

POWERful

WOMEN



*Positive steps
towards gender
balance*

ENERGY LEADERS' COALITION

First anniversary report May 2019



FOREWORD

Our energy sector is changing. As we decarbonise and digitalise to shift to a smarter, cleaner, more secure energy system, we will need the very best talent and innovation available. And the people in our industry, from the bottom to the top, have to reflect the diversity of the UK energy consumers it serves. Statistics continue to show that there are far too few women in senior roles in the energy sector. So transforming our energy system means transforming the workforce too.

For this reason, I applaud the work of POWERful Women and the formation of the Energy Leaders' Coalition, eight CEOs who are showing strong leadership on diversity and inclusion, and who see the value of actively including women in the energy transition. I welcome what they have done in their first year and their plans for year two - really starting to shift the dial on gender diversity; and I would urge others to follow. We are facing a skills shortage at a time of transformation. Business leadership on this issue is essential - for women and for a future-proofed and successful UK energy sector.

- **Claire Perry, Minister of State for Energy and Clean Growth**

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A strong theme emerging is the need to shift 'from unconscious bias to conscious inclusion'.



Introduction

A year ago, the leaders of eight of the UK's top energy companies – competitors who between them represent 56,000 employees – came together to address an issue that matters to them: gender balance. Why? Because the energy sector is facing an unprecedented transformation - into a smarter, more flexible, low carbon energy system with new customer expectations – and these business leaders know that the sector faces a skills gap and that they need the very best people to meet the challenges ahead. They no longer want to miss out on a significant pool of female talent and expertise.

For the Energy Leaders' Coalition, addressing inequality is not just the right thing to do. It makes business sense too. They have taken note of the evidence that better balance translates into better performance. Their public commitment, therefore, to increasing the number of women leading and managing their organisations should be applauded. They are prepared to learn, share and celebrate their journeys to success and they want others to follow.

So what has the ELC done over the past twelve months since its inception?

As a first step, their work has focussed on identifying the barriers to gender balance. The conclusions of that piece of research, in **Chapter 1**, offer an illuminating insight into internal obstacles and where the future focus of action needs to be. A strong theme emerging is the need to shift 'from unconscious bias to conscious inclusion'.

In **Chapter 2** we showcase some of the good work these companies are already doing to overcome these barriers, and the women that are benefiting directly from the policies and practices. Some fascinating case studies illustrate progress on, for example, tackling bias during recruitment and how best to facilitate flexible working. By demonstrating 'what good looks like' in leadership and workplace culture, we hope these examples can inspire others in the sector to act.

However, each of these leaders also knows that this is just the beginning. The scale of the challenge to achieve gender balance means there is much more to learn and significant work to be done. In the last chapter, **Chapter 3**, we look to the future - to these leaders' desire for continued collaboration and their plans for year two of the Coalition. Their determination to shift the dial on gender balance in the UK energy sector is clear and will, we believe, make a real difference.

Ruth Cairnie
Chair of POWERful Women

Louise Kingham OBE FEI
Chief Executive, Energy Institute
and POWERful Women Board Member

The Energy Leaders' Coalition's first year | Identifying the barriers to gender balance

Who we are

The Energy Leaders' Coalition was launched in May 2018 on the eve of POWERful Women's first annual conference. At that conference statistics would be published showing that progress towards achieving gender balance at the top of the UK energy sector remained painfully slow.

- » Women were still occupying only 13% of board seats
- » Women were still occupying only 6% of executive board seats
- » Half the companies had no women on their boards at all.

It was against this backdrop that the Energy Leaders' Coalition was formed. The eight CEOs and MDs - from EDF Energy, Good Energy, innogy, National Grid, Ørsted, ScottishPower, Shell and SSE – were already signed up to the goals of POWERful Women: to see 30% of executive board roles and 40% of middle management roles in the UK energy sector filled by women by 2030.

But targets are not enough. These leaders wanted to make a strong public commitment to practical action to move things forward within their own organisations and across the energy sector as a whole. And, acting as Ambassadors for change, their leadership would also aim to encourage and support others in the sector, by demonstrating the tangible benefits to business. With a looming skills gap and the challenge and opportunities of the energy transition, they know taking these steps makes sense.

By coming together, ELC CEOs will accelerate progress for better balance in the sector, making 'good' visible, tackling big barriers, and sharing real solutions. For lasting change our people can see.



Simone Rossi
Chief Executive,
EDF Energy



Juliet Davenport
Chief Executive,
Good Energy



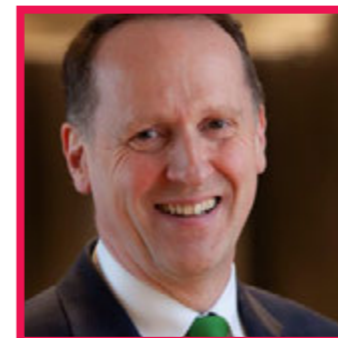
Paul Cowling
Managing Director,
innogy Renewables UK



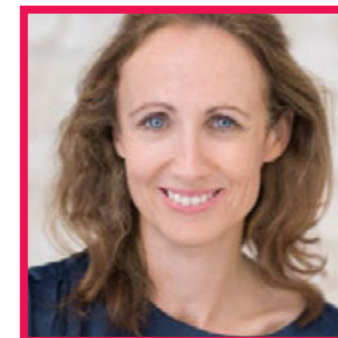
John Pettigrew
Chief Executive,
National Grid



Matthew Wright
Managing Director UK,
Ørsted



Keith Anderson
Chief Executive,
ScottishPower



Sinead Lynch
UK Country Chair,
Shell UK



Alistair Phillips-Davies
Chief Executive,
SSE

A clear and sincere commitment

The POWERful Women Energy Leaders' Coalition was established as a forum where those driving improved business performance through better gender balance in their organisations can learn from each other, exchange ideas and take a lead on this important part of business transformation.

As a member of the Coalition, the eight business leaders:

- » Demonstrate their commitment to improving better balance at the top and within their management, sending the message that the status quo isn't good enough
- » Articulate specific reasons why increased gender diversity will drive better performance in their company
- » Make a public declaration about what their organisation wishes to achieve and by when
- » Recognise their personal role in driving change, acting as an Ambassador
- » Make a plan and commit to resource it, reporting progress externally annually
- » Share stories and gather evidence of what works, what doesn't and what 'great' looks like
- » Look for ways to accelerate change in the sector, to facilitate their own company's goals
- » Commit to engage two peer CEOs to make similar commitments.

In return, Coalition leaders:

- » Lead by example, being honest about the fact there is much more to be done
- » Attract talent that might not otherwise be looking to their organisation
- » Are themselves mentored
- » Help each other to break down internal barriers to progress, utilising what they share
- » Give their organisations competitive advantage
- » Improve the public perception of their organisation and the sector
- » Are supported to drive sustained culture change.

*All eight CEOs recognise that they are at different stages of the journey to meeting government and industry targets – some have made good progress but all are honest that they have a way to go and would benefit from the experience and support of their fellow CEOs. **What unites them is a commitment to drive change.***

Why gender balance is better for business

The ELC recognises that there is a rich pool of talented women in the sector who can make a significant contribution to the growth of their own businesses and to the transformation of the UK's energy sector, to meet the challenges and opportunities of the coming decades.

Research consistently shows that greater diversity leads to better business performance, better decision-making and better corporate governance and ethics.

Different perspectives and experiences prevent 'group think' and bring new thinking and innovation¹, essential for the energy transition. A recent survey by Boston Consulting Group showed that companies with above-average diversity on their management teams report 19% higher innovation revenue than those with below-average diversity.²

Women's board representation is also positively associated with CSR and social reputation³. And just one female on the board cuts the risk of going bust by 20%⁴.



"Ørsted joined the Energy Leaders' Coalition because we want to influence positive change on diversity and inclusion within our industry. We also want to identify and adopt best practice within our business so we continue to attract the best minds to help us with the fight against climate change. We need people that will challenge the status quo, bring new ideas to the table and inspire others to do the same; we can't do that without diversity."

Matthew Wright,
Managing Director, Ørsted UK

Progress so far - the work of the ELC in its first year

Over the past twelve months since its launch, the ELC has met regularly to review progress, share evidence of what is working and what isn't, and plan actions to improve.

Each of the ELC companies has already been implementing its own successful internal initiatives on diversity and inclusion – and we tell some of these stories of 'what good looks like' in Chapter 2.

But they all recognise that making significant progress means first understanding *why* it's not happening - what are the current barriers to achieving gender balance within their own organisations?

A recent report by Boston Consulting Group, 'Fixing the Flawed Approach to Diversity'⁹, revealed how important it is to get it right, that leaders' commitment and gut instinct is not enough – companies need to choose the programs that make the most difference and yield real results in removing obstacles.

So the Coalition's first major piece of work has been research-focussed - to identify these barriers and consider the challenges.



IMPROVING PERFORMANCE

50%

50% **higher profitability** where women make up at least 15% of senior managers compared to less than 10%⁵

21%

21% more likely to achieve **above-average profitability** if companies are in the top quartile for diversity on their executive teams⁶

3.1%

3.1% **excess annual returns** in companies with at least one female director compared to an all-male board⁷

66%

66% **higher return on capital** for companies with the most women on a board compared to the least⁸



For this research, each of the ELC companies were asked to address three questions:

1

What are the top three barriers inside your organisation to achieving gender balance at the top of the organisation and in the management pipeline?

In the companies' responses, the three most quoted internal barriers to achieving gender balance were:

1. **A lack of ambition, targets and metrics**
Some specifics noted by contributors were: an absence of an external stance on targets to unite the company; the need for metrics and measurements for management, combined with consequences if targets weren't achieved; and a lack of belief in the words of the business leadership because actions weren't seen or understood.
2. **A lack of visible senior female role models**
Insufficient support for flexible working in senior roles was cited as a factor in this. There was, however, also recognition that more women were starting to request part-time working, reflecting general workforce trends for flexibility.
3. **Systemic unconscious bias**
This was identified as a key barrier to be overcome by many of the contributors and has prompted the ELC's focus on 'conscious inclusion'. Contributors highlighted unconscious bias in organisational systems, language and processes from the point of recruitment all the way through the development of employees' careers.

2

In your view what would accelerate positive improvement against each of the barriers you identify?

When it came to addressing these barriers, the ELC concluded that the following three actions would be most effective.

1. **Leadership and targets**
Leading from the front is important. This means stating your ambition publicly, setting targets and holding people to account. Targets should be set at a range of levels, including when identifying high talent and for succession planning. It was also felt that sharing the good work a company is doing is important for providing positive role models for women inside and outside the company.
2. **More senior female role models**
To address the lack of visible women demonstrating inclusivity at the top, there was strong support for flexible working opportunities and progressive family policies being 'lived' by senior people - men and women - across all parts of the organisation. This would help make work-life balance more conspicuous and normalised.

The way roles are constructed and designed also needs attention, so that they work for all those who need flexibility: caregivers, mothers, fathers, students and volunteers.

Senior female role models can also benefit aspiring women through sponsorship and mentoring, and through illustrating career routes.

3

In your experience are the barriers you identify specific to the energy sector or not?

Does the UK energy sector have a specific problem?

The vast majority of the contributors believed that almost all barriers were not specific to the energy sector. However, there were two issues that make removing the barriers more challenging.

Firstly, the traditional reliance on STEM skills (science, technology, engineering and maths) for entering the industry. Women make up a minority of the UK's STEM workforce. A very low percentage of engineering professionals, for example, are women. Because we aren't getting equal numbers of women and men coming into the sector through the STEM route, we aren't seeing the progression stories or the senior role models in the volume that we need.

Secondly, given the bias towards men with these skills sets, over time organisational culture in the energy sector has also become male dominated and so may not appeal to other less well represented groups.

3. **Designing out unconscious bias**

The ELC identified a range of practical actions to address unconscious bias in their systems and processes, in order to identify talent at all levels and move to 'conscious inclusion'.

These included:

- » Changing the language used in recruitment advertising
- » Changing where they search for talent externally
- » Introducing blind screening, mixed panel interviews and diverse shortlists
- » Providing unconscious bias training and supporting line managers to create inclusive habits
- » Ensuring fair processes for identifying talent at all levels internally and for all role functions and allowing women to self-nominate
- » Reviewing and monitoring recruitment outcomes.

"An inclusive culture starts at the top and action is as important as what we say as leaders. Our behaviour and that of other decision makers needs to be held to account for real change to happen"

ELC barriers research

2

CHAPTER

Leadership in practice:
actions to break down barriers
and the people who are benefiting



A. TACKLING UNCONSCIOUS BIAS



A systemic approach to becoming consciously inclusive

From a series of well-intended diversity initiatives in 2014, SSE now has a considered plan to build a culture of inclusive behaviour, using targets and a forensic level review of all processes, from before people join to when they leave.

They carry out innovative 'Annual Return on Inclusion' research, supported by inclusion specialists Equal Approach. This has ensured that all efforts to build a more diverse workforce are focused on activities that are known to offer the best return.

The result? In 2017 for every £1 spent on diversity, SSE saw a return on investment of £4.52. By 2018 this had risen to £7.51 and by 2020 they are targeting this at £15.

A central Inclusion & Diversity strategy is supported by I&D working groups in each business unit with clear sets of asks. Practical activities to tackle unconscious bias and improve inclusivity cover recruitment, talent selection and development, and workplace practices, such as flexible working.

For example, in its recruitment process, SSE builds inclusive prompts into role profile templates so that hiring managers are nudged to think differently and to expand their thinking on what skillsets are really needed. And inclusive hiring training is mandatory for managers. SSE is clear that increasing the number of female candidates applying for roles will reap the best results.

When it comes to talent selection and developing female employees, SSE's current focus is on offering self-nomination for talent programmes and providing clarity on the objective criteria for selection.

SSE trusts that by building an inclusive culture, the diversity will come. The impending skills shortage underpins the need to attract as broad a pool of talent as possible.

The 4Ds of Diversity:
SSE believes that greater **Diversity** leads to broader **Debate**, which in turn leads to better **Decisions** that result in better business **Delivery**



A focus on unconscious bias in recruitment

Over the last year, ScottishPower has worked tirelessly to embed new approaches that consciously reduce gender bias across recruitment and selection, line management and frontline leadership.

The focus is on two core areas: training to upskill managers and tackling unconscious bias during recruitment.

In 2018, more than 140 senior managers throughout the business received unconscious bias training to increase their awareness of the issue and give them the tools to overcome it. From now on no manager in the business can recruit without completing this training and new line managers receive tailored training.

Both bespoke programmes use thought-provoking, interactive techniques to provide insight on how traditional thought processes can limit diversity and inclusion. There is also a focus on the business benefits of addressing unconscious bias - organisations improve their chances of recruiting the best candidate for the job. ScottishPower will continue to roll out the training this year, working hard to remove biases from all HR processes.

Alongside this innovative training programme, ScottishPower has implemented changes to how it advertises, shortlists and interviews candidates to reduce gender bias.

Following a pilot in 2018, ScottishPower has compiled guidance for managers on gender-balanced recruitment. Its 'Inclusive Recruitment Principles: SPR Commitment' covers training, advertising, "happy to talk flexible working" statements, and gender-balanced shortlists and interview panels.

An extensive review of job advertising practices, for example, led to the introduction of gender-neutral adverts. This involved using a gender decoder tool on adverts, then removing gender-specific terminology and ensuring messaging and imagery represents a wider range of people. The inclusive recruitment principles will be applied, for the first time, to the ScottishPower Renewables Offshore Recruitment Campaign, which aims to fill 64 roles in 2019.

"As a woman in engineering, I didn't think I had any unconscious bias, but the training has opened my eyes to how I think in different situations and given me the awareness to overcome it. I've also felt the benefits in situations other than just recruiting. By training both our recruiting managers and line managers, we are improving our workforce of the future and also supporting our existing diverse workforce to be the best they can be."

Nia Lowe,
Strategic Workforce
Renewal Manager





Inclusive behaviour in the everyday

SSE has learned that one of the key enablers to increase diversity is the ability to work flexibly and, moreover, to encourage this at every level in the organisation. This is why the number of job adverts that promote “happy to talk flexible working” is now a statistic that is tracked quarterly by SSE leadership teams – reinforcing with leaders that it’s commitment to inclusive behaviour in the everyday that will drive systemic change.

Much work has been done to encourage more uptake of agile working practices. This has required investment in the work environment to create more collaborative working areas; the introduction of Skype so you feel like you are in the room with people without the need to travel; and the introduction of a clear set of guidelines on what working differently can mean, covering different start and end times, working from home and compressed hours.

SSE is seeing a year on year increase in the number of people who are working differently. Liz Tanner, SSE’s General Counsel and one of SSE’s most senior women, enjoys the benefits of working differently and is a role model of how this is possible at the most senior level.



“The ability to work flexibly is of real value to me and has materially influenced not only my decision to progress my career with SSE but positively impacts my ability to deliver some of the challenges in my current role.”

Liz Tanner, General Counsel



Alistair Phillips-Davies, SSE CEO, supports the move to working in a more agile way: **“We know that the engagement level of the 44% of employees who take the opportunity to work differently is 16% higher than those that don’t. What leader would not want to increase engagement in their team by that amount?”**



The Leaders Plus programme – supporting parents back to work

The Leaders Plus initiative is an award-winning programme designed to support talented individuals to stay on the leadership pipeline and continue to develop their careers while enjoying a young family.

The one-year programme offers high quality training, mentoring, peer support and access to inspiring role models. It is a positive movement for change so that new parents can thrive in leadership roles.

In 2018, Ørsted sponsored three participants in the programme as part of its commitment to diversity, inclusion and flexible working. The nomination process for this year is currently under way and Ørsted hopes to secure up to three further places for the 2019 programme, starting in June. Ørsted is equally supportive of men and women attending the programme and participants may be expecting a child, on any form of parental or maternity leave or may have returned to work in the past two years.

One of the women who has benefited from the Leaders Plus programme is Kirsty Townsend, Head of Operations Support within Ørsted's Offshore division, a role she was appointed to while on maternity leave. Through the programme, Kirsty explored her own biases and assumptions around being an ambitious working parent. One area where she has set herself guidelines is around a more flexible way of working. For example, she typically works from home immediately before or after travel and manages her diary so that she can collect her child early from nursery three days a week.

"I openly discuss my ongoing challenges with work life balance, and my team and peers help me to make good sustainable choices and to be a role model as a parent. You do not need to have children to strive for flexible working and to be a role model, but for me having my baby son was the push to finally get the balance right."

"The Leaders Plus programme empowered me to apply for a more senior role. Although I didn't get that particular position, the interview and subsequent conversations were key enablers to other opportunities, such as finding a fantastic mentor. In turn, the programme has pushed me to support others in a mentoring capacity, and I now mentor four people outside of my department".

Kirsty Townsend, Head of Operations Support, Offshore Division



Gabriel Davies is Senior Programme Asset Manager for Ørsted's Hornsea Two project – the world's biggest offshore wind farm under construction – and is part of the project's Programme Leadership Team.

Under the Leaders Plus programme, Gabriel was promoted to a line management role two days after going on maternity leave with her second child, and was then made a senior manager shortly after returning to work.

Gabriel typically works at home two days a week so that she can drop off and collect her two children, and also finishes early on a Friday to pick up her daughter directly from school. Gabriel has been given great support from the Hornsea Two team to work flexibly and to talk openly about her home life while in the office.



"The Leaders Plus programme has given me the confidence to work full time and the assurance that I don't have to choose between pursuing a leadership career and being a good parent – I can do both. The programme also connected me with an inspiring mentor who lifts me up when I doubt myself and encourages me to seek development opportunities I might previously have not considered."

"I'm open about my home life when at work and do not shy away from talking about the challenges, and joys, of combining a fulfilling and exciting career with parenting two small children. I also talk to my kids about what I do, and my five-year-old proudly tells people that her mummy goes to work to make money and electricity!"

Gabriel Davies, Senior Programme Asset Manager, Hornsea Two





Family friendly at the forefront

innogy has recognised that a basic cause of gender imbalance within organisations stems from the design of the job and the application process, with the number of men applying for roles often far outnumbering women, even when the roles are not STEM related.

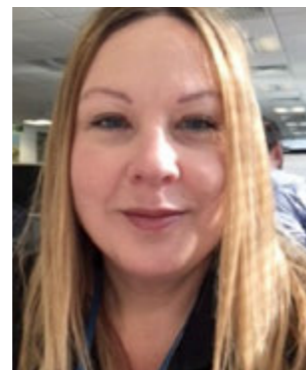
It was realised that this was in part due to the way jobs were defined in the recruitment advertisements, appearing to be inflexible and not family friendly. To combat this, innogy has introduced standards to ensure that all external vacancies specify the benefits that may appeal to women including: agile and flexible working, carer community, childcare vouchers and additional annual leave purchase.

In advance of the advertising process, the resourcing engagement will include questions to the manager about the role itself to find out whether it has the potential to be flexible and offer agile working. The idea is to entice more women to apply for roles, rather than viewing the advertisement and feeling the structure of the position would make it unsuitable for someone that needs to work part-time, in a job-share, from home or have other options for flexibility.

Once applications have been received, innogy's revised selection processes state, for example, that executive shortlists must include at least one female. The company is also reviewing resourcing guidance to signpost best practice and identify unconscious bias within recruitment decision-making.

"The new approach to recruitment has had a positive impact on the number of applications being submitted by women. This is an ongoing process and there is still work to do, including the need to gather enough data to measure the impact, but we are aware of the need to make both the roles and the way they are advertised far more attractive to women and remove any unconscious barriers to application."

Lisa Phillips,
Innogy Resourcing Specialist.



Shell UK reviews and reaffirms its commitment to flexible working

Attracting and retaining the best people is essential for Shell to lead the way in the energy transition. Supporting flexible working arrangements is a key way of doing this, and one of the 2019 priorities for Shell's UK senior leadership team. External research has shown that company support for flexible working arrangements can dramatically improve employee engagement and drive better business results. Feedback from Shell employees in the UK, however, demonstrated there was a certain level of confusion about the company's policies, as well a lack of consistency in their application.

That is why, in early 2019, Shell both reviewed and reaffirmed its commitment to flexible working in the UK.

Timewise, a leading independent expert in flexible working arrangements, was invited in to review Shell's policies, practices, and perceptions. Their recommendations were taken on board and materials, such as an interactive toolkit to explore flexible work options, were developed.

Real stories of Shell employees with flexible working arrangements were showcased to demonstrate both the company's commitment to flexible working and to show employees how it can work in practice. Shell's policies were also updated to provide clearer guidance for both employees and line managers.

The renewed commitment to flexible working in the UK has been very well received by employees and leaders alike. Lindsey Darling from the Global Commercial Business currently works non-standard hours and notes "The company's visible support for flexible working, in many situations, has really encouraged others to find a balance that works best for them."

Moving forward Shell will continue to monitor how this renewed commitment improves the application of flexible work as well as offering support employees who want to adopt a flexible working arrangement.



"The arrangement is great. Having flexible hours is really useful in a global facing role as it allows me to connect with different businesses later in the day or in the evening. It also works better for me personally."

Lindsey Darling,
Global Product and Additives Contracts Manager.





Supporting female apprenticeships

ScottishPower is committed to supporting the next generation of talent in engineering and is encouraging more women to consider pursuing a career in the energy industry. Apprenticeship and trainee programmes are offered at a range of entry levels, from age 16 upwards.

Raising awareness of gender diversity in the energy sector is a key focus for the company. ScottishPower is actively encouraging women into leadership roles and increasing its diverse and inclusive workforce, and also taking steps to address the deepening skills shortage.

In 2018, three female apprentices joined ScottishPower, including Molly Kelly from Anglesey in North Wales. Molly, aged 18, applied for a place on the SP Energy Networks craft apprenticeship programme after taking an interest in the company when it sponsored the women's Rygbi Gogledd Cymru (RGC) rugby team she plays for.

"I've always wanted to work in engineering and to have been accepted to work with SP Energy Networks as a craft apprentice is a great opportunity. It's been extremely encouraging to see the work that SP Energy Networks does to support women in the engineering industry, so it's great to be a part of their team. I look forward to learning new skills and pursuing my career with the company. I'm excited for what the future holds and I'm proud that it's so supportive of my RGC rugby team.

Molly Kelly, Apprentice, SP Energy Networks



Molly plans to continue her rugby career with RGC whilst carrying out her apprenticeship and has recently been called up to play for the national Welsh Rugby Union's women's team in this year's Six Nations tournament.

ScottishPower apprenticeships sit alongside the graduate programme, scholarships, summer placements and engineering pre-apprenticeships to provide opportunities for young people from a broad range of educational backgrounds. Together, they give fresh talent the chance to grow their skills, learn from industry experts and kick-start their career.



Development plans, showcasing success - and a Code Club!

Whilst Good Energy is a model of gender balance at the top, with women making up over 40% of the Board and Executive teams, the company is conscious of having lower levels of women in middle management. This is especially the case in traditional areas of under-representation, such as finance, technology, engineering and technical sales.

But the company has taken steps to address this. Having identified key female talent in junior roles, Good Energy is currently focused on ensuring they have development plans and role opportunities that maximise their potential.

Within the Technology function Good Energy has also been showcasing women whose careers have been enhanced at the company.

One of those to have benefited from their approach, support and training is Holly Nolan. Since joining in 2012 to work with customers applying for the Feed-In Tariff, Holly has progressed through team leadership level to move into a completely new role in IT. She now gets to collaborate across the company, from executive stakeholders to those working directly with customers. The Good Energy Team was delighted when she was recently a finalist in the UK's Women in Technology awards 2019.

"Good Energy is a really good community. We all come from different areas but we are all looking to make a real impact and change, and we all care about what we do."

Holly Nolan,
Product Owner & Business Analyst



Good Energy runs a Code Club which has been a useful way of encouraging new talent into IT, particularly women. And it doesn't stop within the company - externally Good Energy partners with the STEMettes charity to encourage girls in local schools into STEM careers.



D: VISIBLE SENIOR FEMALE ROLE MODELS



Women at the top



Members of the Board

Good Energy believes in having a balanced and inclusive workplace, one which attracts diversity of talent and reflects the communities it serves and hires from. The company recognises there is always room to improve and its current focus is on better understanding its ethnicity. It makes training on diversity and on its inclusive culture a mandatory part of everyone's induction to the company and is making good progress against the key barriers to gender balance.

In particular, Good Energy stands out for its senior leadership team, which provides excellent and visible female role models to aspiring women and sets a positive example to other leaders in the sector.

Good Energy is led by a woman, its founder Juliet Davenport, who is also an Ambassador for the Board of POWERful Women and a strong champion of diversity in the energy sector. The company's pride in having 40% women at Board and Executive team levels is also evident.

The positive impact of these role models at the top helps the company to attract talented women across all functions in the business. For example, it is possibly one of the only energy firms to have an all-female SMART meter team. Practical steps Good Energy has taken to create this culture include ensuring it has gender-balanced shortlists for all recruitment and that the language in its job adverts makes roles equally attractive to men and women.

"We work hard to make sure we don't just talk the talk on inclusion. Women make up 52% of our people, and the business is bolstered by high female representation at the top of the tree."

Fran Woodward, Director of People and Culture.



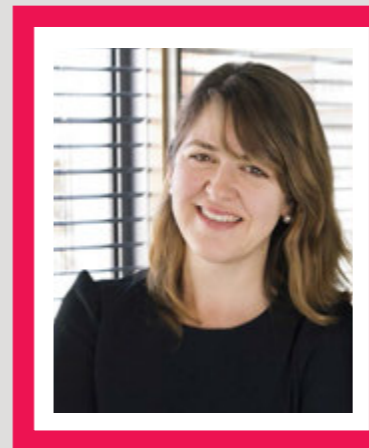
Julia Pyke and the Sizewell C Women's Network

Julia Pyke, Director of Nuclear Development for EDF Energy and one of the most senior women in the industry, is working on plans for the new nuclear power station Sizewell C in Suffolk

A role model for aspiring women in the nuclear and wider energy sector and committed to supporting the career development of others, she has recently set up the Sizewell C Women's Network, intending to send out a clear message that EDF Energy wants women to come and work for them. Julia sees new projects like Sizewell C and Hinkley Point C as a big opportunity for women to come into the nuclear industry where they have been under represented for too long.

Building on the company-wide women's network, which has existed for 10 years, the Sizewell C Women's Network was established to promote networking with other organisations, helping the team to build contacts and to discuss as widely as possible the importance of the project to the fight against climate change. It can also put women working on the project in touch with senior role models in other parts of the energy industry, in Government and in the company's supply chain – making senior women more visible and accessible.

Julia believes there are signs women are becoming more confident about taking up a career in the nuclear and construction sectors.



"At our other new nuclear project, Hinkley Point C, we're making a big effort to promote diversity. Women made up 40% of the recruits for one of our biggest apprenticeship schemes in 2019. The greater diversity of thinking this will bring can only be beneficial."

As the nuclear industry grows, Julia hopes the progress will accelerate. "Hinkley Point C and, hopefully, Sizewell C will play an important role in the UK for many decades to come. I want them to serve as models for the energy industry, where diversity of people and of thinking is valued at all levels. Both projects should represent the society they aim to serve."

Julia Pyke, Director of Nuclear Development for EDF Energy



nationalgrid

Supporting and celebrating female talent

While acknowledging that the energy industry has room for growth, National Grid is doing a great job encouraging more young women to join the field and supporting them to senior positions as they climb the career ladder.

One key factor in this is the work of 'Women in National Grid' (WiNG), established several years ago to support women within the company through networking, practical advice and training. WiNG is run by a committee that includes an Executive Sponsor and Chair, plus a number of volunteers. For 2018-19, its aim is to produce a data-driven strategy on diversity and inclusion that is:

- » Aligned with the purpose, vision, values and strategic priorities of National Grid
- » Championed from the top but driven by every level of our organisation.

National Grid tracks data, reports externally and internally, monitors employee experiences and looks at barriers to entry, promotion and retention. The strategy sets clear aspirations for the future and identifies specific initiatives to bridge the gap between these aspirations and its current baseline.



"WiNG's ambition is to promote the professional development of women, attracting and creating a network of talent to enable National Grid to delivery its strategic priorities and bring energy to life."

**Alan Foster, Chief Financial officer
and Executive Sponsor of WiNG**

"Being inclusive takes all of us, from all backgrounds; to work together to make sure we get the best out of each other."

**Susan Robson,
Principal Consultant,
Chair of WiNG**



"I feel incredibly appreciated by my team and hope that my other female engineering colleagues feel equally valued. I believe National Grid is working very hard to encourage more women into STEM fields, and I hope the numbers keep rising!"

**Chelsea Malcolm, Terminal
Assistant Engineer at Grain LNG**

In June 2018, WiNG marked International Women in Engineering Day by awarding National Grid's own Chelsea Malcolm, Terminal Assistant Engineer at Grain LNG, with 'Female Engineer of the Year' for her outstanding initiative and skill in her role.

She was peer nominated with a glowing review by her manager, Aidan Bridger, and it is very clear that Chelsea is highly respected at Grain LNG. She is described as 'a natural leader', somebody who 'shines in a male dominated field' and 'a subject matter expert' whom her peers go to for advice.

With statistics showing that only 24% of STEM graduates in the UK are female, Chelsea is a shining example of what female engineers are capable of, and Grain LNG is lucky to have her on board.

"Since Chelsea paved the way for female engineers at Grain LNG, we have seen many more come through the assessment centres and today we have two other female apprentices who are both doing very well."

Aidan Bridger, Terminal Engineer

Retaining and developing women to reach senior positions is also an important focus. 17 years ago, Claire Spedding joined the Graduate Training Scheme at National Grid (then 'Transco') and has since worked her way up to the position of Balancing Programme Director, making her one of the most senior women in the sector.

Claire's career highlights include representing National Grid in the London 2012 Olympics control room and delivering multi-million pound revenue opportunities. She says *"I feel it is my duty to repay some of that fortune and fight for equality for young women early on in their career"*. She takes a specific interest in talking to women returning from maternity leave.

"The single most significant up-skilling that has made me who I am is learning how to coach properly. I really believe this turned me from a good manager to a great leader."

Claire Spedding, Balancing Programme Director.





Ambitious targets at the heart of the business plan

In 2016, EDF Energy agreed an ambition to have a 35% female workforce by 2030 at all levels of the organisation. In the last few years, the company has achieved a step change in the way it engages with its staff to ensure they are aware of its Diversity and Inclusion aims. These objectives and ambitions are now at the heart of the operational business plans and senior leaders have a responsibility to implement them.

The results of its gender diversity ambitions for 2030 are already being seen. For example, most of the new recruits in EDF Energy's generation business have been people starting out on their careers who have tended to stay with the company for a long time. The company realised it needed to focus more on the diversity of its young recruits and undertook a full review of the way it hired people for its Engineering Apprenticeship Scheme. With Managing Director support, targets were implemented in the form of "ambitions" on a comply-or-explain basis, to give a clear measurement of success. Educational events, public awareness programmes, social media campaigns and case studies of successful women were used to attract candidates. Unconscious bias was removed from the recruitment process. Finally, all staff delivering the apprenticeship content received advanced D&I training.

The impact is already clear. In 2015, only 8% of EDF Energy's Engineering Maintenance Apprentices were female. In 2017, this figure had risen to 35%, a level that was maintained in 2018.

This figure is consistent with the company's gender diversity target for the whole of its workforce and shows the value of ambition and focus. To increase gender diversity at a senior level, the Executive Team introduced a set of targets in 2015. When recruiting externally, they ensure that the candidate pool is diverse and if it is not they ask the head-hunters to go back to the market.

When it comes to succession planning, EDF Energy has used a colour-coded organisation chart to show a 'heat map' of diversity in the succession pool. The company knows there is more work to do to improve diversity among senior leaders, and has strengthened the pipeline of future female leaders. The leadership talent pool now has a bigger proportion of women than the rest of the business.

The EDF Energy story also shows the value of auditing. In 2015, it became the first energy company to be awarded the National Equality Standard (NES), following a comprehensive audit of its whole D&I approach. It was reaccredited in 2018.

"We recognise the energy industry faces a particular challenge when it comes to gender diversity. At EDF Energy, we are determined to help more women join our business and to encourage the progress of those who are already working with us."

Jane Francis, Head of Diversity and Inclusion





Achieving balance in the UK Upstream leadership team

Traditionally, the Upstream business of an energy company is seen as a bit of a male-dominated environment. With relatively fewer women studying subjects such as engineering at university, the number of women in technical roles is low: in 2018 across Shell UK only 14% of technical roles were held by women and the number of women in senior Upstream positions was low.

That is why, in 2017, Shell UK turned its focus to its Upstream business with the aim of improving the diversity of its leadership team. The months that followed saw Shell seek out the best talent from across the whole organisation to improve the gender balance of the team. Today, Shell's UK Upstream leadership team had moved from have only 20% female representation to 50% gender balanced.

"It's made a huge difference. The changes we've made have resulted in much more diversity of thought on the team with many different perspectives coming together to solve problems."

**Marian Eide, Development Manager
UK Upstream Leadership Team**



The next step for the team is to reach gender balance throughout the Upstream business as a whole, but Marianne knows that achieving balance on the leadership team has been an excellent first step. "Having women at the top of the organisation provides other employees with visible role models," she said.

The team have now started targeting promising female colleagues for development opportunities and have also developed a new social investment programme for secondary school pupils with the aim of encouraging girls to pursue STEM topics at university

There is always more to do, which is why in 2018 Shell has set the new aspiration that 30% of senior leaders across the UK will be women by 2020, rising to 35% by 2025.



Next steps for change: the ELC's plans for year two towards gender balance



The CEOs of the Energy Leaders' Coalition are clear that the scale of the challenge is huge and that the journey to gender balance has only just begun.

Board statistics continue to show only limited progress towards POWERful Women's goals. However, it is clear that work is happening on the ground. Strategies and initiatives to move to conscious inclusion and feed the pipeline of women in the sector will create the leaders of the future.

Loud and clear commitment from leaders like those in the ELC is an essential and positive step in driving this forward. It's a commitment not just to gender balance within their own organisations, but to work collectively to accelerate change across the UK energy sector.

Over six meetings in the past year, since establishing the Coalition, we have:

- ✓ Built trust among the Coalition team members
- ✓ Shared what's working so far and better understood how we can make a positive difference to the diversity agenda
- ✓ Researched the internal barriers to progress we each face and challenged ourselves to provide solutions
- ✓ Reviewed our shared narrative and performance around gender pay gap reporting
- ✓ Introduced new ideas for action to each other
- ✓ Started to hold each other to account, talking honestly about where it's difficult to make progress and to understand why that is.



We are realistic and recognise that, whilst we are finding 'pockets of success', we all have much more to do and are at different stages on our journey.



So in our second year of work as the Energy Leaders' Coalition we plan to:

- » Continue to hold each other to account, reporting on and sharing our progress
- » Promote our own goals and targets so that our ambition is better understood
- » Learn from each other and take success from one organisation to pilot in another.

We will take actions as a collective to accelerate progress across the energy sector in areas such as:

- » Access to STEM education and career choices
- » Agreeing best practice and raising the bar on standards and expectations
- » Working with third parties to support energy sector recruitment
- » Working with Government and regulators to encourage wider reporting and accountability
- » Encouraging our peers to join us, share our ambition and, most importantly, take positive action.

There are around 20 large employers in the UK energy sector. **If we all took positive steps to accelerate action on gender balance we would reach approximately 75% of the sector's workforce.**

Any organisation can start out on that journey today by making a public pledge for positive change.

Most importantly, we are keen to continuously push ourselves – as individual leaders and as a collective – to accelerate change and do all we can to ensure this change is visible and sustainable.

You can help shape the Coalition's ongoing agenda and support this change. Please contact Louise Kingham at lkingham@energyinst.org if you have a suggestion or idea that you believe will help us achieve our purpose.



By coming together ELC CEOs will accelerate progress for better balance in the sector.

Making 'good' visible.

Tackling big barriers and sharing real solutions.

For lasting change our people can see.





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POWERful Women is a professional initiative to advance gender diversity within the energy sector.

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