changing priorities of our colleagues and our business.





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