Transforming



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A NOTE FROM PAUL BIRCHAM, ENGAGEMENT AND STRATEGY DIRECTOR

Electricity North West supplies electricity to more than 2.4 million homes across the diverse communities of the North West of England from Macclesfield all the way up to Carlisle. We are not only responsible for maintaining and upgrading 56,000km of network and nearly 500 major substations across the region but also ensuring that we take a sustainable approach in everything we do; socially, economically and environmentally.

We are now in our fourth year of embedding our 'Transforming our communities' corporate social responsibility framework and I am incredibly proud of what we have achieved this year. Against 103 commitments that we set last year, 97 have been achieved with six ongoing. These commitments focus on supporting our people and partners, communities and our environment. Details on our commitments for 2020/21 can be found here.

This year we have continued to deliver on our promises and priorities set out by our stakeholders and customers. Stakeholder engagement is vital to improve understanding of our customers' and wider stakeholders' needs, preferences and ideas. These insights inform our evolving business priorities, decision-making, hold us to account.

Over the last two years we have engaged with more than 18,000 customers and stakeholders as part of our future business plan. The feedback has confirmed priorities around reliability, low carbon transition and support for vulnerable customers. Our plan for 2023 - 2028 is currently with the regulator, Ofgem.

Covid-19 continued to impact our business and customers this year alongside an unprecedented cost of living and energy crisis. We have also seen the devastating impact of a changing climate on the network with powerful storms disrupting supply.

Collaboration continues to be key to support our communities and customers in vulnerable circumstances. Electricity will be at the forefront of the transition to low carbon energy and we recognise the essential role we play to support a fair and inclusive energy system by investing in our network and ensuring no one is left behind.

This report is only a snapshot of our performance as a business overall in which we provide an update against each of our three key areas; our people and partners, our environment and our community, and highlight some of our key achievements this year. Throughout this report we also provide additional links for more detailed information and reports about key projects. To ensure our actions have the greatest value for our business and customers we assess them against our Social Return on Investment (SROI) tool to understand their social value and this year we have been able to review over 100 initiatives within our business. Read more on SROI on page 25.

Highlights for us this year include our ongoing work to Lead the North West to net zero, the launch of our diversity and inclusion strategy, collaboration with 15 funded partners to support our vulnerable customers and our new partnership with the Girlguiding Association to inspire the next generation of female engineers and promote STEM subjects.

It is incredibly important that as a business we are transparent and that our leaders ensure our commitments are delivered. I am pleased with our performance this year and that the activities and processes we deliver contribute to the success of the region and support our customers.

From myself and Electricity North West colleagues we hope you enjoy reading our annual report and celebrate the incredible work we have achieved this year and continue to do across the North West.



Paul Bircham Engagement and Strategy Director

TRANSFORMING OUR COMMUNITIES RESPONSIBLE FRAMEWORK

Our framework outlines our commitment to social, economic and environmental issues and how we take a responsible approach to our people and partners, our environment and our community.

We recognise that our responsibility as a business is to provide a safe and reliable energy supply to meet current and future demands whilst doing so in a responsible way.

This year we have continued to embed our responsibility framework which links closely with other policies and reporting mechanisms across our business. Where relevant we will direct you to further information in other reports.

Approved by our board, sponsored by our Executive Leadership Team and managed by our senior leaders, each goal sets out our annual activities and commitments to enable us to report on what we achieved. We continue to instil key measurements for our goals to allow us to better track our performance both qualitatively and quantitatively. We monitor these goals internally every quarter through our steering group as well as reporting it to our directors and Board and publicly sharing it as part of this annual report.

We are now in the fourth year of delivering on our framework and each year we want to go above and beyond distributing safe and reliable electricity and provide more support to our customers and make a positive impact on our community and environment. The report provides an overview of our key achievements within the year and the impact we have had on the North West.

In 2021 we participated in the new Business in the Community (BITC) Responsible Business Tracker, achieving 77%. The feedback identified several areas of best practice including Stakeholder Engagement and Community Collaboration, mapping the impacts of our products to reducing our carbon emissions and some opportunities to improve. At the end of 2021/22 we commissioned BITC to review our responsible business strategy against external benchmarks, United Nations Global Goals for Sustainable Development, best practice and our RIIO-ED2 business plan commitments. We will receive the recommendations in July 2022 and will review our framework to ensure it continues to reflect best practice.

Last year we made 103 commitments, 97 have been achieved with six ongoing. To familiarise yourself with the commitments we made in 2020/21 and how we tracked against them click here.



AWARDS AND ACCREDITATIONS



- AWARDS -

Greater Manchester
Good Employment Awards

Awarded Best for Supporting Mental Wellbeing - The awards recognise excellent employment practice among Greater Manchester employers. North West Apprenticeship Awards

Awarded the Recruitment Excellence Award for our recruitment and onboarding strategy.

Institute of customer service awards

Awarded best use of customer insights for successfully using customer insight in an innovative way.



Accountability Stakeholder Engagement Health check

Achieved the Accomplished maturity level, with a score of 68% - an increase of 7% from our 2021 score of 61%. The health check involves an assessment of an organisation's performance against each of the core performance pillars of the AA1000SES.

Investors in people award

Achieved 2022

Carbon literacy

Bronze accreditation 2019

Achieved silver accreditation 2022

ACCREDITATIONS

Science Based Targets initative (SBTi)

Signed up to SBTIs. This means an absolute reduction in our scope 1 and 2 emissions of 63% by 2035 and the avoidance of 471,509 tonnes of CO2 equivalent (tCO2e) emissions by the end of RIIO-ED2 and 1,571,696 tCO2e emissions by 2035. This includes wider scope 3 emissions than are currently reported. Read more here.

Real Living Wage

Retained since 2019

Forces friendly

Bronze accreditation 2020

Achieved Forces Friendly silver accreditation 2022



Race to net zero Campaign

Joined in 2021 to take action to halve global emissions by 2030 and deliver a healthier, fairer zero carbon world.

Business In The Community - Responsible Business Tracker

Achieved an overall performance of 77% which is greater than the cohort average of 45% in 2021. Highest scoring areas included healthy business at 83% and health communities and environment at 70%.

Disability Confident Committed level

Achieved 2020

THE YEAR OF CHANGE

Our responsibility framework is crucial to make sure we deliver a consumer-focused, socially responsible and sustainable energy service. However, this year we have seen other events that have impacted our business, customers and colleagues. Here's how we are responding.

The continued impact of the pandemic, the cost of living crisis and unprecedented extreme weather have all had an impact on our network, our commitments and our future business plan, but we continue to work with stakeholders to ensure that we deliver a responsible and sustainable service for our customers and communities.

Storm Arwen

In November 2021, the UK was hit by one of the worst storms we have ever seen.

900 incidents

93,000 customers impacted

18,000 restored in 3mins

During the storm we funded food, travel and hotel expenses for those who were without power the longest we worked with local partners and local resilience forums to provide all the support we could to customers and those in more vulnerable circumstances.

Over **£4m** in payments to customers

142 hotels provided for impacted customers £211,909

spent on customer welfare, food and catering

But our work doesn't stop there. We have reviewed our processes and brought forward investment for the communities that were the most impacted.

£5.2m to install 750 LV monitoring devices in rural areas

eductional additional investment in our network management system and website

£500,000
community
fund
supporting
local
resilience

The Energy Emergencies Executive Committee (E3C) published its <u>review into Storm Arwen</u> which is accompanied by Ofgem's <u>review into DNOs' response</u>.

The energy price cap

The typical household energy bill will hit £3,549 from 1 October but government have announced additional support that will reduce bills to £2,500.

Despite the rising price of energy our proportion of customers' bills continues to remain the same. As the region's network operator we want to continue to play our part by ensuring we keep our part of the bill as low as possible.

ENWL part of the bill for 2021/2022

£79.16

Average DNOs' part of the bill for 2021/2022

£95.89

£106mof efficiency
savings
delivered
over the last
regulatory

period

We've committed to reducing our bill by at least

5.5% for the next 5 years

Our future business plan for 2023 - 2028

Two years of engagement with 18,000 customers and stakeholders has helped us to identify priorities and develop <u>our business plan</u> which outlines the $\mathfrak{L}1.8$ bn we plan to spend from 2023-2028*.

Our key commitments include:

33% increase in investment

Leading the North West to net zero Reducing time without power by 20%

Delivering at least 9/10 level of customer service

But we also have other commitments that fit into our Responsible Business Strategy including:

10,000 trees planted per year to replace ones near

overhead

lines

100 sites to be turned into wildlife havens 250,000 properties to benefit from our innovative Smart Street technology

Increase our support for vulnerable customers and focus on fuel poverty

*RIIO-ED2 Business Plan submitted to Ofgem December 2022.

OUR PEOPLE AND PARTNERS



Introduction

At Electricity North West, we recognise the importance of our people and partners in supporting our customers. Our people are our most important asset, so we're passionate about creating a great place to work. We also recognise the importance of working with our supply chain to help support our communities, working together in the transition to a low carbon future and ensuring we conduct ourselves in an ethical manner and hold each other to account.

WHAT STAKEHOLDERS HAVE TOLD US

This year members of our stakeholder Sustainability Advisory Panel including, but not limited to, Carbon Co-op, Community Energy England, Environment Agency, regional county councils and the University of Manchester challenged us to **embed sustainability throughout our supply chain** and improve reporting of scope 3 emissions, to ensure our carbon emissions accounting is more developed.

Stakeholders have told us that we should require our supply chain to meet high standards of environmental management, but we should **lead the way** with this **and motivate others**. In guiding suppliers to achieve even higher environmental standards stakeholders also said that our supply chain requirements must not become too much of a burden on small and medium-sized enterprises.

During the pandemic the availability of our workforce has been instrumental to keeping the power flowing 24/7, 365 days a year. In our colleague engagement 85% said they were more satisfied in their role since agile working started (during the pandemic). To serve customers to the best of our ability during a year of massive, constant and unexpected change in the world, colleagues asked us to further embed the **availability of mental wellbeing support** and to work with our partners to ensure that our IT systems would enable them to be as, if not more, effective.

Members of our newly formed disability research panel, overseen by Scope, told us they want to see services being provided that truly represent our customers who live with disability. One particularly impactful insight was that **accessibility is about inclusivity**, **not disability**. With that, they challenged us to systematically remove barriers for people that want to engage with us through our communication channels.

Our Public Panel of 40 people representing customers across the north west told us that new initiatives designed for the 'majority' run the risk of unintentionally **excluding underrepresented groups** and potentially creating additional barriers that were not present before. Members of our Consumer Vulnerability Advisory Panel including, but not limited to, Citizens Advice Manchester, Energy Savings Trust, RNIB, Scope and United Utilities, shared experiences of services that required time consuming and costly retrospective changes that in many cases did not repair the impact of the lack of consideration in the first place. They urged us to be committed to **inclusion by design**.

HIGHLIGHTS:

100% safety training of all colleagues

Diversity and Inclusion strategy launched Appointment of the first female engineering director in a DNO

Achieved
Investors in
People award



GOAL - Having a workforce that represents our community

Take action to ensure our workforce represents the communities we serve



Our commitment

We're striving to increase diversity in our people and recruit a highly-skilled workforce while ensuring it is representative of the communities and customers we serve. Our focus as a business is not only attracting and recruiting the right people but creating an inclusive environment where everyone feels they belong to help us retain the great colleagues that we have.

Last year we committed to launching our Diversity and Inclusion (D&I) strategy, continuing to invest in our colleagues, continuing our pledge as a Real Living Wage employer and to improve representation from females and ethnic minorities.

What we achieved this year

Our colleagues are what make our organisation; they are the driving force behind our businesses success. We're delighted to share that this year we achieved the Investors in People (IIP) standard award. This is a fantastic achievement for our business and gives us a platform to build on, continuously improving and ensure we are a great place to work for all our colleagues.

To ensure we are doing all that we can in the area of race and gender as well as D&I we have continued to work with Business in the Community (BITC) to identity what more we could be doing.

In consultation with our colleagues, trade unions and stakeholders, we <u>launched our D&I strategy and vision</u>. Our D&I vision of 'We are committed to creating a sense of belonging for our colleagues and truly reflecting the communities we serve' is underpinned by four key areas of strategic focus (belonging, talent, leadership and community) and is supported by our newly appointed D&I manager and steering group. The launch was accompanied by a <u>video</u> of 12 colleagues sharing their experiences of feeling included at work in their own words. It kick-started an 'Include me' campaign which gives our colleagues a voice, with opportunities to be involved, to participate, and share their ideas.

Since the start of our RIIO-ED1 price period (2015-2023) we have implemented initiatives to improve our gender diversity at all levels.

This year we also established colleague resource groups (CRGs) which are employer-recognised workplace groups, voluntarily led by colleagues. At the point of publishing this report we currently have 80 colleagues who have voluntarily joined our Armed Forces, Menopause, LGBTQ+, Disability, Women in STEM and Ethnicity CRGs to make positive, inclusive change within the business.

Cheryl Iontton,

Diversity and Inclusion Manager, said:

"Diversity and inclusion go hand in hand. We are incredibly proud to have diversity within our business and want to ensure we continue to represent the diversity of the community and customers we serve. We are passionate about creating an environment where every colleague feels they belong, where their contribution is valued, and their differences are embraced. We believe that a truly inclusive workplace considers the needs of all colleagues and removes unnecessary barriers."

Since the start of our RIIO-ED1 price control period (2015-2023) we have implemented initiatives to improve our gender diversity at all levels. By ensuring an equal mix of males and females in our talent programmes we have increased the percentage of females in our leadership team to 32%, compared to 25% for the rest of the business. This year we appointed Gillian Williamson the first female DNO engineering director in the UK.

Part of our commitment on gender is rewarding and recognising our colleagues equally, regardless of gender. This is the fifth year of reporting on gender pay gap data and we continue to make improvement year-on-year. Find out more in our gender pay gap documents at www.enwl.co.uk/genderpaygap.

Not only are we focused on improving our gender balance, we are also committed to improving our levels of ethnic diversity. 25% of our most recent apprentice intake for the year are female, and 28% are from an ethnically diverse background.

As part of our goal to inspire the next generation of engineers and employees (page 22) we have partnered with two schools as part of a work placement trial for 24 students. This will provide students with the opportunity to experience working within our business and learning about the specific roles we have to offer. More details on these trial placements will be shared in next year's report.

OUR PEOPLE AND PARTNERS



In the table below, we share our diversity commitments for our next price control period, RIIO-ED2 which runs from 2023-2028. Currently 83% of colleagues volunteer their diversity data, along with 52% of colleagues who share their disability status and 50% who share their LGBTQ+ status.

| | Female Population | Female Leaders | Female Engineers | Minority Ethnic | Minority Ethnic |
|-------------------|-------------------|----------------|------------------|-----------------|-----------------|
| | remaie ropulation | remaie Leauers | remale Engineers | Groups | Leaders |
| Goals (2023-2028) | 30% | 37% | 12% | 10% | 5% |
| Year ending 2021 | 24.3% | 31.6% | 7.4% | 4.1% | 1.6% |
| Year ending 2022 | 24.8% | 32.95% | 8.92% | 4.83% | 1.53% |



OUR PLANS FOR THE YEAR AHEAD

- Increasing the proportion of females in engineering roles from 7% to 12% from 2020 - 2028
- Increasing ethnicity representation from 4.5% to 10% from 2020 2028
- Signing Business in the Community's Race at Work charter. At the point of publishing this report, the Race at Work charter has now been signed.
- Delivering D&I awareness training to all colleagues
- Delivering inclusive leadership training to all leaders
- Provide work experience to community schools and colleges to inspire younger generations, particularly female and people from ethnic minority groups
- Continue to develop and increase membership in our college resource groups



GOAL – Being a responsible employer employer and partner

Supporting wellbeing

Our commitment

Our aim is to empower colleagues to maintain and improve wellbeing, increase awareness and tackle stigma and discrimination at work.

Over the years we have invested a lot of time and support listening to our colleagues and providing the necessary guidance, training and support they need. As a business it is our commitment to ensure our colleagues leave work as happy and healthy as when they arrived, if not better.

Following the impact of the pandemic on our colleagues and communities and with the current challenges of the energy and cost of living crisis our colleague's wellbeing is more important than ever.

What we achieved

In recent years we have made significant progress in providing our colleagues with additional support. We continue to embed and promote wellbeing through our online wellbeing hub which offers financial, social, mental and physical support to all colleagues. We understand that we are not the experts and therefore we have partnered with key organisations to help us improve and develop our wellbeing support.

We're partnered with Health Assured to offer our Employee Assistance Programme (EAP) for the very best practical support and advice. Our EAP is a free and confidential service available to our colleagues and anybody in their household. This year usage has increased by 11% which represents our more open dialogue about wellbeing. We are also working closely with Mates in Mind who are

helping us build a culture that supports good mental health by raising awareness, reducing stigma and encouraging people to talk. Mates in Mind have provided training to all leaders and colleagues to make them aware of how to recognise and support colleagues with their mental wellbeing and provide them with the skills and confidence to hold conversations to address any concerns. We are also working closely with Business in The Community to identify additional ways we can support our colleagues.

This year our efforts have been recognised by our colleagues through our annual mental health survey where 72% of colleagues were satisfied with the support and importance given to their mental health. Externally we were awarded the Greater Manchester Employment award for 'best for supporting mental wellbeing'.



- Increase Employee Assistance Programme usage to 18%
- Increase wellbeing index to 75% in 2023 as per the climate survey agreement
- Create a stress risk framework for the business
- Development and implementation of the second phase of our wellbeing strategy



Eliminate harm from anyone impacted by our activities (Health & Safety)

Our commitment

Safety is our number one priority today and every day. Potentially dangerous electricity is a crucial part of our everyday life and raising awareness around the dangers of electricity and our assets is an integral part of our work. Good health and safety management is characterised by strong leadership involving our managers, colleagues, suppliers, contractors and customers and our commitment is to ensure we provide the necessary skills and training to keep everyone safe.

We are committed to achieving the highest standards of health and safety and a safety culture within our business.

What we achieved

This year our colleagues have continued to embed a positive health and safety culture across the business. We have seen a general improvement across the board in health and safety performance and a continued focus on our safety culture has resulted in a lost time incident rate of 0.058, bettering our target of 0.075*.

We take pride in our safety culture and have continued to exceed targets. This year we achieved 100% safety training for all our colleagues - aligning safety training to colleagues whether working from home, in the office or out on our network. Our colleagues continue to report positive challenges on safety behavior. This encourages all colleagues and partners to observe each other to ensure they are working and acting in a safe manner and challenge unsafe behavior around our offices and depots. Our safety talks are delivered each month as part of our monthly leadership briefings and we also publish a number of safety bulletins throughout the year.

| Measure | Previous year's figures | | This year's figures | | |
|--------------------------------------|-------------------------|----------------|---------------------|----------------|--|
| Wedsule | 2020/21 Target | 2020/21 Actual | 2021/22 Target | 2021/22 Actual | |
| OSHA lost time injury frequency rate | 0.075 | 0.012 | 0.075 | 0.058 | |
| Near miss reports | 8,000 | 9,286 | 8,000 | 9,438 | |
| Positive challenge reports | 1,250 | 1,878 | 1,250 | 2,447 | |
| Safety training attendance | 100% | 100% | 100% | 100% | |



- Achieve OSHA lost time injury frequency rate of 0.075
- Continue to observe and record safety observations and near misses
- Record 1,500 positive challenges
- Continue to deliver monthly safety briefs to all colleagues
- Achieve 100% safety training to colleagues
- Conduct operational review and audit of high risk practices



^{*}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.



Working with communities to offer 'fresh starts' to talented people in our communities

Our commitment

We aim to provide opportunities and training for people seeking a 'fresh start' within our communities. We will identify and work with charities and organisations supporting those that are seeking new opportunities.

We want to ensure that we provide suitable job opportunities to enable colleagues to succeed and we recognise that we have many roles suitable for those leaving the armed forces.

What we achieved

This year we have focused on liaising with Forces Friendly to understand how they can support resourcing requirements through transferable skills to support our future recruitment needs for RIIO-ED2 (2023-2028). We were delighted to achieve our Forces Friendly Silver award which demonstrates the support for the defence services and indicates that we have employed at least one Reservist, actively



communicate and uphold a positive stance for our employees through established HR policies and procedures, to date we have employed 20 ex-armed forces colleagues. We have also developed a colleague resource group (CRG) specifically formed to support ex-armed forces colleagues and families to help the transition of talent and support.

Following our accreditation to Disability Confident Committed employer we are now working towards our level two accreditation which ensures we provide an inclusive environment for colleagues with disabilities.



OUR PLANS FOR THE YEAR AHEAD

- Renew level 1 Disability confident and review requirements for level 2 accreditation
- Provide 28 work placements to schools, colleges and people engaged through back to work schemes
- Develop relationship with the Armed Forces and the Ministry of Defence to develop a pipeline of talent into the business.

Encouraging a first-class supply chain

Our commitment

Our <u>Supply Chain Charter</u> aims to set out our expectations of all who are or wish to become suppliers within our supply chain and in return, what they can expect from us. As part of our commitment we want to ensure our supply chain is high performing, ethical and safe, whilst ensuring human rights are adhered to and supporting a sustainable environment. We have also ensured that both the Real Living Wage and action against Modern Slavery are embedded in our procurement process.

What we achieved

Despite a challenging year with our supply chain being adversely impacted by the continuing implications of Brexit, the pandemic and Russians invasion of Ukraine, our procurement team has continued to work in partnership with our supply chain to ensure that it supports levels of service expected by our customers. The team seeks to ensure that suppliers are compliant with our Charter and also to find alternative ways of working that support our transition to net zero and reduce our carbon impact. Trials are ongoing to test battery generators, find electric vehicle alternatives for our fleet and reduce single use plastics as part of our commitment to reduce carbon emissions (page 14). We have also conducted engagement on Scope 3 emissions with our top 10 suppliers, find out more in our Environment Action Plan.

We have continued to strengthen our approaches to the Real Living Wage (RLW) and Modern Slavery requirements as part of our tender process. 100% of suppliers have confirmed they are compliant with the RLW either in our tender process or through the nature of the work they perform. We have improved our RLW process, which now covers 37 suppliers as opposed to 14 previously.





- Engage with top 10 suppliers regarding a D&I questionnaire
- D&I to be included as part of our assessment in the preferred bidder stage
- Remind suppliers of our Supply Chain Charter and our commitment to mitigating the risks of modern slavery
- Expand Scope 3 questionnaire to a further 30 suppliers and review last year's top 10 suppliers with the inclusion of scope 1 and 2 results.
- Explore electric vans with suppliers and our fleet team
- As part of single use plastics removal strategy, we will also carry out analysis to create a supply chain map for our key suppliers





GOAL - Acting on modern slavery

Our commitment

As a customer-facing organisation, we recognise the importance of the part we play in helping to protect our communities and beyond. We are committed to playing our part in eliminating modern slavery and any abhorrent practices. Our approach to achieving this is identified in our modern slavery statement which states that our focus will be to stay vigilant and eliminate modern slavery or human trafficking in our supply chain or in any part of our business through improving our understanding of the risks and the mitigation we need to put in place.

We have a high level of commitment to continue to raise awareness of modern slavery amongst our colleagues, suppliers and contractors.

What we achieved

As a founding member of the Slave Free Alliance (SFA), the social enterprise launched by Hope for Justice, we have helped to form a utilities national working group (Utilities Against Slavery). This working group, consisting of 26 utilities, is overseen by the SFA and continues to inform and strengthen our approach to tackling modern slavery. This will be a key area of development for us in the coming year along with monitoring and developing our procurement process.

within the business, utilising our relationship with the SFA to develop a training matrix that covers existing and new colleagues. We have also looked to improve supplier education through our membership of the Supply Chain Sustainability School (SCSS). We co-presented a modern slavery webinar in October 2021 with the SFA as part of the SCSS' lunch 'n' learn sessions. The SFA have previously conducted a gap analysis, with the findings report issued in February 2021. Key areas that we have strengthened in 2021/22 following on from this gap analysis include:

During the year, we have further built on the training that we offer

- We have worked with the SFA to ensure that the modern slavery statement going forward incorporates any newly mandated structure/content.
- We have updated appropriate company policies/documents (e.g. whistleblowing policy) to provide better reference to ensure our employees understand modern slavery and how they can use these policies to report modern slavery concerns.
- We have increased scrutiny around suppliers and enhanced awareness/knowledge amongst our supplier base (e.g. via contractor management meetings and training seminars in conjunction with the SCSS).
- We have promoted awareness of modern slavery alongside other areas of customer vulnerability on our external website.
- We have produced a training needs assessment with the support of the SFA and continue to review the approach in place to training our people.

Spot the signs of modern slavery







We're committed to tackling modern slavery in our region and doing all we can to reduce the risk of modern slavery or human trafficking existing in our business, supply chain or anywhere else in our communities.

How to spot the signs

Here are a few things to watch out for during your working day, visiting our customers' homes or dealing with our suppliers, and outside of work too:



People living in dirty, cramped or overcrowded accommodation.





Groups of workers being dropped off very early in the morning or very late at night



People wearing clothing unsuitable for their work



Someone who has unexplained injuries or looks malnourished, unkempt and anxious

Report it

If you spot something in or outside of work that doesn't feel right, please speak up and report it. All reporting is treated in strict confidence and can be done anonymously.

To report a concern internally, please contact SpeakUp@ENWL.co.uk To report an urgent concern call Hope for Justice on **0300 008 8000** (Monday to Friday 9:00 - **17**:30), or call the MS helpline (24/7) on **08000 121 700**

If you have reason to believe a person is in immediate danger call 999 first.

You may save somebody's life.



- Contact all suppliers to confirm our stance on modern slavery by 30 April 2022. This has now been completed
- Review and update our colleague induction process
- Deliver training identified within our training matrix

Introduction

Our workforce faces the exciting and challenging prospect of <u>Leading the North West to net zero</u> with an expected increase in reliance on low carbon and renewable electricity rather than fossil fuels. A key part of the UK's journey to net zero carbon is the revolution of our electricity industry – the way electricity is generated, stored, transported and traded. As a DNO we believe we have a vital and strategic role to play to decarbonise and protect the North West's natural environment. We will lead by example by becoming net zero in our own operations by 2038, reducing our impacts on the natural environment and helping others to achieve their own net zero carbon ambitions; a view that is driven by our customers and stakeholders.

The drive to net zero is a high priority for our stakeholders and it is our responsibility to lead the way in this transformation. We are working with regional and national stakeholders and are also undertaking a wide range of investments to help lead the way to net zero and to support our low carbon related <u>Business Plan Commitments</u>.

WHAT STAKEHOLDERS HAVE TOLD US

This year stakeholders amplified their expectation that as a responsible business in the community we must change our policies, technologies and systems to **reduce our environmental impact**.

As part of planning for the future, our representative public panel of customers told us they expect us to lead by example, through accelerating action to achieve net zero carbon emissions from our operations by 2038, to align to the UK's seventh carbon budget. In parallel, our Sustainability Advisory Stakeholder Panel challenged us to demonstrate transparency and ambition by setting a science-based target (SBT) and ambition by incorporating scope 3 emissions so that we do not lose sight of our overall business carbon footprint and can provide guidance and leadership to our supply chain.

As part of 100 hours of engagement with our leadership team, our Public Panel also encouraged us to **influence the behaviour** of our colleagues, customers (both households and businesses) and stakeholders to ensure they have the necessary tools, skills and information to act on net zero, in line with the ambitions of the UK Government and local commitments across the region.

The need for honest and impartial advice to enable our customers to reduce their ecological impact was evidenced across different customer segments. For instance, 74% of SMEs taking part in our longitudinal net zero journey research didn't **understand how the term 'net zero' applied to them**. 61% said they would find more

information and advice about acting to measure and reduce their business' carbon emissions helpful, with 53% of those wanting advice on measuring their business' carbon footprint, and 51% wanting information to help work out if reducing carbon emissions makes financial sense for their business. In other research 51% of households said that they would trust information provided by Electricity North West on low carbon technologies, more so than energy suppliers, local authorities and central Government.

To continue being a good corporate citizen, customers and stakeholders told us in market research to **reduce the amount of waste** we produce, recycle as much as possible through the segregation of individual waste, and find innovative uses for non-recyclable waste plastics destined for landfill.

In bilateral engagement with MPs, local community groups and environmental charities during 2019/20 we heard that we could do more to enhance our land for residents that live near to our substations. In response we **transformed sites into low maintenance self-pollinating attractive spaces**, to reduce vandalism and give communities spaces that they can take pride in. This year Citizens Advice challenged us to build on our 'Transforming our Spaces' biodiversity programme by exploring the feasibility of targeting biodiversity in areas where there are greater concentrations of fuel poor customers, and therefore an elevated need to strengthen community cohesion.

HIGHLIGHTS:

Achieved
SILVER
carbon literacy
accreditation

2,901 tCO₂e

reduction on yearly carbon emissions target 50 community energy groups supported

£75kpa community and ocal energy fund





GOAL - Driving down our carbon emissions

Our commitment

As part of our Leading the North West to net zero plan we outline the importance of reducing our own operational carbon footprint, the emissions related to network losses and the services we provide. We aim to show leadership in a low carbon future and we will develop a carbon budget for our own carbon emissions with the aim of meeting net zero carbon by 2038.

What we achieved

We continue to deliver yearly reductions against our targets and this year exceeded our target by achieving 14,649 tCO2e against our target of 17,500 tCO₂e.

We are also delighted to see a sustained reduction in our business mileage after the Covid pandemic fall in 2020/21 where we saw a 58% reduction. Whilst we are still seeing a reduction in business mileage from non operational travel we have developed our low carbon transport policy which includes electrifying our own fleet as well as supporting colleagues to make sustainable journeys to work.

You can read more about our environmental impact in our detailed environmental report which includes how we manage our environmental impact, efforts to reduce oil leakage from cables and detailed information on our carbon impact.

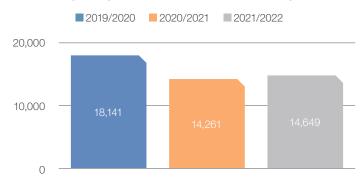
After receiving the bronze accreditation in 2019 we're proud to share that we're the first DNO to be accredited as a silver Carbon Literate

Organisation (CLO) by The Carbon Literacy Project. The accreditation means that we've taken practical action to reduce our environmental impact and have integrated carbon literacy into our performance management and assessment systems. This was a key metric set by our leadership team this year.



Last year we shared with you our active building management system, implementing sensors and LED lighting into our offices to make our buildings more efficient. We also shared our plans for two carbon neutral substations, our training academy in Blackburn and our depot in Oldham. Our aim is to test and demonstrate a number of solutions to assess their suitability and relative benefits which will help other businesses in the North West understand what is achievable. These include ground-mounted solar panels; car port solar panels, wind turbines, upgraded insulation, windows and ventilation, air source or ground source heat pumps, new radiators and LED lighting. The carbon neutral depots are now in their final stages having experienced some delays due to supply chain issues and the pandemic. The cost to implement the various initiatives at the two sites is estimated at £1.1 million, saving £41,000 per annum in energy bills (based on today's prices) and 82 tonnes of CO₂e. In addition, we have now also installed solar panels on one of our substations to understand the benefits. Case studies will be developed and shared once the projects are complete. To find out more on our case studies and trials click here.

Yearly comparison on internal carbon footprint



We have seen a reduction in business transport due to home working in recent years. We are doing a lot of work around our low carbon transport policy which includes electrifying our own fleet. We currently have 5 electric vans, 4 electric diggers with additional plans to increase this in the future. So far, we have installed 118 chargers at 15 depots/offices with additional locations identified for installation this year. Over 123 colleagues have now made the shift to purchase fully electric vehicles as part of our EV car scheme. Progress around electrifying our bigger vehicles is challenging however as technology and demand increase we will continue to work with suppliers to find alternative ways of working.

In support of the transition to low carbon we're sharing a number of low carbon technology case studies that provide learnings and knowledge to encourage our colleagues and businesses to do the same. To view these case studies click here.

Ultimately the uptake of more LCTs will result in a lot more demand being placed on our network, and the cost of upgrading the network can be expensive. One of the ways in which we can facilitate the extra demand associated with the transition to net zero while utilising our existing network is through the procurement of flexible services. When the demand for electricity in an area is greater than the amount that we are capable of providing, we can utilise companies or individual customers known as distributed energy resources (DERs) with an agreement to reduce their demand and ensure a safe and reliable supply of energy. This year we opened two tenders; the spring tender asked for 339MW of flexibility in 35 locations across our region and our autumn tender asked for 259MW of flexibility in 37 locations across our region, with over £2m available for the provision of these services across 2022/24.



- Achieve a carbon emissions target of 14,000 tCO₂e in line with our Science Based Target Approach
- Launch two carbon neutral substations and depots and share learnings with customers and businesses
- Installation of additional EV chargers at our offices and network
- Continue to review and increase our EV fleet



GOAL - Helping customers and colleagues drive down carbon emissions

Our commitment

As the region's network operator, our stakeholders have said it's our responsibility to lead the way in the net zero transition. Through investment and innovation in energy infrastructure, we will help the North West to decarbonise and pave the way for the growth of renewable energy. This means that we are committed to working with our customers and businesses to encourage and support them on the transition.

We aim to be a professional advisor providing the support, expertise and knowledge to customers and businesses <u>providing plans and case studies to go net zero</u>.



What we achieved

As businesses and households across the region decarbonise there is significant interest and uptake in electric vehicles (EVs). We heard from stakeholders that they want more information from an impartial source. To share our knowledge and other insights, this year we hosted our first ever hybrid event 'Electric vehicles explained'. The event brought together a range of experts and advisors who explained how EVs will help us achieve net zero and the role we will play as the region's network operator. The event was attended by businesses, local government and many other organisations interested in everything relating to EVs. The event also attracted people from as far as Pakistan, Poland and India, with a peak of 125 viewers during the session.

We recognised the need to support Housing Associations and the importance of Housing Associations and local authorities in the region's plans for a net zero carbon future. We hosted a topic specific event with 38 Housing Associations that explored how we can work together to enable their plans for the installation of low carbon technologies.





Last year we delivered the first-of-their-kind local decarbonisation pathways to local authorities as a way to provide the data and expertise to turn their net zero ambitions into reality. We have increased our engagement with local authorities, working in partnership to assist in the development of their net zero plans including, transport, strategic infrastructure and decarbonisation pathways. We have worked closely with Greater Manchester, Lancashire and Cumbria to provide near to mid-term certainties around the future of energy supply and demand to inform decision-making and investment planning for the adoption of LCTs. You can read more about each pathway here.

This year we strengthened our pathways by publishing our fourth annual Distribution Future Electricity Scenarios (DFES) document which provides bottom-up forecasting, integrating the latest updates on technology and fuel costs, emerging central and local government policies and inputs from local stakeholders. These data sources also informed the prioritisation of 11 stakeholder-led strategic

investment projects as part of our green recovery plan and aim to support strategic reinforcement, EV charging and LCT and network monitoring. These projects are aimed at accelerating shovel ready network investment during the remainder of the RIIO-ED1 period (2015-2023). Three of these investments are highlighted below;

Windermere Lakeside Cumbria County Council

£650k project to upgrade the power network in Windermere. The work will see 6km of underground electricity cables replaced throughout the town.

The new cables will help create crucial additional capacity to facilitate the installation of Windermere's first electric ferry. The new supply will also allow several electric car charging points to be installed.



Arrowfield estate in Chorlton Greater Manchester Combined Authority

£2.2m investment to enable Southway Housing Trust to leverage European funding and proceed with a multi-million pound upgrade of old, inefficient gas boilers in a social housing estate to new, superefficient, low-carbon heat pumps.



Samlesbury Aerospace Enterprise Zone **Lancashire County Council**

£7.5m investment scheme to create vital new capacity on the network in Samlesbury to accelerate the progress being made at the Aerospace Enterprise Zone, which will create significant new demand on the electricity network as businesses grow and develop.



In addition, we believe that innovation is a key player in the net zero transition and we have embedded, strengthened and progressed a number of projects that have seen great success in playing their role in helping Electricity North West lead the transition.

Smart Street subtly alters and manages the amount of electricity flowing through our network of cables and into customers' homes

| | creating the UK's first actively optimised network. This reduces consumption while saving customers money, without affecting their usage behaviour in any way. |
|-------|--|
| | The project has now been rolled out to 64,000 customers in the North West, as part of a $\mathfrak{L}18m$ project and in our next price period 2023 - 2028 we will extend the roll-out to a further 250,000 households. |
| | CLASS (Customer Load Active System Services) is a low-cost solution which uses voltage control to manage electricity consumption at peak times. |
| CLASS | By installing cutting edge 'voltage controllers' in our substations we could save customers in the North West around £100 million over the next 25 years. This is a huge benefit not only to our network capacity but also for our customers in vulnerable |

circumstances. PRESense a monitoring device successfully captures power flow data and detects the presence of LCTs on our network. We have now accelerated roll-out with upskilling colleagues to install PRESense in over 800 sites. This intelligence informs decisions about

how best to mitigate emerging capacity constraints, identifies emerging network constraints and therefore removing a barrier to customers connecting LCTs.

Supporting community and local energy schemes

As part of creating a low carbon future we are committed to supporting community and local energy schemes across our region. Our community and local energy strategy aims to respond to their immediate requirements which are: improving access to us; helping with finance; understanding energy sector regulation, and is building more collaborative relationships over time.

Community and local energy involves community-led projects or initiatives reducing, managing, generating or purchasing energy. Community energy projects focus on engagement and benefits for their local area and communities and is a key focus for us as it has a huge role to play in a net zero future.

We launched a refreshed stakeholder-led Community and Local Energy Strategy in September 2020 and this year, in September 2021, we published an annual report to update stakeholders on our progress against each of the strategy's 24 commitments.

We can also report that we have continued to increase our engagement supporting 50 community energy groups this year, an increase on previous years and a reflection of the growing interest in community and local energy across the region.

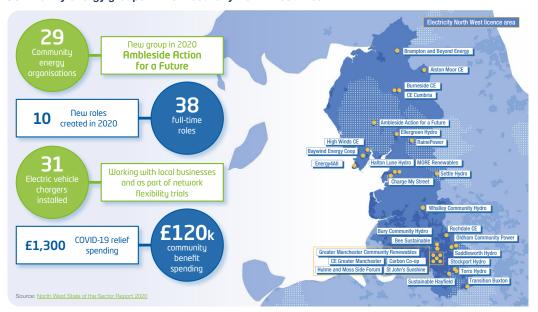
Helen Seagrave, Community and Local Energy Manager Said:

"We believe community energy can deliver wider benefits in addition to carbon savings and is well placed to play a key role in the net zero transition and know there is an ambition from the sector." For the fourth year in a row we supported the national state of the sector survey of community energy across the UK. The results for the north west survey show that five new organisations registered in 2021 bringing the total in the region to 42. The survey also showed the community energy sector is becoming increasingly diverse in the range of activities it delivers, increasing the number of organisations delivering low carbon transport and energy efficiency activities.

A key part of our strategy to support the sector is our annual Powering our Communities fund which provides approximately £75,000 of funding to projects that support their local communities to meet net zero carbon emissions. So far, the fund has provided £304,000 of funding to 25 projects since 2018. This year it provided almost £80,000 to six projects. These projects include support for communities across Cumbria to adopt solar PV including dedicated support for the farming community, funding to help develop community energy groups in two different areas of Greater Manchester, technical advice to an historic mill building to help it become zero carbon and support its communities of small businesses and an inter-faith project looking at how to install solar PV across their estates. To view the full details of the seven projects, click here.

Visit our website <u>here</u> to find out more and view our updated strategy on community and local energy.

Community energy groups in the Electricity North West Area



- Continue to support our colleagues drive down carbon emissions
- Provide support and guidance to domestic customers to drive down carbon emissions
- Help business customers drive down carbon emissions
- Continue to support community and local energy in region
- Promote flexible services to communities across our region to encourage participation
- Provide £75,000 to support local and community energy projects through the Powering our Communities fund







GOAL - Enhancing biodiversity and ecosystems

Our commitment

Biodiversity and ecosystems are an essential part in supporting life in the North West. We want to ensure that we manage and mitigate any negative impacts that our operational activities may have on wildlife and biodiversity by using our ground maintenance and vegetation management teams to maintain existing wildlife habitats and enhance and create new ones where opportunities arise.

Our aim is to use our own network and the land we manage and own to increase biodiversity and ecosystems whilst working closely with local partners and communities.

What we achieved

This continues to be a developing area for us, however, we have been able to scale up and embed several projects. This year we developed our biodiversity policy which is currently being reviewed and will shortly be launched. In 2019 we launched our Transforming our Spaces (TOS) scheme. Following its success in the first year we committed to supporting further sites, however in 2020 Covid-19 impacted the spring planting season and we were not able to roll out as planned.

To date we have delivered 10 TOS sites transforming them into low-maintenance and self-pollinating ecosystems. This year we continued to see the impact of the pandemic on our projects however two sites were able to receive biodiversity improvements. We are now scaling up our TOS scheme to deliver an additional 30 sites by 2023. Sites have already been identified and work will begin on them soon.

Last year we shared our new partnership with City of Trees, where we planted 300 trees. We now have a well-established relationship with them and have identified two additional tree-planting sites with further plans outlined in our RIIO-ED2 Business Plan.



- Transform 20 areas around our assets as part of our Transforming our Space scheme
- Identification of sites suitable for tree planning at least one per annum
- DEFRA biodiversity metric V3.1
- Develop pathway to deliver 50,000 tree planting commitment as part of ED2 (2023-2028)





GOAL - Optimising waste and resources

Our commitment

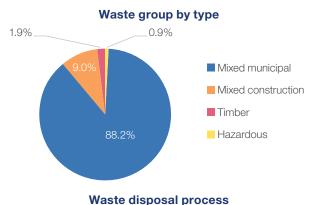
We are committed to minimising the waste generated by our activities according to the principles of reduction, re-use and recycling. We currently measure and manage both our office and operational waste and work with colleagues, suppliers and partners to identify improvements. All office waste is sorted centrally to maximise recycling, we have the only DNO central oil reprocessing department (CORD) in the UK, and as part of our reduction we look to remove unnecessary single use plastic.

What we achieved

Last year we committed to implementing our waste scorecard and this year was our first year embedding it within the business. The scorecard will further improve our monitoring of waste and look to break down our recycling into type of processing (i.e. landfill, recycling/reuse and combustion) and will indicate our $\rm CO_2$ emissions against our year target.

We strive to be a zero to landfill business. This year we saw how dependable we are on our suppliers to follow this through and how it's vital that they support our vision. Following our partnership with Recycling Lives we identified that 1% of our waste was reaching landfill. This was mitigated immediately and since September 2021 we are now confidently a 0% to landfill business and will continue to maintain this status.

| Breakdown of waste | Tonnes | % 1 |
|--------------------|--------|--------|
| Paper recycled | 0.5 | 0.04% |
| Plastic | 0.2 | 0.02% |
| Energy | 1149.8 | 99.94% |









Our central oil reprocessing department (CORD) continues to be the only one of its kind. Oil is used to keep key equipment in electricity substations insulated, safe and cool and is a critical part of our business. To reduce waste and help reduce costs on customers' bills we reprocess our own oil which provides much greater value then buying new oil each time. This year we processed more than 780,000litres with an efficiency rate of 90% - an increase of 4% from last year.

We also introduced our new mobile oil processing unit which is self-contained and enables us to process oil, regenerate recovered oil from circuits that are to be decommissioned and then reuse it on the existing network. This enables us to maintain our 100s of kilometres of oil-filled cables more efficiently and environmentally consciously.



- Strive to reach our commitment of 0% landfill commitment with 80% combustion and 20% recycle
- Continued investigations for the removal of plastic from the packaging of material
- Utilise the metrics and scorecard for all recycling to identify ways to reduce waste further
- Continue to roll out the resin tubs collection process so they can be converted to other products, for example plastics pallets

Introduction

Central to our purpose is our role in 'Transforming our Communities'. We serve five million customers across three different regions all facing different challenges and we are committed to not only providing a safe and reliable network but enhancing, supporting and developing these communities both now and in the future. Our role includes but is not limited to providing support to our customers in vulnerable circumstances during a power cut, playing our part in community engagement through promoting volunteering and fundraising for causes that matter to our colleagues, inspiring the next generation of engineers and employees while expressing our economic impact.

WHAT STAKEHOLDERS HAVE TOLD US

In a turbulent year for our communities, unstable commodity prices have caused huge rises in the cost of gas, oil and living in general. In response members of our Consumer Vulnerability Stakeholder Advisory Panel urged us to further **embrace our broader social role** by using shareholder funds to scale-up support to communities most at risk during the cost of living crisis.

In our youth engagement, members of Youth Focus North West (whose members are people under 19 years of age who want to be heard by the people who make decisions) raised a concern regarding how we will address the expected rise in levels of fuel poverty. Evidence of inequalities widening for low-income households prompted members of our Customer Voice feedback panel to challenge us to strengthen our referral network and scale-up support to customers experiencing fuel poverty.

In our three annual regional stakeholder workshops we heard that at the same time as driving continuous improvement in the range and accessibility of support to customers at risk, we should apply our social value framework to deliver value for money investments and keep our costs stable to support the **affordability of energy bills**. However, polled stakeholders held a consensus view that

our continued focus on being one of the most cost-conscious and efficient networks should not compromise our ambition to **lead the north west's transition to net zero**.

This year we undertook a 'six-months on' follow-up to our 2020/21 COVID-19 study, which showed vaccine hesitancy was most pronounced among young people, ethnic minorities and those in fuel poverty. The study indicated that the volume of people without digital skills, confidence or access had decreased, but there remained a sharper digital divide for those who remained. The implication of this is that **new approaches were required to engage seldomheard communities**. Health and social care consumer champion Healthwatch Lancashire challenged us to pilot more localised, tailored awareness-raising approaches such as the use of community radio stations.

Through best practice sharing with industry peers and wider stakeholders we identified further opportunities to **review and develop our 'Bright Sparks' online educational resources** to support primary and secondary school curriculums on key topics, such as safety around electrical equipment. We heard a need for this education to be delivered through different engaging formats.

HIGHLIGHTS:





GOAL - Responding to customer vulnerability

Our commitment

We aim to ensure that our services are available and accessible to all our customers, regardless of their personal circumstances and location. We transport energy to some of the most socially and economically deprived areas of the UK and with the energy sector changing rapidly our promise is that 'Together we have the energy to transform our communities' and that we will ensure a fair and inclusive energy transition to ensure no one is left behind.

Understanding the diversity in the customer segments we serve, and the role we can play in supporting them, helps us deliver initiatives which have genuine impact. In order to support all of our customers, we offer a number of services and partner with some of the best charities and organisations across the North West to provide the support and service our customers require.

What we achieved

As a business our key focus is providing the best services to customers and this year we focused our support on fuel poverty within our region, expanding the reach of our support services to deliver a long-term sustainable impact. We also highlight below the support we are providing for our customers in vulnerable circumstances.

Earlier this year we commissioned research that revealed 13.01% of all households in the region are fuel poor, meaning their energy bills are higher than they can afford. The data revealed that 11 local authorities, including Manchester (17.90%), Barrow-in-Furness (15.05%), Preston (15.07%) and Blackburn with Darwen (16.50%) are all above the North West's fuel poor average with Pendle ranked the highest at 18.12%.

It is therefore imperative that we have strong, dependable partnerships with a number of charities and organisations across the North West that can work with us to support our customers. We are incredibly proud of the partnerships we have built and this year 100% of our partnership budget has been spent, with £436,000 allocated to support vulnerability in the top 10 priority areas of our region including Barrow in Furness, Blackburn and Darwen, South Ribble and Tameside.

We also joined forces with Citizens Advice this year in a new strategic partnership to help provide crucial support for those who need a little extra help. The £500,000 partnership will fund a two-year project proactively contacting customers to offer support as well as responding to referrals from the network. This year there were 36,487 referrals resulting in 11,163 fuel-poor customers being supported by our partnerships with an average of 3.3 referral outcomes per individual. This is up from 2.07 in 2020/21 and has an outstanding social return on investment (SROI) of £4.6m. For more information on SROI visit page 25.

Andy Brown, Chief Officer at Citizens Advice Manchester said:

"Citizens Advice Manchester are excited to be working with Electricity North West to ensure that customers who need extra help have access to the joined-up support and the advice that they need."

This year we funded 15 partners to help us support our customers across the North West





In addition to partnerships the use of innovation to support customers continues through our award-winning project CLASS (Customer Load Active System Service). CLASS successfully demonstrates cutting edge voltage control that reduces the demand for electricity, without customers noticing a difference to their supply. £3.8m of CLASS revenue has been shared with customers in RIIO-ED1 (2015 -2023) to reduce bills.

Through our priority services register (PSR) we provide additional support for electricity users in vulnerable circumstances when their power goes off. This year we not only achieved a customer satisfaction score of 88.7% but achieved a PSR customer satisfaction score of 90% and our register increased by 124,283 new registration. This is an increase of 19.5% on last year, reducing the PSR gap to 47%. At the time of publishing this report the Priority Services Register has been renamed to our Extra Care Register (ECR) which will continue to enable us to provide extra support to our customers who sign up for it. Read more here.

A detailed report of all our key case studies has been provided in Part 3 of our Stakeholder Engagement and Consumer Vulnerability report here.





OUR PLANS FOR THE YEAR AHEAD

- Increase registration to our ECR by 5%
- Meet a minimum of AA Accessibility standards
- Continue to increase our support with partners
- Aim to support 25,000 people pa which is 15,000 more than last year
- Achieve 91% overall customer satisfaction
- Provide a minimum of 15,000 referrals for energy savings advice



GOAL - Inspiring the next generation of engineers and employees

Our commitment

We strongly believe that we have a vital role to play in inspiring the next generation of engineers, innovators and employees and recognise the national shortage of engineers across the UK. Our mission is to work with schools, youth groups and apprentices to provide opportunities across the North West to learn about engineering, job opportunities, drive STEM (Science, Technology, Engineering and Maths) based subjects and promote women in engineering.

We aim to open the eyes of young people and future employees to the exciting world that the electricity network and Electricity North West can provide for their future - from supporting the transition to low carbon technologies, developing innovation, to cyber security and working with people and our communities.



Gillian Williamson, Engineering Director said:

"Inspiring the next generation of Electricity North West colleagues is crucial to ensuring we can deliver our ambitious plans through ED2 and beyond. This starts in schools, local community groups and in the family home and we are committed to providing the resources and programmes to attract our future talent."

What we achieved

This year we really focused on embedding and scaling up our education offering, continuing to cement our existing partnerships and introducing a new partnership with Tomorrow's Engineers and the Girlguiding Association. We also introduced eight new apprentices to our award-winning apprenticeship programme, which has now had 85 graduates complete the programme since 2017.

We continued to embed and promote our Bright Sparks programme which is aimed at Key Stage 2 (KS2) primary school pupils. Due to the ongoing Covid-19 restrictions we were only able to return to the delivery of Bright Sparks in schools in November 2021, but we continued to promote our online resources which have been developed for teachers and are curriculum-linked resources for KS2 children to spark their curiosity around electricity, from electricity circuits, health and safety and why it is important to save electricity.







Since the Launch in March 2021 our resources have been downloaded more than 1,500 times and we continue to promote these across our social media platform. We also partnered with the University of Lancashire (UCLAN) and The Science and Industry Museum for their annual science festivals including UCLAN's first ever virtual fair reaching a total audience of over 4,000 children.

We introduced The Girl Power challenge pack which has been developed in partnership with the Girlguiding Association. Sixty girls aged between four and 18 from across the North West have become the first in the country to earn a new Rainbows, Brownies, Guides or Rangers badge after learning more about electricity.

This £25,000 partnership provides 30 exciting individual and group challenges for members to learn more about electricity, highlighting the importance of electrical safety, support for vulnerable members of society, energy efficiency and low carbon technologies.



Over the next year we will also finalise a key partnership with Tomorrow's Engineering Code, becoming an honorary signatory and supporting the increase in the number and diversity of young people entering engineering. We will also launch our digital safety awareness game which has been in development over the past year in collaboration with Western Power Grid. To find out more details on the safety awareness game visit our education hub here.

Electricity North West's Jill Hendry said:

"Engineering and utilities is currently very male dominated. In working with the Girlguiding Association we hope to inspire more into a career in engineering, and who knows, it may be the spark that sets them on a course to become one of our future apprentices or engineers. With electricity demand expected to double by 2050, engaging with young people is more important than ever. This new partnership and the exciting new challenges we have created together will help young people understand more about how electricity works, the importance of low carbon energy over carbon intensive fossil fuels and the importance of energy efficiency."





- Increase engagement through our education programme
- Launch safety awareness online digital game
- Development of internal Education Steering Group
- Create additional support resources for schools (Primary and Secondary)
- Increase collaboration internally and externally
- Become signatory of the Engineering Code







GOAL - Supporting colleague-led community engagement

Our commitment

Over and above investing in a safe and reliable network and the support we provide to customers who are in vulnerable circumstances, we are committed to supporting our colleagues and their endeavours to give back to the communities and charities that matter to them either through financial donations and/or volunteering.

Our commitment to community engagement stems from the passion, dedication and goodwill of our colleagues. Although we are still navigating the impact of Covid-19 in our communities our colleagues' dedication to helping charities and organisations has continued, from fundraising events, food collections and volunteering their time during and after work.

What we achieved

This year we donated nearly £20,000 to 46 charities across England as part of our colleague-led donation funding. Our fundraising process allows local depot/office teams to be at the forefront of the approval process ensuring that we support organisations key to our communities in which we serve. As part of the donation request we ask that colleagues themselves are active in the donation process either through fundraising or volunteering. This year colleagues raised £21,600 in addition to the company amount for the charities that matter the most to them including many hours of volunteering outside of working hours.

Manchester half marathon for National Energy Action (NEA) two of our colleagues, Jason Walsh & Luke Wilkinson, ran the Half Marathon with NEA to raise awareness and urgent funds for families living in fuel poverty.

> 16 ENWL apprentices took part in a 400km cycle challenge starting at Carlisle on Monday 20 September and ended at Salford on Friday 24 September. They raised over £18,000 for the British Heart Foundation and Mind.

Our colleagues are also incredibly proactive in volunteering and to support this we launched our updated volunteering policy that committed to each colleague being eligible for two days volunteering leave a year. This means that our colleagues have 4,000 days to give back to charities and organisations of their choice.

This year we had 64 colleagues use their volunteering days and we know there is more we can do. We formed an internal volunteering steering group this year that works with our customer partners and colleagues to identify opportunities for colleagues and teams to volunteer and give back.

£20,000 donated to

Hours volunteered over and above



OUR PLANS FOR THE YEAR AHEAD

- Increase number of colleagues taking two days volunteering leave and hours volunteered
- Identify volunteering opportunities for colleagues
- Donate over £20,000 to charities and organisations
- Increase number of colleagues supported through our colleague-led fundraising scheme





Engineers and Jointers from our Chadderton depot recently raised over £900 for Bowel Cancer UK and Macmillan Cancer Support by taking on the Yorkshire three peaks challenge, which is a 24 mile hike.





GOAL - Expressing our regional economic impact

Our commitment

Part of our role within the North West is to better understand and articulate our role in enhancing the economic prosperity of the North West, ensuring we keep ahead of the region's needs by listening and responding to stakeholder feedback as the demand for electricity continues to grow and people become more dependent on our services to power their lives now and in the future.

We engage with over 50 categories of stakeholders every year and our focus on listening to our stakeholders to ensure we provide the support they need and a safe and reliable network to support quality of life.

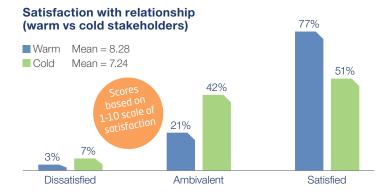
What we achieved

This year we have conducted more engagement than ever before. In total this year we held 2,137 engagement events reaching 63,178 stakeholders through 28 mechanisms, leading to over 300 outcomes for stakeholders; our highest ever number. Our dedication to engagement really allows us to understand our customer priorities both to support delivering the remainder of our RIIO-ED1 commitments and to ensure our RIIO-ED2 (2023-2028) business plan will deliver what customers want. We have a number of stakeholder advisory panels that met 22 times throughout the year including our three regional stakeholder panels which are open to the public.

Listening to and acting on customer and stakeholder insight enables us to make better business decisions. To ensure that our principles are universally understood and consistently applied by colleagues, this year we increased education and promotion of stakeholder engagement across the company. This included training for all employees, explaining the purpose and scope of stakeholder engagement and introducing a new stakeholder tracker 'Tractivity' to ensure our methods were effective and efficient.

Our annual stakeholder satisfaction survey showed that we continued to meet the expectations and needs of our stakeholders. We are proud that this year our stakeholder satisfaction went up by 7% giving us a satisfaction score of 77% with a 14% increase in engagement satisfaction with our stakeholders who engage with us regularly (warm stakeholders) and a 16% increase with stakeholders who have not engaged with us in the last 12 months (cold stakeholders).

The graph below shows stakeholders (both cold and warm) satisfaction with their relationship with us.



Our Stakeholder Engagement and Consumer Vulnerability Incentive (SECV) submission score increased in 2020/21 from 6.03 to 6.61. We are incredibly proud of this increase as the SECV is intended to encourage network companies to proactively engage with stakeholders to anticipate their needs and deliver a consumer focused, socially responsible and sustainable energy service, all the while going beyond business as usual standards. To read our SECV submission click here.

As part of our SECV and wider business we continue to embed a process that drives good decision-making. Our Social Return on Investment (SROI) is one of several tools we use as part of our impact measurement towards initiatives that deliver maximum value and scale for our customer.

This year we improved our measurement approach through practical experience and DNO collaboration, scaling this up by measuring the social value of 110 investments. The below table shows the value delivered by our SECV case studies and all initiatives this year.

| Net value delivered | All 2021/22 SECV | All 2021/22 |
|---------------------------------|------------------|-------------|
| Net value delivered | case studies | initiatives |
| 2021/22 Average SROI | £8.58 | £3.96 |
| 2021/22 Net present value (NPV) | £50.3m | £101.9m |
| NPV over 5 years | £320.7m | £974.1m |
| NPV over 10 years | £619.6m | £2.7bn |

In addition, we continued our long-standing seven-year membership with Business in the Community (BITC) who continually help us grow our responsible business practices, uniting our efforts for greater social and environmental impact in our communities. We scored 77% in this year in the BITC responsible business tracker compared to the cohort average of 45%. We are incredibly pleased with this score which helps us to measure the growth and development of our responsible business practices and understand where we're doing well and where we can do better.



- Conduct annual stakeholder satisfaction survey
- Increase engagement with stakeholders through advisory panels and regional events
- Achieve further improvement in Stakeholder Engagement Consumer Vulnerability (SECV) submission
- Roll out Social Return of Investment measures to more projects across the business
- RIIO-ED2 business plan finalisation



