



Our diversity and inclusion ambition 2021 – 2026

What we want to achieve and how you
can help us reach our goals

Proud
to be



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Inclusion is at the heart of everything we do

We've got ambitious plans for GD2 and if we want to lead the way in energy delivery, we need the right people to help us get there. Attracting and retaining diverse talent is critical to ensuring our continued success.

We're innovating for a brighter future for our network and we need the diversity of thought and experience that will help us to continue to fuel innovation and to deliver value to our colleagues, customers and communities.

Every day, we provide services to millions of customers in Scotland and the south of England and we believe our workforce should reflect the full range of backgrounds and experiences in the communities we're so proud to serve. It makes for a richer colleague and customer experience.

It's important to us that our people feel welcome, valued and encouraged to deliver their best day after day so we'll celebrate diversity and promote inclusion because different people, with different perspectives, make SGN a better business.

John Morea, CEO





How it aligns with our company strategy

Our purpose is to keep everyone safe and warm. Our company strategy is to deliver long-term value for existing and future customers, stakeholders and shareholders. Here's how we plan to achieve that:

1. Delivering a safe and efficient service

We will deliver a safe and efficient service by acting safely, keeping the gas flowing and keeping costs down.

2. Making a positive impact

We will make a positive impact on society, by supporting vulnerable communities and providing excellent service.

3. Building a shared future

We will build a shared net zero future by accelerating decarbonised energy solutions and minimising our environmental impact.

4. Focusing on talent, skills and opportunities for our people

We will create and maintain an inclusive and diverse workplace where our people can develop and thrive.

5. Creating value and growing our service

We will create value by accelerating commercial opportunities which complement the core; maximise the value from our existing asset base; invest in opportunities for the sustainability of our network and keep SGN at the forefront of the delivery of heat

We'll keep our ambition under review and will regularly update our plans whenever there's a clear need for change or when new priorities emerge.

What does it mean for me?

At SGN, we're dedicated to keeping our customers safe and warm by leading the way in energy delivery. We're not just dedicated to our customers' wellbeing; we want you to have a great experience working with us too. All our employees deserve to feel valued and supported, as well as safe – both physically and psychologically.

Right across the business, we want all our people to have the confidence to be who you are and give your best. Feeling this way comes from everyone understanding what makes people different and valuing the benefits that diversity brings. It also comes from being aware of the impact we have on the people around us.

That's why equality, diversity and inclusion are priorities for us.

When we talk about equality, we're talking about making sure everyone has a fair and equal chance to access opportunities and make the most of their unique set of skills and talents.

When we talk about diversity, we're talking about everything that makes us unique. After all, everyone's different. Each of us brings an individual blend of backgrounds, circumstances and experiences.

When we talk about inclusion, we're talking about the behaviour that means people are involved, valued, and respected – no matter who you are. Inclusion gives everyone a fair shot at opportunities and removes the barriers that might have previously been in their way. It means all of us are able to contribute towards our common goals.



Your rights under the Equality Act 2010

The Equality Act became law in 2010. It protects people from discrimination, harassment and victimisation.

Who is protected?

Everyone is protected on the basis of their protected characteristics. The Equality Act 2010 defines nine 'protected characteristics'. Discrimination based on any of these protected characteristics is against the law.



Age



Disability



Gender
reassignment



Marriage/civil
partnership



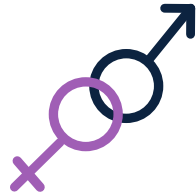
Pregnancy/
maternity



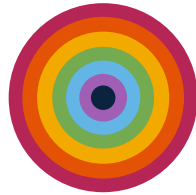
Race



Religion/
belief



Sex



Sexual
orientation

What does this mean at SGN?

Everyone who works for SGN or uses our services is protected from discrimination, harassment and victimisation. This includes candidates, colleagues, customers and contractors.

To make sure everyone understands their rights and responsibilities, we're rolling out training to our people which we'll refresh on a regular basis.

For more information on the Equality Act and the Protected Characteristics, please visit www.equalityhumanrights.com/en

We're making great progress on our D&I journey

Here's just a snapshot of some of the great things going on at SGN...

2016

Introduced a D&I index to our Employee Opinion Survey

Commissioned a D&I audit into our policies and practices

2017

Appoint female HR & Services Director to the Executive Committee

Language and inclusion review of our job adverts

Recruitment audit to dig deeper into D&I audit findings

Inclusive recruitment training for HR and hiring managers

2018

Awarded Ministry of Defence's Employer Recognition Scheme Gold award for showing outstanding support to the military community and the Armed Forces Covenant

Introduced Manager Essentials training with a focus on inclusion

Published our first Gender Pay Gap report detailing the progress we've made and plans to build a more diverse SGN

Laura Sandys, co-founder of Powerful Women, joins SGN Board as Non-Executive Director

Rolled out training to all colleagues on appropriate behaviour and banter in the workplace

2019

Developed directorate D&I plans to take targeted action in different business areas

Carried out a diversity monitoring exercise to understand more about our people

Started robust reporting with the development of our D&I scorecard

RISE women's development programme begins

Signed up the EU Skills Inclusion Commitment to promote D&I within the energy sector

Trained a network of D&I Partners to help deliver our D&I ambition

Developed our wellbeing strategy focusing on mental, physical and financial wellbeing

2020

Enhanced paternity pay and provisions and introduced family-friendly resources.

Achieved Inclusive Employers Bronze award

Held a series of 'let's talk about race' sessions with BAME colleagues to inform our racial diversity action plan

Introduced our Equality, Diversity and Inclusion policy

Developed the first in a series of eLearning packages on unconscious bias in the workplace

Celebrated a host of inclusion campaigns including Carers Week, Armed Forces Day, Black History Month, International Day of People with Disabilities, International Women's Day, International Men's Day and more

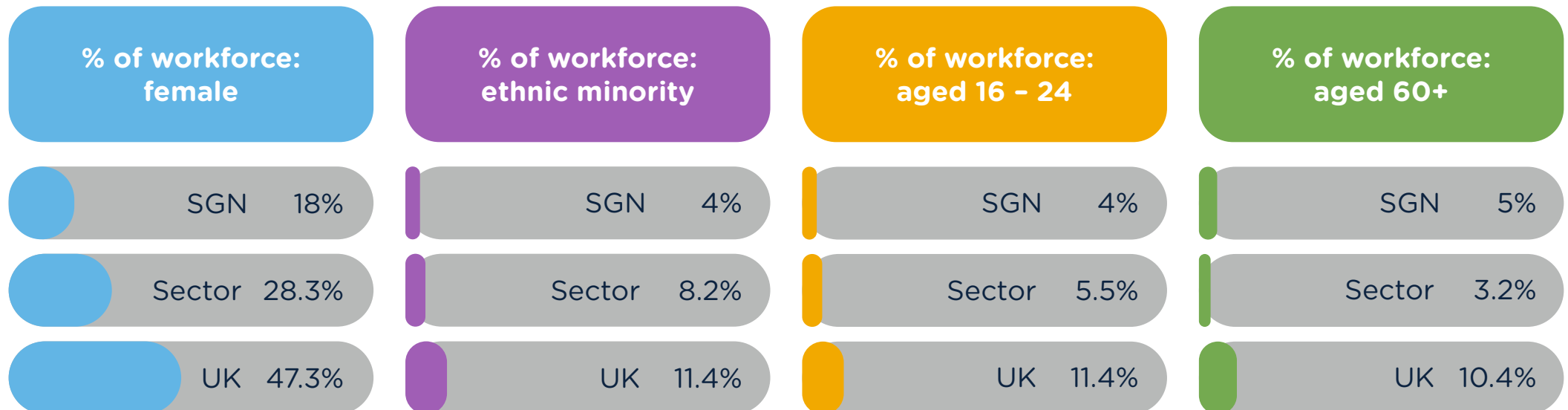
...but we've still got some way to go

In 2019, we invited all colleagues to take part in a diversity monitoring exercise, giving you the opportunity to disclose characteristics such as ethnicity, disability and sexual orientation. This helped us achieve a clearer view of the diversity of our workforce. Since then, our disclosure rates have increased, with 88% of colleagues choosing to take part.

Understanding more about the people working at SGN helps us to identify areas of underrepresentation and to shape policies and practices that help to promote inclusion across the business.

As part of our collaboration with the Energy and Utilities Skills Partnership, along with other companies in the sector, we shared our diversity data to build a picture of how we're performing. As you can see below, we've still got a lot of work to do to improve representation and ensure our teams reflect the communities we're proud to serve.

Currently, our workforce is...



Ambition summary

We want our workforce to reflect the communities we serve and for our people to feel **welcome**, **valued** and **encouraged** to do their best.

What we're aiming for

A more diverse workforce

We'll strive for greater representation at all levels and across all business areas through:

- inclusive recruitment
- developing and progressing diverse talent
- working to make sure our workforce reflects the communities we serve

An inclusive workplace

We'll develop an inclusive culture where:

- difference is valued and celebrated
- colleagues feel proud to be themselves at work every day
- inclusive communities are important to everyone

Inclusive leadership

Our strategy will be driven from the top by leaders who:

- role model inclusive behaviours to everyone
- fuel momentum by adopting inclusive practices in all that they do
- adopt a zero-tolerance approach to unfair treatment and discrimination at all levels

Diverse workforce

We're proud to employ close to 4,000 colleagues, all with different backgrounds, experiences and characteristics. Through monitoring our workforce diversity, we know we need to work harder to achieve greater representation. We'll achieve this by:

1.1 Embedding inclusion in our recruitment process:

- Ensure all hiring managers have completed inclusive recruitment training and are skilled in undertaking objective and effective interviews
- Require diverse interview panels to reduce the risk of unconscious bias in selection processes
- Introduce diverse shortlists for roles with particularly low levels of female and ethnic minority representation
- Widen opportunities for people from low socio-economic backgrounds

1.2 Encouraging greater disclosure of diverse characteristics:

- Address higher rate of 'prefer not to say' responses for sexual orientation and disability by improving colleague confidence in completing the disclosure, with our activities shaped by colleague and customer feedback

1.3 Taking targeted action to address underrepresentation:

- Take part in GLA WIN Design Lab programme to address underrepresentation of young Black men
- Strengthen our ethnic minority talent pipeline by taking part in #10000BlackInterns programme
- Take part in Employ Autism internship programme to improve opportunities for adults with autism
- Strengthen partnerships with schools and colleges to increase engagement with future talent and promote opportunities within the sector

1.4 Review HR policies and practices:

- Conduct a robust review to ensure the removal of any barriers having a negative impact on the attraction, retention or advancement of underrepresented groups

1.5 Deliver targeted programmes to support the development of underrepresented groups:

- Continue to equip our women in the workplace with the skills they need to succeed by committing to further recruits for the RISE development programme and launching the Operational Insights programme
- Explore and put into effect equivalent programmes for ethnic minority colleagues and colleagues with disabilities

1.6 Holding ourselves to the highest standards and continually striving to improve:

- Become Disability Confident, progressing through the various accreditation levels
- Maintain our gold award through the Ministry of Defence Employer Recognition Scheme
- Work toward the British Standard for diversity and inclusion (BS ISO 30415)

Inclusive workplace

We want you to have the confidence to be yourselves and give your best day after day. This comes from having a shared understanding of the value of diversity and inclusion, and creating a culture where difference is embraced and celebrated. We'll achieve this by:

2.1 Improving education and understanding on a number of topics relating to D&I:

- Build on the suite of inclusion guides we offer to include content on race and privilege, gender and sexuality, and disability and neurodiversity
- Develop our library of D&I training and education materials to include additional content

2.2 Increasing employee engagement with D&I:

- Make use of our D&I Partners to support engagement at a local and department level
- Use national inclusion awareness days as an opportunity for employee storytelling
- Deliver regular events and campaigns to encourage further engagement with D&I

2.3 Creating opportunities for colleagues to directly influence inclusion activity:

- Establish a series of employee-led inclusion networks to bring together colleagues with shared backgrounds, experiences and characteristics
- Understand the views and opinions of colleagues in the development of strategy, policy and resources

2.4 Encouraging colleagues to speak up to share their insights, ideas and concerns:

- Continue promoting our 'Safe to Speak Up' initiative, reinforcing the reasons and routes for speaking up
- Recognise individuals who have helped achieve positive change through speaking up

2.5 Adopting a zero-tolerance approach toward bullying and harassment:

- Review bullying and harassment policy to ensure robust and appropriate sanctions

- Provide training to all colleagues on their responsibilities under the policy
- Support the development of a new company code of conduct, ensuring a focus on inclusive behaviours

2.6 Being transparent about our plans and progress:

- Produce a regular D&I Digest for colleagues summarising recent D&I activity and outlining opportunities to get involved
- Publish regular updates for customers on our company website outlining the progress we're making

2.7 Improving the way we measure and monitor inclusion:

- Capture perceptions of inclusion through the employee opinion survey and other lifecycle surveys
- Enhance reporting to improve comparative analysis within the sector

2.8 Embracing flexible working:

- Transition toward a model of hybrid-working for majority of non-Operational colleagues post-pandemic
- Equip and empower managers to offer greater flexibility to teams to unlock increased productivity and job satisfaction

2.9 Be more responsive to the needs of parents and carers at SGN:

- Introduce Carer Policy and Carer Passport scheme
- Enhance shared parental leave offering to match maternity provisions
- Continue to evaluate uptake and understand experiences of colleagues taking family and carer leave

2.10 Evaluating our employee lifecycle to identify opportunities for greater inclusion:

- Audit our application, recruitment, performance management and talent development processes with a view to identifying and eradicating bias hot spots



Inclusive leadership

Our leaders play an instrumental role in delivering our strategy, inspiring and engaging their people, and helping them achieve their potential. We must ensure leaders role model inclusive behaviours and adopt inclusive practices instinctively. We'll achieve this by:



3.1 Leading from the top, ensuring Executive-level involvement and promotion of D&I

- Holding workshops with directors twice a year to review D&I data and actions
- Align directors with inclusion networks as sponsors, overseeing network activity and actively participating in meetings
- Provide regular updates from directors on progress against D&I action plans

3.2 Continuing the conversation on D&I:

- Make sure D&I is a regular feature on leadership meetings and town hall agendas
- Support manager confidence in having conversations about D&I through providing inclusion cards and guidance on inclusion moments
- Continue to have D&I discussions as part of the Senior Leadership Development Programme

3.3 Ensuring leaders are held accountable for advancing D&I:

- Making sure leaders' objectives are aligned with and support the delivery of our D&I ambition
- Taking action to deliver on a number of long term targets linked with improving representation and supporting progression

3.4 Launching our 'different perspectives' mutual mentoring programme

- Partner members of the Executive Committee with colleagues whose backgrounds, experiences and characteristics are different to theirs to promote diversity of thought
- Roll out the programme to the extended leadership team to ensure wider participation

Our key principles



Shared responsibility

We want to change perceptions of D&I from being an HR activity to a business priority, in which **everyone** has a role to play.

We'll continue to develop our **D&I Partners** to ensure they can embed D&I in their business area, and we'll mobilise a network of allies to further engage our workforce.



Working in partnership

We've got a long way to go but we'll get there faster by working together.

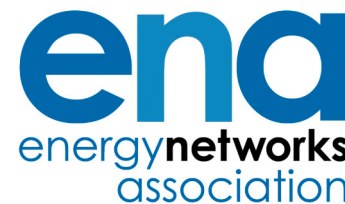
We're proud members of several partnerships and associations who share our commitment to advancing diversity and inclusion.

We'll develop our relationships and **collaborate** with fellow members of the Energy and Utility Skills Inclusion Commitment to share our progress, **learn** from their experience and shape our future activities.



Data driven

The decisions we make will be informed by **people data** and **employee insights**. We'll report regularly to measure our progress against our action plan and evaluate the effectiveness of initiatives and interventions.



ENERGY & UTILITIES
SKILLS PARTNERSHIP

Shared responsibility

From our CEO to our FCOs, Finance Managers and Stores Coordinators, everyone has a part to play in helping us achieve our diversity and inclusion ambition.

We know the impact our leaders and managers have on their teams and their performance. Our ability to deliver on our diversity and inclusion ambition relies on everyone playing their part, which is why we need leaders and managers to demonstrate inclusive leadership, take action against unfair treatment and build teams that recognise the value of diversity and the importance of inclusion.

We need you to get involved in the work we're doing, be open to learning and have the courage to challenge if something isn't right.

We pride ourselves on getting everyone home safe and well – we want everyone to be as committed to diversity and inclusion as you are to safety.

Everyone is welcome here and everyone at SGN has a responsibility to ensure equal treatment for all our people in a way that the company complies with, and goes beyond, the Equality Act 2010.



Measuring our progress

It's important we measure our progress so we can evaluate the effectiveness of our activities, identify areas of strength and weakness, and make sure we keep on track to delivering our ambition. Here's how we'll do it:



Measuring recruitment metrics and new hire data to make sure we're attracting and appointing diverse talent

Monitoring changes and looking for patterns and trends in our diversity scorecard, a bi-annual report showing a snapshot of our workforce broken down by diverse characteristics and directorates

Continuing to evaluate perceptions of inclusion through our Employee Opinion Survey and other lifecycle surveys (candidate, new hire, leaver) and using responses to produce an inclusion index

Reporting our gender pay gap and voluntarily reporting our ethnicity pay gap, and taking part in sectoral reporting initiatives to improve understanding of diversity within the utilities sector

Proud
to be

