

Transforming our Communities

Our Responsibility Framework
Annual Report 2018-19



Electricity
north west
Bringing energy to your door



Transforming our spaces

Electricity North West is proud to work with our communities to transform our spaces with our Land Beautification Project.

Working alongside councils, residents and local organisations we are creating and maintaining wildflower spaces to help vital pollinating insects and bring more colour and life to our communities.

Find out more www.enwl.co.uk/transformingcommunities

Sponsor of the project
Electricity North West

Bolton
at Home



MANCHESTER
CITY COUNCIL



RT
Rural Trust



BURNLEY
MCC
MCC



CRMP
Manchester



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CITY COUNCIL



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Introduction

Electricity North West is the region's distribution network operator (DNO). We own and operate the network infrastructure that transports electricity from the National Grid to 2.5 million homes and businesses from Cumbria to Cheshire. With nearly 2,000 colleagues and many more contractors and partners, we provide an essential service which helps your life run smoothly. From boiling a kettle, to using the internet or charging your car, we look after the power network that keeps you connected.

OUR PURPOSE

**Together we have the energy
to transform our communities**

OUR PRINCIPLES

We are
SWITCHED ON

MIND SET

We are **SWITCHED-ON** to our colleagues, customers and the world around us

We are
ADAPTABLE

SKILL SET

We are **ADAPTABLE**, always looking for better ways to get things done

We take
PRIDE

HEART SET

We take **PRIDE** in all we do because it matters to people's lives

Introduction from Paul Bircham

In 2017 we launched our Purpose and Principles in recognition of the crucial role we play in our communities and the increasing reliance our customers will have on electricity in the future.

There has been great progress in embedding our Purpose and Principles across the business and to continually drive these into everything we do. In 2019 we launched 'Transforming our communities', our new responsibility framework. This is our corporate social responsibility strategy and has been created to ensure that our Purpose is at the heart of what we do while ensuring that how we do it also has a positive impact.

Over recent years the role of electricity in all our lives has changed and we have become increasingly dependent on it, while at the same time, we are seeing reinvigorated commitments to climate change. As a result, significant progress is being made around the decarbonisation of transport and the heating of our homes and businesses. We believe that as the region's network operator, it is our responsibility to lead the way in this transformation, and this year we have set out ambitious plans to invest £63.5 million to drive down our own carbon emissions and to help our partners, businesses, customers and colleagues to do the same.

The 'Transforming our communities' framework demonstrates how we consider social, environmental and economic impacts in the activities we carry out. By using best practice examples and reviewing what we already do, the framework has been developed to ensure that we consider a responsible approach towards everything from working with vulnerable customers to recruiting our people and from promoting volunteering opportunities to developing plans for reducing waste.

Many of the goals are not new – we are already driving forward some great work. However, the framework brings together all the elements that we think help contribute to us being a responsible business. It has also given us the opportunity to review and challenge some of our existing activities.

I am extremely proud of the work that is being done across our business to support our communities and the region. We have demonstrated significant improvement in our performance, as shown by our increased score in the external benchmarks, Business in the Community Corporate Responsibility Index and the Global Real Estate Sustainability Benchmark (see page 6). We recognise that there is more to be done in some areas and this report captures a snapshot of our achievements this year and our commitments in the future.

I would welcome any comments on our approach; please get in touch at transformingcommunities@enwl.co.uk



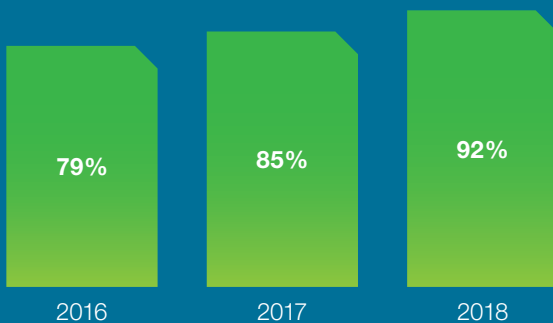
Paul Bircham
**Commercial Strategy
& Support Director**

Developing our corporate social responsibility strategy

Measuring our performance

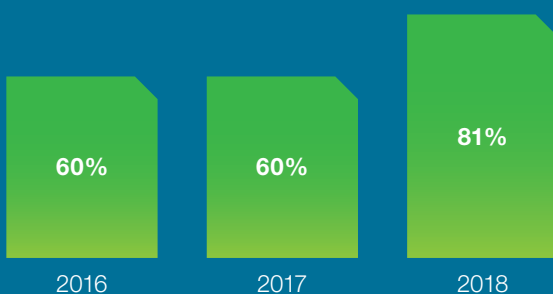
The Business in the Community (BITC) Corporate Responsibility Index is used to benchmark and compare company performance against the categories of environment, marketplace, people and governance. In 2017/18 our overall score was 92% (the BITC Index was retired in 2018 and a new measurement tool will be relaunched in autumn 2019).

BITC CR Index performance



The Global Real Estate Sustainability Benchmark (GRESB) assesses and benchmarks the environmental, social and governance performance of real asset investments. In 2018, Electricity North West came fourth out of 26 global network companies benchmarked. In 2018/19 our overall score was 81%.

GRESB performance



Our responsibilities are not limited to maintaining the electricity network and investing in its future; the way we treat our colleagues, our customers and our communities is just as important. We want our colleagues to go home safely at the end of the day and to be proud of our organisation and what it does.

As a business we have recognised our commitments to our people and communities for many years and have made great strides in reducing our carbon emissions, managing waste and educating our future engineers. We have benchmarked our performance against leading external indicators including the BITC Corporate Responsibility Index and GRESB and we have seen year-on-year improvements.

In 2018 we reviewed our approach to corporate social responsibility to bring it in line with our Purpose and Principles and to ensure that it reflects the current and future needs of our people and our communities.

We undertook a review of our current activities and mapped our business commitments against best practice. This helped us to identify areas where our existing commitments were sufficient, where they could be strengthened and new areas on which to focus our activities. Following consultation with colleagues and support from our external stakeholder advisory panels, we developed our 'Transforming our Communities Responsibility Framework'.



Our Transforming our Communities Responsibility Framework



By focusing on three key areas that align to our Purpose, the framework demonstrates how we consider social, environmental and economic impacts in all our activities and ensures that we adopt a responsible approach to everything we do:

- People and partners
- Environment
- Community.

Each key area is divided into a number of goals which reflect issues that are important to our business, our stakeholders and our colleagues.

The framework outlines our commitments which are each sponsored by a member of our Executive Leadership Team.

This is only the first year of our new responsibility framework and we have ambitious plans to drive forward continual improvement. In this report we present a review of our activities over the last year, looking at how we have performed against the goals in our responsibility framework and our ambition for the coming year.

Our People and Partners

Our people and partners are instrumental in the delivery of all aspects of our business. It is their pride, passion and commitment that help us to transform our communities on a day-to-day basis. We are committed to ensuring that we maintain a responsible approach to their safety and welfare. This covers areas such as diversity and recruitment, making sure we recruit and retain people who accurately represent the communities we serve, the way in which we support the health and wellbeing of our people and how we manage and support our supply chain partners.

We have already made significant progress in this area with a key focus on health and safety and the development of our people strategy which includes our approach to gender, ethnicity, health and wellbeing. We have published our gender pay gap information and modern slavery statement and developed a supply chain charter.



Our People and Partners commitments

1. We will take action to ensure our workforce represents the communities we serve in the areas of attraction, recruitment, retention and legal compliance.

2018-2019 highlights

The electricity industry has traditionally been male dominated and we are working hard to break down any barriers to recruitment and retention in this area and open opportunities to all talented people in our community. This year we have:

- Developed training to prevent unconscious bias in recruitment;
- Developed training programmes that focus on and support the development of women to give all colleagues the best opportunity to progress through the organisation, including real conversations, boosting confidence, personal resilience, presence and gravitas and personal brand;
- Partnered with the charity Future Proof which works with young people to review and feedback on our job application documents and processes.

Over the last year we have also been working with Business in the Community to review our diversity policy and high-level strategies. Their support will ensure that we are as inclusive as possible and learn from current best practice. We will review and implement their recommendations over the coming year.

We recognise that to target different demographics in our communities, we need to review our approach to recruitment advertising. We have therefore broadened our presence online and our roles are now advertised on sites such as Not Going to Uni, My First Job, Glassdoor, Network Solutions and Career Transition Partnerships (CTP).

Our plans for the year ahead

During 2019-2020 we will:

- Develop and launch our diversity strategy and a review of our recruitment and attraction strategies;
- Establish a colleague diversity working group to challenge thinking, build networks, provide support and promote activities. We are delighted to be a supporter of Manchester Pride in 2019 and will use this to promote LGBTQ+ initiatives across the business;
- Ensure gender neutrality in role profiles and recruitment advertising;
- Support the newly launched Greater Manchester Combined Authority Good Employment Charter which encourages and supports employers to develop good jobs and deliver opportunities for their employees to progress;
- Continue to review, enhance and promote policies that are diverse and inclusive, such as family-focused policies etc;
- Review our new unconscious bias training pilot and agree a rollout programme.

2. We will work with communities to offer fresh starts to talented people in our communities.

2018-2019 highlights

We recognise that many of our engineering skills requirements are ideally suited to people from a range of technical backgrounds, particularly ex-military personnel, so we are partnering with organisations such as the Royal Electrical and Mechanical Engineers (REME), the army recruitment agency, to promote recruitment and re-training opportunities. We also hope to attract more colleagues by promoting roles through the Career Transition Partnership.

By developing a relationship with Preston-based, Recycling Lives, a UK leader in total waste management, we intend to provide 'fresh start' opportunities for their clients who may have been homeless or in prison. We hope that suitable opportunities will be identified in the coming year.

Our plans for the year ahead

During 2019-2020 we will:

- Continue to review our work placement fresh start opportunities and roll out appropriate opportunities;
- Apply to be a forces-friendly employer by signing the Armed Forces Covenant to help promote and embed military opportunities and encourage wider support;
- Work with our new diversity steering group and our recruitment team to ensure our roles reach as wide a demographic as possible;
- Survey new starters to understand their views on the recruitment process and, based on their feedback, review wording, processes and engagement methods for young people.

3. We will become a Real Living Wage employer.

2018-2019 highlights

It is important to us that we pay a fair and reasonable salary to all our colleagues and we are committed to becoming a Real Living Wage employer. Over the past 12 months we have reviewed salaries to ensure that all full time and part time colleagues are paid at least the Real Living Wage. We will implement regular monitoring to ensure that salaries close to the threshold do not fall below it.

We have also begun a review of the pay levels of agency and framework contractors to ensure they are paid above the Real Living Wage threshold. To ensure companies in our supply chain are equally committed to paying a fair and reasonable salary, we have incorporated payment of the Real Living Wage as a requirement into all framework contracts.

Our plans for the year ahead

During 2019-2020 we will:

- Submit an application to be accredited as a Living Wage Employer with support from the Living Wage Foundation;
- Complete our review of contractor salaries.

4. We will strive to eliminate harm from anyone impacted by our activities.

2018-2019 health and safety highlights

Operating and maintaining the electricity network can be hazardous, and we take the health and safety of both our colleagues, who work tirelessly on the network, and the communities, who rely upon us to provide a safe and reliable service, extremely seriously.

For many years challenge and continuous improvement has been at the heart of our health and safety approach. Over the past two years we have introduced several important health and safety initiatives including our Golden Safety Rules and our High Hazard Life Saving Rules, designed to keep colleagues as safe as possible in the workplace. As a result of the support and commitment of colleagues across the business, we have seen a marked improvement in our health and safety performance and exceeded all of our targets in 2018/2019.

In March 2019, we had no recordable injuries and completed the year with a lost time injury frequency rate of 0.047 and a total recordable injury frequency rate of 0.13. Our injury frequency rate is measured using the Occupational Safety and Health

Administration (OSHA) methodology and is a calculation of the number of injuries sustained per 100,000 hours worked.

We can be proud of this performance which demonstrates that our focus on health and safety has delivered sustained improvements over a two-year period. The total recordable injury rate at the end of March 2019 was an all-time low for our company. However, there is more left for us to do as we seek to deliver a zero harm outcome.

Our plans for the year ahead

During 2019-2020 we will:

- Continue to focus on improving our safety culture and to embed defensive behaviours and policy compliance at all levels of the business;
- Strengthen our safety performance with further planned initiatives, including improved contractor management principles, further policy enhancements and extended use of deeper and broader health surveillance systems;
- Focus on our Sentinel project, which is aimed at reducing the risk to public safety posed by low hanging or fallen overhead lines;
- Continue to install fall protection on steel towers, develop improved systems for working at height in substations and remove asbestos in our substations.

Our health and safety performance

| Measure | 2018/2019 Target | 2018/2019 Actual | 2017/2018 Target | 2017/2018 Actual |
|--------------------------------------|------------------|------------------|------------------|------------------|
| OSHA lost time injury frequency rate | 0.075 | 0.047 | NA | 0.060 |
| Near miss reports | 8,000 | 12,250 | 7,500 | 14,293 |
| Positive challenge reports | 1,000 | 1,580 | 750 | 1,257 |
| Safety training attendance | 95% | 97% | 95% | 96% |

2018-2019 wellbeing highlights

As well as keeping our colleagues safe as they carry out their day-to-day duties, we recognise the need to support their general wellbeing. In October 2018 we launched a new approach to mental health and signed up to the Time to Change mental health awareness pledge. To provide long-term support and leadership for wellbeing issues, we established an internal mental health steering group led by our Customer Director, and created a network of over 50 colleagues from across the business who have volunteered to act as mental health champions.

To support our volunteers, colleagues and managers we have produced new guidance on mental ill health prevention, intervention and rehabilitation. We have relaunched our Employee Assist support service and launched an online support portal available to all colleagues as well as a programme of communication to tackle stigma and discrimination.

Our plans for the year ahead

During 2019-2020 we will:

- Continue to raise awareness of mental health issues, challenge the stigma surrounding mental health and roll out a holistic approach to promote physical, social and financial wellbeing;
- Identify and work with external charities who can support the work we are doing;
- Carry out detailed tracking of mental health to produce a mental health annual report for internal and external reporting.

proud to support
time to change
let's end mental health discrimination

5. We will work to eliminate modern slavery.

2018-2019 highlights

Last year we published our enhanced modern slavery statement online which goes beyond the legal compliance detailed within the Modern Slavery Act. As our network connects into both domestic and business properties, we recognise the leading role that we can play in identifying and responding to instances of modern slavery.

Over the last year we have developed a partnership with charity Hope for Justice who will help us in developing processes to support colleagues and partners, in particular by providing a 'safe route' to raise concerns for independent investigation. Working with them we have set up a dedicated 'Speak Up' mailbox, for colleagues to get in touch about modern slavery issues. In December 2018 we received a very positive threat assessment review from the Slave Free Alliance (SFA).

We have also engaged with our contractors and suppliers to reiterate our stance on a number of ethical matters including modern slavery and we have included our approach to modern slavery in several e-learning induction packages.

Our plans for the year ahead

During 2019-2020 we will:

- Continue to review and maintain our modern slavery statement and our ethics policy;
- Review and develop an action plan based on the recommendations from the SFA threat assessment visit;
- Help raise awareness of modern slavery issues with our colleagues and suppliers;
- Embed modern slavery into core training for colleagues and new starters and in our supply chain charter;
- We will set up a cross-utility forum to help combat modern slavery further and share best practice with industry colleagues;
- Promote the Speak Up initiative across the business.

We have set up a dedicated 'Speak Up' mailbox for colleagues to get in touch about modern slavery issues.

6. We will encourage a first-class supply chain that is high performing, ethical and safe, while ensuring human rights are adhered to and supporting a sustainable environment.

2018-2019 highlights

In autumn 2018 we launched our supply chain charter which sets out our commitments to our supply chain partners and how we expect them to work with us to achieve our Purpose.

Over the last year we have included enhanced responsible business requirements in our new underground maintenance framework agreement, and generator tenders. These developments are crucial to ensure that the partners who deliver these major contracts, are aligned to, and supportive of, our wider responsibility commitments, including waste management and carbon reduction.

We are also encouraging our key framework contractors to engage with the Slave Free Alliance on modern slavery issues and we are working with them on our commitment to the Real Living Wage.

You can find out more about our supply chain charter at www.enwl.co.uk/our-supply-chain-charter.

Our plans for the year ahead

During 2019-2020 we will:

- Embed our supply chain charter in our procurement category plans;
- Include plastic packaging requirements within the current tender process for waste services when these are renewed;
- Review and where applicable sign up to the prompt payment charter and ensure sustainability is embedded in our tender assessments where possible.



Our People and Partners: plans in action

Supporting wellbeing

Our wellbeing vision is 'for each individual to leave work as happy and healthy as when they arrived – if not better'. In October 2018, we took the first step as a business in challenging the stigma surrounding mental health by signing our mental health and wellbeing pledge. The pledge demonstrates our commitment to putting the right support in place for colleagues who may require assistance for their mental health. This pledge also recognises us as a 'Time to Change' employer, part of a national scheme which aims to reduce mental health-related stigma and discrimination.



Our dedicated steering group leads our strategy on all matters relating to mental wellbeing, reporting to the Board and the Executive Leadership Team on its activities and progress.

The steering group is supported by a network of employee champions who are working to change the way we think and act about mental health in the workplace, and to ensure colleagues know how to reach out for support.

“I am proud to work for a company which is willing to make a pledge to change how we think about mental health, encouraging us to talk about it and support each other and providing great assistance.”

Matt Kayes, Plant Policy Manager



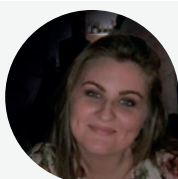
“I would like to help our company deal with the effects of mental health, whether it's simply being there for someone to discuss what's on their mind, or just being able to promote what help is available.”

David Halewood, Lead Arborist



“A champion's job is to raise awareness about mental health, help end the stigma, and point colleagues in the right direction for the support that's available.”

Stephanie Hayward, Customer Performance Analyst



Acting on modern slavery

At Electricity North West we are proud of our strong commitment to high ethical standards in the way we work. We introduced our obligation to adhere to the Modern Slavery Act legislation last year but we want to do more and ensure that we continue to track our work in this area and reflect best practice.

Modern slavery is a broad term covering instances where victims may be subject to conditions of slavery, servitude or compulsory labour. While we have enhanced controls in place in relation to supplier screening and supply chain assessments, we want to go beyond the legal compliance detailed within the Modern Slavery Act and ensure that members of our local communities can work in appropriate conditions for a decent wage and have the basic freedom that we all take for granted.

We have engaged with a local charity partner, 'Hope for Justice', who are advising us on our approach to combat modern slavery and to help colleagues protect our communities. Working with the charity we have set up 'Speak Out', an initiative to support colleagues if they are suspicious about working conditions in homes and businesses they access as part of their day-to-day work. All information is treated confidentially and may provide a vital lead that Hope for Justice can pass on to relevant agencies.

Our modern slavery policy is available to view on our website at www.enwl.co.uk/modern-slavery



We have engaged with a local charity partner, 'Hope for Justice', who are advising us on our approach to combat modern slavery and to help colleagues protect our communities.

Look out look up

Our electricity network includes thousands of miles of overhead power lines which, if interfered with, can present a significant danger to the general public. Recent research carried out across the country by ourselves, other network operators and the Electricity Networks Association, shows that despite potentially fatal consequences, over 85% of people in the UK are not worried about getting too close to overhead power lines.

Last year, eight incidents involving large equipment getting caught in overhead power lines were reported in the North West, so it is vital that we alert agricultural workers and other customers to the dangers of getting too close.

During Farm Safety Week in July 2018, we launched a campaign urging agricultural workers to 'look out look up' which helped to promote our safety message and raise awareness of the risks of working near overhead lines.

Our press release was picked up by local media, and a safety video, released jointly by the Electricity Networks Association and the network operators earlier in 2018, was viewed several hundred times on our You Tube channel.



During Farm Safety Week in July 2018, we launched a campaign urging agricultural workers to 'look out look up'...

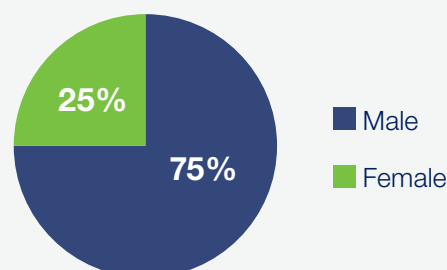
Creating a diverse and inclusive environment

For the last two years we have published our gender pay gap statistics in line with the Equality Act 2010 (Gender Pay Gap Information) Regulations 2017. Gender pay is concerned with differences in the average earnings of men and women, regardless of the role they do or seniority in the business. It gives a broader insight into the sorts of jobs performed by men and women and the gender composition of the people who work for us.

At Electricity North West we are committed to rewarding and recognising our colleagues equally, regardless of gender. It is vital that we are representative of the communities in which we serve, so we hear and take account of their voices in our decision-making and adapt to their requirements.

Gender diversity is a key focus for us and we have made some progress in this area. Between April 2017 and April 2018 48% of all our new starters were female. This has led to a 1% increase in the female representation across our business which now stands at 25%.

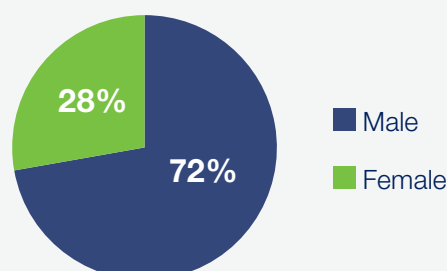
Population by gender (2017 - 2018)



In 2018, we launched our Amplify Programme to develop talented individuals in Electricity North West. This is essential not only to grow our business, but to grow our leaders of the future. 12 candidates embarked onto Amplify with a 50/50 split between female and male. Following the programme two males and four females have been promoted into senior leadership roles.

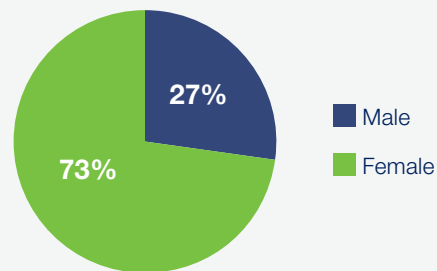
The proportion of women to men in our senior and wider leadership teams is now 3% higher than the wider population.

Senior leadership team by gender (2017 - 2018)



As we have more women working part-time we are working to identify more flexible working opportunities which may encourage women to apply for senior roles, but also allow greater flexibility for all of our colleagues. Encouragingly, we have seen a 2% increase in men electing to work part-time. This is a vital step for colleague wellbeing as we promote the need for work life balance to men and women.

Part-time workers by gender (2017 - 2018)



For more information on our gender pay gap statistics, visit our website at www.enwl.co.uk/gender-pay-gap.

"At Electricity North West, and many other companies, women in engineering and leadership are not minorities, but becoming increasingly represented at all levels. I believe engineering and technology careers for women are limitless with more opportunities than ever before, particularly in a flexible and inclusive modern workplace."

Victoria Turnham,
Strategic Planning Manager

"I applied to be an apprentice because I felt that university wasn't for me, and this is a great opportunity to learn and get paid to do so. Electricity North West wants to help you progress and improve your skills. It makes me proud that I'm contributing to my community."

Ellie Chandler,
Higher Level Apprentice

Our Environment

A key part of the UK's journey to zero carbon is the revolution of our electricity industry – the way electricity is generated, stored, transported and traded. As the region's network operator, it is our responsibility to lead the way in this transformation. Our drive to create a zero carbon future underpins the 'our environment' section of the responsibility framework.

Creating a zero carbon future will help the UK to meet its carbon reduction targets and makes up a large part of our transition to a distribution services operator. Environmental activities detailed in the framework go beyond reducing our own business carbon footprint and seek to influence and challenge the behaviour of our people and communities, so that we can all play our part in delivering a more sustainable future.

Our commitment to the environment extends beyond the energy environment, we also recognise the role that our business can play in waste reduction, including plastics, and a new commitment around biodiversity and ecosystems.

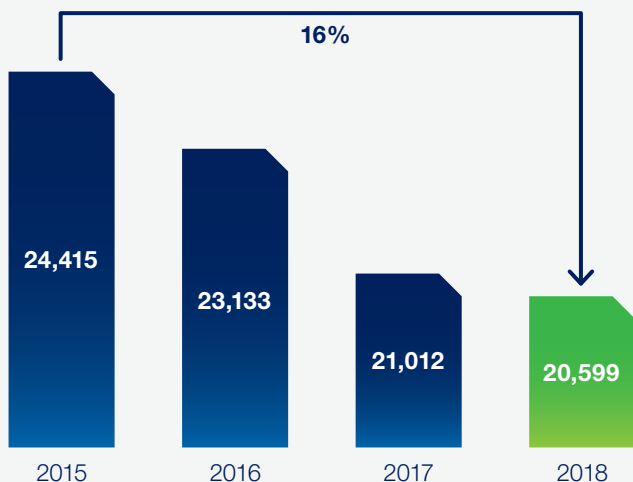
Our Environment commitments

1. We will drive down our operational carbon footprint and emissions related to network losses.

2018-2019 highlights

We have had a long-term commitment to reduce our carbon emissions and have so far successfully reduced our operating carbon footprint by 16% from 2015. In 2017/18 our carbon footprint was 20,599 tonnes of carbon dioxide equivalent (tCO₂e) against a target of 21,974 tCO₂e.

Reducing our carbon footprint (tCO₂e)



However, if we are to lead the regional transformation to low carbon we need to accelerate our ambition and activity.

Because of the increase in low carbon technologies such as electric vehicles connecting to our network, we expect electricity demand in our region to double by 2050 which is an increase in power equivalent to a new nuclear power station.

In March 2019 we launched our 'Leading the North West to Zero Carbon' plan. The plan sets out how we will spend £63.5m decarbonising our own operations and helping businesses, customers and colleagues to do the same. The plan will help us reduce our emissions by 10% year-on-year to become zero carbon by 2038.

You can find out more about our carbon plans at www.enwl.co.uk/zero-carbon.

Our plans for the year ahead

During 2019-2020 we will:

- Transform our estate to have onsite generation and storage to meet as much of our own energy demand as possible. Starting with two zero carbon exemplar depots this year, we will use these to help other businesses understand what is achievable;
- Make sure we have LED lighting at all appropriate Electricity North West locations and optimise our energy management systems to make sure we are using our energy as efficiently as possible;
- Develop a new losses strategy which will set out how carbon emissions from network losses will be reduced;
- Develop a new programme of initiatives to support carbon reduction activities in our communities;
- Encourage and enable our customers to connect low carbon technologies to our network at an affordable rate;
- Work with the University of Salford on a research project to design a zero carbon substation for the onsite energy used and assess how this could be implemented for all our new substations and the rest of the network.

2. We will work with customers and colleagues to encourage efficiency.

2018-2019 highlights

In March 2019 we became the world's first carbon literate power network operator when we received a bronze accreditation from The Carbon Literacy Trust. The award recognises our increased commitment to acting on climate change, supporting colleagues to take action and sharing knowledge and best practice on carbon literacy within the sector and our region.

Our plans for the year ahead

During 2019-2020 we will:

- Develop and launch a programme of activity to show leadership within our communities to support others to take action to reduce carbon emissions and enhance the delivery of our community and local energy strategy;
- Develop an internal support programme to encourage colleagues to take action to drive down carbon emissions at work and at home;
- Work with partners and stakeholders to understand our role in end-user energy efficiency.

3. We will support community and local energy schemes to address network constraints and other business priorities such as vulnerable customers and communities.

2018-2019 highlights

In June 2018 we launched our community and local energy strategy which sets out our approach to forging links with community and local energy groups and organisations to support the growth of the sector.

In the past year we have held four Community Connects events to improve communications with our stakeholders and to increase capacity and skills within the community and local energy sector and produced a number of explanatory leaflets.

We have also launched our Powering our Communities Fund which provides much needed resources for the development of community energy projects across the region, and will help increase awareness and understanding of the benefits and possibilities that community energy can bring.

A total of six successful projects received a share of £71,000, announced in March 2019. The scheme will be relaunched in autumn 2019.

Find out more about the Powering our Communities Fund at www.enwl.co.uk/powering-our-communities-fund.

Our plans for the year ahead

During 2019-2020 we will:

- Continue to deliver Community Connects events to help support, guide and inform community and local energy groups around connection and project viability;
- Promote the successes of, and relaunch, the Powering our Communities Fund to support activity in our communities;
- Publish an annual review to report on our progress and use outcomes to inform the development of our future business plans.

Our 2018/19 Community and Local Energy strategy can be found at www.enwl.co.uk/community-and-local-energy-strategy.

Powering our Communities Fund projects 2019

| Project name | Applicant | Location | Summary |
|--|------------------------------|--------------------|---|
| Energy Local Alston Moor | Alston Moor Community Energy | Cumbria | Investigating how to bring a hydro scheme into community ownership |
| Eco Warriors | Burnley Boys and Girls Club | Lancashire | Providing knowledge and skills to enable club members to reduce their carbon footprint and to become eco warriors in their community |
| Energy Justice buying community-led local wealth | Carbon Coop | Greater Manchester | A new user-led approach to deliver energy efficiency measures to households, particularly those in fuel poverty |
| Fuel Katao, Paisay Bachao (Save fuel, save money) | Kashmir Youth Project | Lancashire | Bi-lingual energy efficiency advice and tools for the Kashmir community in Rochdale |
| Community-owned energy supply | Burnside Community Energy | Cumbria | Developing the business case for community-owned energy assets to supply a new housing development in Burnside Cumbria for the benefit of the whole village |
| Provisions of electronic displays for solar generation | Oldham Community Power | Greater Manchester | Electronic displays for four schools with community-owned solar panels to show the children how they work and engage them on energy issues |

4. We will work to reduce waste and increase recycling from our offices and operations.

2018-2019 highlights

We already have a strong approach to reducing waste and recycling across our depots and offices, with office and operational waste being sorted for recycling offsite, but our colleagues have challenged us to do more. In the past year we have reviewed the specification of our waste tender and have strengthened the responsibilities of the tenderers in their commitment to recycling.

To increase awareness among colleagues, we publish recycling information for materials removed from our depots and we are continuing to work with framework contractors to optimise recycling opportunities. As part of our commitment to reduce the amount of 'non-recycleable' items we have met with partners to discuss possible options and collaboration.

Our plans for the year ahead

During 2019-2020 we will:

- Retender our waste contract, ensuring that we are able to extract more recycling benefit;
- Continue to measure and manage recycling and work with our new supplier to identify ways of reducing waste further;
- Continue to identify any large volume non-recyclable items and work with our supply chain partners to identify viable alternatives.

To increase awareness among colleagues, we publish recycling information for materials removed from our depots and we are continuing to work with framework contractors to optimise recycling opportunities.

5. We will work to remove unnecessary single use plastic from our office and operations.

2018-2019 highlights

Like many organisations, we have responded to the damage to the environment caused by single use plastics, highlighted by the media and in turn by our colleagues. In the past year we have taken a number of steps in the workplace including replacing plastic cups at all our depots and offices with glasses. In addition, our colleague magazine is now delivered using a biodegradable wrapping.

We recognise that many of our materials are distributed in high quantities of pallet stretch wrap, a thin plastic which can be difficult to recycle. In January 2019 we started a trial to replace some of the products with heavy duty pallet covers which have several years' operational life. We are also working with our logistics partner, TVS, to review the amount and type of packaging waste from the products we receive from suppliers. Together we are hoping to identify further opportunities to reduce waste by working with other companies who are part of the TVS supply chain.

Our plans for the year ahead

During 2019-2020 we will:

- Include our plastic packaging requirements within the tender process for waste services;
- Work with our logistics partners and suppliers to understand where single use plastic is introduced into the supply chain and explore alternative options;
- Work with our cable joint supplier to find plastic alternatives for joint kitting components;
- Identify a corn starch alternative to heavy duty bags.



6. We will work to manage and enhance biodiversity across our sites.

2018-2019 highlights

We have introduced this new area of the framework in recognition of the fact that we are responsible for maintaining the grounds around our 1,300 substations and keeping our overhead lines clear of trees and branches. In addition, we also have ecologists responsible for obtaining safe and appropriate access to our network for maintenance and connection operations.

Over the past year we have carried out an internal team and peer review to highlight and share best practice with our grounds maintenance, estates and wayleaves, arborists and health and safety teams.

We have begun a trial project, Transforming our Spaces, in which we identified nine sites to benefit from enhanced management and biodiversity rich wildflower planting. Sites were cleared and planted in spring 2019 in consultation with local teams, local authorities, the local community and our partners. Some sites will be monitored by local wildlife groups.

Our plans for the year ahead

During 2019-2020 we will:

- Highlight existing practices, launch policies and principles and share our success to continue to highlight and promote activity in this area;
- Develop further recommendations to enhance biodiversity within our region and develop guiding principles and policies to document our approach and share best practice with our colleagues and communities.



Our Environment: plans in action

Transforming our spaces

Our responsibility framework recognises our commitment to helping biodiversity and addresses our commitment to the natural environment. Our grounds maintenance teams have been putting this into practice by using their skills to work to benefit our communities.

By turning some of our substation grounds into wildflower meadows we hope to simultaneously create a community asset and a home for wildlife, and reduce the amount of ongoing maintenance needed at that site, a technique used successfully by other landowners and local authorities.

Groundworker Peter Raven was part of the team involved in the project which started in October 2018. He was chosen along with three others to be part of an internal leadership development programme and then to be part of the team who project managed Transforming our Spaces.

Working closely with local authorities, community groups and suppliers, Peter and his colleagues developed plans for landscaping and wildflower planting for nine sites in Egremont, Preston, Burnley, Bolton, Hale and Manchester.

This enabled the teams to learn about the project management process as part of their personal development, including planning, coordination, communication, costing, procurement and stakeholder engagement. Since taking the opportunity to be part of the project and broaden his skillset Peter has been appointed to the role of Lead Groundworker for the Cumbria area of our region.

Preparation works for Transforming our Spaces took place over the winter and in spring the hard work started to clear the sites and prepare the ground with new seed mixes, chosen specifically to ensure long-lasting colour and interest. Over the coming year we hope that these sites will transform their communities into a riot of colour and wildlife including valuable pollinators.



Smart Street

In April 2018 we completed our four-year innovative Smart Street project, which successfully demonstrated that we can deliver energy savings by optimising voltage, without affecting our customers' power quality.

Using intelligent software to control smart devices installed on our low voltage network, Smart Street optimises voltage levels and network configuration, which saves money for customers by making their electrical appliances perform more efficiently.

The Smart Street trials were carried out over a two-year period and involved a number of substations serving 67,000 customers in Manchester, Wigan, Wigan and Egremont. Through consultation we were able to confirm that customers had not noticed any change to their electricity supply.

The Smart Street project has proved that actively optimising our low voltage network brings a number of benefits to customers. It can reduce energy consumption, which in turn can lower electricity bills by up to £70 a year, reduce carbon emissions, reduce network losses and will provide more flexible solutions to help us connect low carbon technologies to the network – all without impacting power quality.

We are now seeking around £18 million funding to develop a wider-scale rollout of Smart Street technology.



Smart Street optimises voltage levels and network configuration, which saves money for customers by making their electrical appliances perform more efficiently.

GMCA energy plan

We collaborate with local authorities and organisations to better understand and to develop and deliver solutions for the communities we jointly serve. We are currently working with Greater Manchester Combined Authority (GMCA) to help them deliver their ambition of carbon neutrality by 2038 through their 'Whole System Smart Energy Plan'. This plan formalises the commitment made by Mayor Andy Burnham at the second Green Summit in March 2019 to become a carbon neutral region by 2038.

One of the key inputs to the plan is our Distribution Future Electricity Scenarios (DFES) document which details our view of the North West's future electricity requirements, highlighting expected increases in demand and investment across the network and highlighting any capacity issues. We will continue to work closely with GMCA and other councils in the region to develop our thinking together on these issues.

Find out more about the Green Summit and our DFES document at www.enwl.co.uk/zerocarbonGM.

GMCA GREATER MANCHESTER COMBINED AUTHORITY

The Greater Manchester Green Summit is a landmark event, sponsored by Electricity North West, which brings together industry and community leaders from across Greater Manchester to plan how our region will decarbonise.



Our Communities

Central to our Purpose and Principles is our role in our communities. We transport energy to some of the most socially deprived areas of the United Kingdom and we recognise the need to ensure that we have systems, services and partnerships in place which provide vulnerable customers with protection from harm during power cuts. The majority of our colleagues also live in the region and it is important that our activities contribute to a healthy and successful North West. Our commitment in this area ranges from inspiring the next generation of engineers to developing and promoting volunteering opportunities for our colleagues so that they can play a direct role in helping our communities. This area of the framework also sets out our approach to our fundraising and charity donations, ensuring that we continue to support charitable organisations close to the hearts of our colleagues and communities.



Our Communities commitments

1. We will take steps to understand and address consumer vulnerability.

2018-2019 highlights

Our consumer vulnerability strategy was developed in partnership with our external Consumer Vulnerability Advisory Panel in 2016. Our shared goal is to ensure that our services are available and accessible to all our customers, regardless of their personal circumstances and to embed our strategy throughout our business. This year, we have strengthened their voice through the appointment of an independent chair.

Every day we continue to deliver excellent customer service from our operational colleagues right through to our customer contact centre, achieving an overall score of 86.9% for customer satisfaction for the year to March 2019. However, we recognise that some of our customers become increasingly vulnerable during a power cut and have a Priority Services Register and a dedicated welfare team so we can offer additional support when it is needed. At 31 March 2019 we had 844,000 customers registered and it continues to grow as we work with partners across the region to identify and register those most in need. We have entered into an innovative data sharing trial with United Utilities, the region's water company, to help customers share their additional support needs across utilities which is being widely supported by customers and the industry alike.

Over the last two years we have built on fuel poverty research undertaken by the Energy Savings Trust and developed a number of referral networks to provide support and guidance around energy savings in the home and tariff options in order to save money. This year we also worked with the Centre for Sustainable Energy to carry out comprehensive mapping of consumer vulnerability across the North West. This enhanced understanding will help us to ensure that we target and make the right decisions to benefit the vulnerable customers we serve.

Our plans for the year ahead

During 2019-2020 we will:

- Carry out research to gain a greater understanding of regional vulnerability and social value;
- Use our regional vulnerability and social value data mapping tool to inform partnerships and service development;
- Continue to develop and maintain our Priority Services Register through collaborative partnerships;
- Work with our advisory panel to identify ways to support customers in fuel poverty through energy efficiency interventions.

2. We will support STEM subjects to create an industry pipeline.

2018-2019 highlights

The growth of our community and our changing business is dependent on putting plans in place to help grow and inspire the next generation of colleagues. At Electricity North West we recognise our role as a key employer in our region and we aim to support science, technology, engineering and mathematics (STEM) subjects to create an educational pipeline into our industry, particularly those that will help us to lead the way in the low carbon future.

Understanding our industry and safety around our equipment is vital and as such we support the delivery of electricity circuit lessons in primary schools. During 2018-2019, our Bright Sparks programme, which provides national curriculum-based electricity and circuits information, was delivered to 113 schools and nearly 3,500 pupils. It was also delivered to 6,000 pupils who attended the Lancashire Science Festival school days, and to many more who participated during our support for the Science Festival at the Manchester Science and Industry Museum.

We currently support secondary schools through our recruitment engagement programme, particularly around our apprentice scheme and last year we attended 10 recruitment fairs and events around the region. We are keen to increase this engagement with secondary schools over the coming years.

Our plans for the year ahead

During 2019-2020 we will:

- Prioritise the existing Bright Sparks programme around business activities and review the way we measure its success;
- Review and develop support and materials for secondary schools and bring together colleagues who already support schools and colleges with talks and presentations about our work and industry;
- Participate in science festivals in Manchester and Preston;
- Continue to support school and college recruitment fairs and careers events in line with our people strategy. We will develop our approach to STEM ambassadors in line with colleague volunteering opportunities.

3. We will develop and promote colleague-led community fundraising.

2018-2019 highlights

We recognise that our colleagues already make a huge contribution in their spare time to support and raise funds for national charities and local community groups. We have reviewed and relaunched our approach to community-led fundraising with depot managers to put in place a more localised approach. This will ensure that our support reaches the communities most in need and that matter most to our colleagues who live and work in the area. In March 2019 we established 11 colleague-led depot teams and provide support to them with a decision-making framework and appropriate finance and reporting processes.

Our plans for the year ahead

During 2019-2020 we will:

- Promote colleague-led community fundraising activities internally and externally;
- Carry out a review of colleague social group funding.

4. We will develop and promote volunteering opportunities for our communities.

2018-2019 highlights

Our colleagues generously give their time to support organisations in their own time, but we also wanted to reaffirm our support to allow two volunteering days for colleagues to participate in volunteering activities in the community to enhance this framework and their personal development.

We have identified new opportunities for colleague volunteering opportunities and have called for STEM ambassadors and colleagues who support schools in other ways to come forward to be part of a cross-business support network.

Our plans for the year ahead

During 2019-2020 we will:

- Work to identify better ways to support our STEM and school ambassadors;
- Continue to promote and communicate good examples and key messages on volunteering;
- Develop a network of partners who can deliver opportunities aligned to this framework.

5. We will better understand and articulate our role in enhancing the economic prosperity of the North West.

2018-2019 highlights

In 2018-2019 we have reviewed our regional strategic partnerships and memberships and completed a stakeholder mapping exercise as part of our plans to transition to a zero carbon future.

We have surveyed more than 3,000 customers from the North West and a further 3,000 from across the rest of Great Britain to gain a better understanding of the value that different customers place on a loss of energy supply. At present a single value is used to estimate what customers would be willing to pay to avoid a supply interruption of average duration.

This figure is known as the 'value of lost load' (VoLL) and is important as it is used to determine network planning and investment strategies. The research showed that there is a huge difference in the way customers value their energy supply and revealed that the impact of power cuts has a significant impact on certain customer groups, most notably, the fuel poor, where the value of lost load is almost double that of the average customer.

Detailed information about this project can be found on our website at www.enwl.co.uk/voll.

Our plans for the year ahead

During 2019-2020 we will:

- Carry out a review of our strategic partnerships and memberships;
- Continue to review the findings of the VoLL project as part of VoLL 2 and explore how to embed the findings within regulatory mechanisms with stakeholders;
- Undertake 'willingness to pay' research to understand the potential value customers place on future initiatives;
- Undertake social and economic impact and value research to understand our contribution to the region in various scenarios eg low carbon etc.

The VoLL research showed that there is a huge difference in the way customers value their energy supply and the most affected customer groups included the fuel poor.

Our Communities: plans in action

Our fuel poverty referral network

To understand how best we can support the fuel poor customers in our region we commissioned the Money Advice Trust and Energy Saving Trust to provide recommendations on our approach. A key action from this work was to fund partners to deliver fuel poverty services to some of the most vulnerable customers in the North West, including those on our Priority Services Register. This is a key contributor to enhancing the energy resilience of these customers.

Over the last two years we have established three partnerships and incorporated performance indicators into our approach to enable us to measure the success of the different services and the benefits delivered to customers.

Local Energy Action Programme (LEAP)

LEAP carries out home visits to assess customers' needs, provides a range of support services and directs customers to Greater Manchester Combined Authority (GMCA) services including grants for home energy efficiency interventions. In 2018/19 LEAP supported 250 customers and delivered £191,000 worth of benefits.

Energy Saving Trust

The trust carries out over-the-phone assessments and provides energy efficiency and supplier switching advice. It also refers customers to welfare and debt advice services. In 2018/19 the trust supported 524 customers and delivered £35,000 worth of benefits.

North Lancashire Citizens Advice

North Lancashire Citizens Advice provides a weekly energy drop-in service, open to all customers. It also provides advice and support, energy efficiency tips, supplier switching advice, and welfare and debt advice. In 2018/19 the organisation supported 124 customers and delivered £22,000 worth of benefits.

With the support of our independent advisory panel we are continuously reviewing our approach to supporting vulnerable customers. In March 2019 we agreed new partnerships with five organisations to support customers across the region over the coming year.



Supporting volunteering and fundraising

Our colleagues get involved in a range of community activities for personal development and team building. We have refreshed our existing volunteering policy to allow colleagues to participate in two days of volunteering leave per year, subject to approval.

With this policy now in place, we have the potential for colleagues to access small financial contributions and dedicate over 4,000 days of time every year to serve our communities. To further develop our volunteering approach we are building relationships with organisations that support and promote volunteering. In particular, we will be working with organisations that are aligned to some of our key priorities such as low carbon initiatives and areas that support education and vulnerable people.

Our colleagues already do an amazing amount of fundraising for local communities and charities, from bake sales to sponsored walks, and we will continue to support their endeavours. In December 2018, kind-hearted colleagues donated over 200 chocolate advent calendars to local food banks and a car full of toys to the Royal Manchester Children's Hospital. In March 2019, more than 350 Easter eggs were also donated to local food banks.



Spark of life

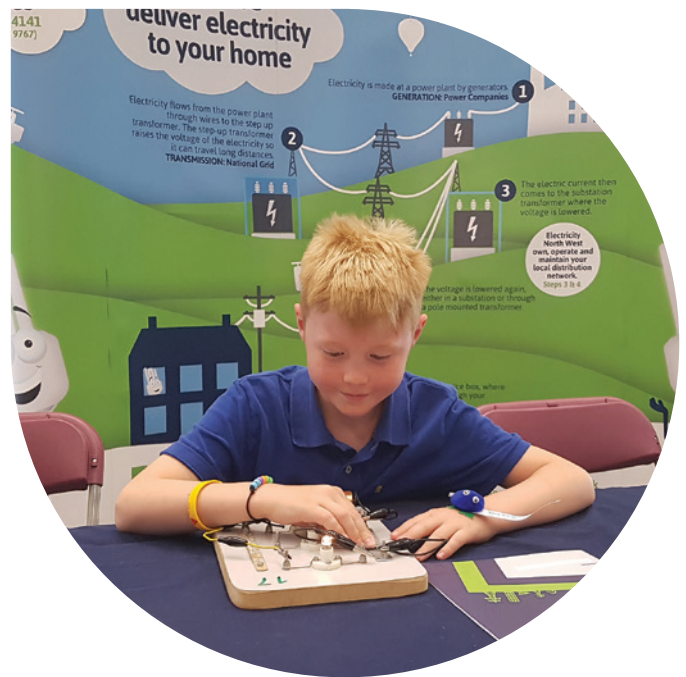
In October 2018 we supported the exhibition 'Electricity: Spark of Life' at the Science and Industry Museum in Manchester.

The exhibition examined how scientists experimented with electricity to understand how it works, how to control it and how mass generation and distribution has changed our lives.

Visitors got the chance to see a brand new 'electric' art installation, commissioned by us and designed by award-winning studio Tekja. Using data supplied from our network, the art installation captured the sheer scale of electricity used in the North West.

As part of the Manchester Science Festival in the same month and the Lancashire Science Festival in June, 21 volunteers from Electricity North West were on hand to help our Bright Sparks education team run a power playground event to help inspire the next generation of engineers.

The science festivals were attended by 25,200 people across five days in total with excellent feedback from those attending.



Contact

We welcome your views

We would like to hear your views on our new responsibility framework. Please contact us with your comments or if you would like to take part in our stakeholder advisory groups.

Transformingcommunities@enwl.co.uk

Keep up-to-date

For more information on our responsibility framework, please visit our website: **www.enwl.co.uk/transformingourcommunities**





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