

Delivering a bright energy future

Our Sustainability Statement



Message from our Director

We deliver integrated energy solutions for some of the UK's largest and most critical national infrastructure sites and organisations.

We work with our clients to achieve improved resilience of their electricity network, reduce their energy costs and decarbonise their operations to secure long-term success.

Our voice at the table of these major organisations carries with it the responsibility for us to adopt and implement sustainable solutions, to further not only our ambitions for sustainable growth, but those of our people and our clients.

We have already started to implement this approach into our clients' projects, including on the Great Western Electrification Project, one of the largest rail electrification projects undertaken in the UK in recent years. We substituted traditional concrete for polyfibre-reinforced concrete that prevented 42 tonnes of reinforcing steel entering our supply chain, with a reduction of 18,000kg of CO_2 – the equivalent of the CO_2 captured by 9,000 trees in a year. We are committed to the electrification of transport and have introduced electric vehicles and charge points into our fleet at Heathrow, Gatwick and Stansted Airport depots and charge points at our London City Airport depot. These and many more projects and initiatives featured in this statement are aligned with the United Nations Sustainable Development Goals, which have become an integral part of our policies and procedures. We are also introducing Science Based Targets into our business plan that will provide us with the latest guidance and awareness to take increased action when the science supports it.

Ian Smyth Director, UK Power Networks Services

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Read on to find out how we are already leading the way towards a more sustainable future for our people, our clients, suppliers, supply chain and the communities we serve.

Introduction

The world is facing unprecedented economic, health and social challenges and we all need to do our part by supporting the global sustainability agenda.

Our VISION is to be:

An Employer of Choice



A Respected and Trusted Corporate Citizen



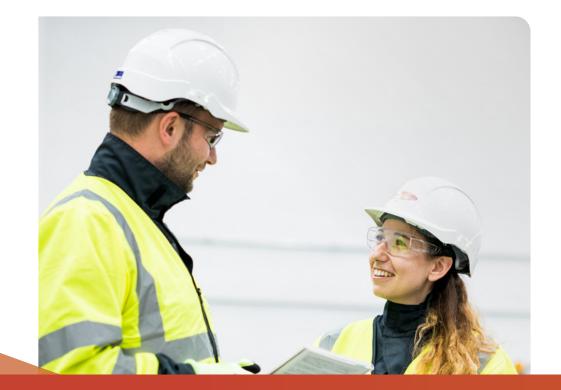
Sustainably Cost Efficient

We recognise the importance that our vision is aligned to our sustainability objectives.

UK Power Networks Services | Our Sustainability Statement

Introduction

Our ambition is to be recognised as the leader of sustainable distributed energy solutions and power distribution as demonstrated by our achievements and targets contained in this document. Sustainability is at the forefront of our thinking and we understand how critical it is to reduce any impact from our operations on the environment and society.



Our vision is to be an Employer of Choice, a Respected and Trusted Corporate Citizen and Sustainably Cost Efficient and we recognise the importance that our vision is aligned to our sustainability objectives.

Through its Sustainable Development Goals (SDGs), the United Nations (UN) has produced a blueprint for organisations to follow to help achieve a better and more sustainable future for all.

Our Sustainability Statement presents how we have followed this blueprint and aligned our sustainability objectives to the UN SDGs and enshrined these objectives within our wider company vision. This statement also presents how we are successful in delivering these objectives and our future targets.

Our vision to be an Employer of Choice is to recruit, develop and retain the highest calibre people in the business. It is through our people that we achieve success in safety, sustainability, innovation, customer service, reliability and more.

That is why it is vital to attract the best people to work at UK Power Networks Services, and to make sure our company continues to be a great place to work. It is also why we provide opportunities that motivate people at work and satisfy their career ambitions, as well as recognising their work-life balance. As a Respected and Trusted Corporate Citizen, we are guided by a strong moral and ethical compass in our day-to-day interactions with our shareholders, our customers, our suppliers and our employees. To deliver this part of our vision, we must lead the sustainability agenda, as it is the right thing to do.

We are aware the work we do has an impact on the environment. To be Sustainably Cost Efficient, we must conserve the environment, limit our use of resources and improve the biodiversity by doing our work sustainably. As a business we are well placed to support the transition away from fossil fuels and the decarbonisation of industry.

UK Power Networks Services is a company that people are proud to work for and we are continually looking at ways in which we can better understand the impact our company has on society and the environment.

We are committed to implementing all reasonably practicable measures as we ensure we move beyond mere compliance with environmental regulations, legislation and approved codes of practice, minimising our environmental impact, driving energy efficiencies as we prepare for a low carbon future, and engaging our people and our stakeholders in policy development.

Read more here 🕀

UK Power Networks Services overview

We provide solutions to global energy challenges that enable our clients to take advantage of the energy transition and decentralisation of infrastructure. We work with our clients to solve energy challenges through innovative solutions, delivering resilience, cost efficiency and sustainability.

Our vision flows through everything we do, and every project and activity we deliver.



Employer of Choice

Our people are motivated and engaged to give their best for our clients, go the extra mile and get home safely every day.



Respected and Trusted Corporate Citizen

We minimise disruption and inconvenience to those affected by our activities and ensure we have zero public safety incidents.



Sustainably Cost Efficient

We apply our value engineering approach to our activities, minimising the costs to our clients, and look for opportunities to apply continuous improvement techniques and opportunities to outperform. We are at the forefront of the energy transition, enabling the decentralisation of energy to a more sustainable, affordable and secure system.

Through our inspired thinking, assured solutions, integrated delivery and long-term expertise, we deliver safe, reliable and innovative bespoke energy solutions enabling our clients to concentrate on their core business.

Employing expert engineers and professionals, we pride ourselves on the expertise of our people to create long-term strategic partnerships and deliver for our clients.

Our certifications reflect the sectors we operate in and the expertise we have in delivering energy solutions for our wide range of top tier clients. We look to ensure that we are doing everything that delivers a safe and sustainable culture within our business and the businesses we work with.



We look for opportunities to achieve sustainable efficiencies across the entire project lifecycle – from consultancy right through to design, delivery and operation and maintenance.





Electric vehicle fleet

We have introduced eight electric vehicles (EVs) and charge points in to our fleet at Heathrow, Gatwick and Stansted Airport depots, and EV charge points at our London City Airport depot.

Through the introduction of electric vehicles we will help the airports reduce their overall carbon emissions, improve air quality and support them in achieving their sustainability ambitions.

Read more here 🕂

Great Western Electrification Project

tonne

reduction of reinforcing steel

going to site

We have electrified the Great Western Mainline route.

Our work on the Great Western Electrification Project (GWEP) enabled us to showcase our focus on innovation, and this was realised through the implementation of the use of polyfibrereinforced concrete.

Polyfibre was added to the concrete at source and replaced the steel reinforcement traditionally required for the construction of load bearing concrete structures. This meant it was not necessary to construct the steel frames on site, thus avoiding safety hazards and environmental risks. The environmental benefits included a 42 tonne reduction of reinforcing steel going to site and reduction of embodied carbon by 18,000kg CO₂ equivalent. The initiative won Network Rail's Sustainable Construction Award and was shortlisted in the Environment and Sustainability category at the Utility Week Awards 2017 and UK Rail Infrastructure Awards 2018 as well as two categories at the Rail Partnership Awards 2018.

Read more here +



London City Airport Development Programme (CADP)

We are supporting the London City Airport Development Programme (CADP) where we are delivering a smart grid that combines solar photovoltaic, combined heat and power, and smart automation software.

This fully integrated solution will enhance the security and resilience of the network, reduce the cost of infrastructure and improve air quality around the airport, while decarbonising in line with London City Airport's commitments.

Read more here +

UPS Smart Electric Urban Logistics project

We implemented new smart electric vehicle charging systems to power UPS's central London delivery fleet – the first of its kind in the world on this scale.

This smart charging solution allows UPS to increase the number of 7.5-tonne electric trucks operating from its London site from the current limit of 65 to 170 in an efficient and sustainable manner, without the need for an upgrade to the power supply connection.

Read more here 🕂



Electric Vehicle

Sustainability at Heathrow Airport

We support Heathrow's Sustainability Performance Framework, and were awarded a certificate of appreciation from Heathrow Airport for assisting the airport to become one of only three companies worldwide to achieve Carbon Trust 3.0 status.

Our work included providing efficiency measures such as replacing the airport lighting with efficient, long-life LED lights. In collaboration with Heathrow Airport and our partners we have reduced the Airport's annual energy demand by 15%. We also support Heathrow with the transition to electric vehicles and the installation of EV charge points. All our staff based at Heathrow are paid London Living Wage and above and we employ new apprentices each year. We are currently working with Heathrow to identify low carbon alternatives to our equipment and plant, further fleet electrification and installation of EV charge points and agile working practices.

Read more here +





Innovate UK funded projects such as Wireless Electric Fleets (WEF)

Innovation is at our core and we have led and developed innovative energy infrastructure projects in collaboration with Innovate UK such as Wireless Electric Fleets (WEF) where we assessed the feasibility of using wireless charging to support the use of EVs in commercial fleets on London's roads to improve air quality, reduce carbon and noise pollution.

We have helped a large number of local authorities and commercial organisations establish their energy infrastructure strategies to achieve their carbon reduction ambitions and tackle climate change in a cost effective manner. Some of these include High Speed 1, Essex County Council, Norwich City Council, and University of Cambridge among others.

Read more here 🕂

Some of our sustainability awards are summarised below.

UK Power Networks Services Sustainability Awards



Network Rail Sustainability award - Sustainable construction

We were awarded the Hedgehog award for sustainable construction from Network Rail for our works at the Western Region UK, Autotransformer power distribution in 2018.



Green Apple award Great Western **Electrification Project (GWEP)**

Our environmental performance on Great Western Electrification Project (GWEP) received a Gold Green Apple Award from the Green Organisation in November 2017.



Rail Partnership Award

We were highly commended for our safety performance in rail projects in 2019.



Supply chain/Logistics Technology of the year

BusinessGreen Technology Awards We were the winners of supply chain/logistics technology of the year award in 2018 for our work on the electrification of UPS fleet.



Rising Star Award

Apprentice electrical fitter at Stansted Airport, Sammy-Jo Evans, was recognised for her outstanding talent as a newcomer to the industry in 2016.



BEACONSITE

Outstanding HS&E Performance

Certificate of Appreciation

We were awarded with a certificate of appreciation from Heathrow Airport for assisting the airport to become one of only three companies worldwide to achieve Carbon Trust 3.0 status.

Beacon Award, London Underground

We received a Beacon Award in 2016 from London Underground for outstanding performance on health, safety and environment at Stockwell during work on the Northern Line Extension.

Our sustainable development objectives

The United Nations (UN) has developed seventeen Sustainable Development Goals (SDGs). These goals are a call to action with an objective of promoting prosperity while protecting the planet. They consider a range of social needs including education, health, social protection, climate change and environmental protection. Importantly, these goals provide a critical framework for the world's economy to recover post COVID-19, where investment can spur economies while progressing social needs. We have aligned our Sustainability Statement with the UN SDGs by grouping the UN SDGs into three distinct categories that align with our organisation's vision. We have then developed our own objectives and targets within each these categories, aligned further to the objectives and targets that sit under each of the 17 UN SDGs. Our vision is to be:

- **Employer of Choice:** Our people are our most important asset. We aim to be an ethical employer and business partner, attracting the best and most diverse talent.
- **Respected and Trusted Corporate Citizen:** We aim to provide social responsibility to our local community and to the UK.
- **Sustainably Cost Efficient:** We are aware the work we do has an impact on the environment. We must conserve the environment and improve the biodiversity by doing our work sustainably. As a business we are well placed to support the transition away from fossil fuels and the decarbonisation of industry.

We have used the 17 UN SDGs as the basis for our sustainability objectives within this Statement.

While everything we do somehow contributes to most of the UN SDGs, some of the goals are more aligned with our strategic vision – this will be described in more detail.



Our ambition is to recruit, develop and retain the highest calibre people in the business. It is through our people that we achieve success in safety, sustainability, innovation, customer service, reliability and more.

That is why it is vital to attract the best people to work at UK Power Networks Services, and to make sure our company continues to be a great place to work. It is also why we provide opportunities that motivate people at work and satisfy their career ambitions, as well as recognising their work-life balance. We care about our workforce and we ensure they are skilled both for today and the long-term.

We listen carefully to what our people say and we ensure that they are fully informed about the business response and direction. As part of the wider group, we have been recognised as a great place to work by The Sunday Times 25 Best Big Companies to Work For over the last four years.

In order to attract the best and brightest recruits, we want to ensure that no section of the population faces barriers to success in a career with UK Power Networks Services. This applies both to the recruitment process and to career progression.

Our employees play a vital role in achieving our vision



Alignment with the UN SDGs

The UN SDGs aligned to our Vision to be an Employer of Choice are:



Good health and wellbeing



Quality education



Gender equality



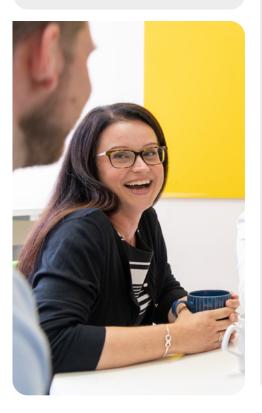
The following sections discuss for each of these SDGs, our objectives, what we are currently doing and what we will do in future to meet our goals.

Good health and wellbeing

This SDG seeks to ensure healthy lives and promote wellbeing for all. The relevant SDG target for this goal is:



3 Target 3.4 seeks to promote mental health and wellbeing.



Our good health and wellbeing objectives

- Prioritise and maintain a fit and healthy workforce. We aim to provide support and a programme to improve our employees' mental and physical health.
- Maintain and enhance employee benefits and promote these to our workforce.

How we are achieving these objectives

Electricity is dangerous, so we need to be sure that our employees are safe and well at work. We have built a **safety culture** that puts safety above all other considerations. Our safety record speaks for itself. Our vision is to go **Beyond Zero** and create a team culture focused on safe and positive behaviour.

Our Stay Safe training programme

is mandatory for all employees – the foundation of this programme is based on our three safety pillars: risk profile, beyond zero and modelling excellence and covers our four safety currencies: personal risk and perception, alpha state, time vs. risk and habits.

We offer a Mental Health Awareness course delivered by Mental Health First Aid England as part of our company-wide wellbeing initiative **WorkingWell.**



Our Employee Assistance Programme **Validium** provides 24 hour support to manage stress, emotional, legal and financial challenges. We run weekly wellbeing webinars for our employees and have in-business health coaches **(Wellbeing Champions)** to provide further support. We run continuous training including **Your Energy** programme that covers sleep, energy in (eating) and energy out (exercise).

We have over **13 Mental Health First Aiders at UK Power Networks Services (and 180 within the wider business)** to support and signpost employees as well as **WellPoint kiosks** available at different offices throughout the year to assess individual physical health.

We launch **regular wellbeing communications** focussed on different aspects including financial wellbeing, physical wellbeing and mental wellbeing.

We encourage **physical health training** and exercise by promoting gym memberships, setting up exercise groups and cycle to work schemes.

b Electricity i

Electricity is dangerous, so we need to be sure that our employees are safe and well at work.

Quality education

This SDG seeks to ensure inclusive and equitable quality education and promote lifelong learning opportunities for all. The relevant SDG targets for this goal are:

Our targets



Target 4.4 seeks to substantially increase the number of youth and adults who have relevant skills, including technical and vocational skills, for employment, decent jobs and entrepreneurship.

Target 4.5 aims to eliminate gender disparities in education

Our quality education objectives

- Support the development of our staff and ensure the skills of our workforce are maintained and enhanced.
- Provide opportunities for employees to progress in their career path.
- Provide opportunities for graduates to progress their careers.

How we are achieving these objectives

We offer a comprehensive professional development and training programme that is designed to account for everyone regardless of their ambitions, level of education or financial situation.



In 2017, UK Power Networks was named best training provider (in-house) at the **National Skills Academy** People in Power Awards which recognises companies who are driving the development of highly skilled roles.

As part of the wider group, UK Power Networks Services participates in, and chairs partner groups with Energy & Utility Skills Academy. Training programmes are arranged to the standards set by industry and business. Our four training centres in Kent and Suffolk provide an average of six days training per employee per year. For UK Power Networks Services, this equates to over 2,100 days of safety, craft and operational training. Instructors with extensive expertise are selected in the subjects they deliver and all achieve Train the Trainer Instructional Techniques – City & Guilds 7331 in Training Techniques & IOSH Managing Safely, ensuring our training team delivers high quality training to apprentices.

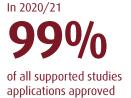






As part of UK Power Networks, we are partners to the **Energy and Utility Skills Accord** ensuring not just the partners, but also their supply chain has a long term view of resources and the industry wide skills shortage we could face in the future. UK Power Networks is independently audited by the Energy and Utility Skills Accord annually to show the number of employees in training, workforce planning and skills gaps.

To develop our more vulnerable people we have implemented **Equally Yours,** this training has been developed by an independent employee **EMPower Community** and focuses on supporting those with mental health issues and learning disabilities. Our **Supported Studies** programme has been designed to provide financial assistance to employees to enable them to undertake further education, higher education, vocational or professional qualifications. In 2020/2021, we approved 99% of all supported studies applications received.



Our **E-learning programme** is available to all employees and offers multidiscipline training covering technical aspects, soft skills, leadership and management including our Future Leaders, Aspiring Leaders and New Leader courses. Training is automatically recorded in our **MyLearning** digital platform where employees can access at any time. In addition, personal development plans are built into our regular progress reviews with employees via our **Think Performance** tool.

We offer a number of career development opportunities for technical/operational roles. This includes **Foundation Apprenticeships** for school leavers and apprentice opportunities. We welcomed 15 apprenticeships into UK Power Networks Services between 2016 and 2019. Our apprenticeship scheme is recognised at a level 1 (outstanding) of the Ofsted inspection and standards framework. It is endorsed by Energy & Utility Skills and accredited by the IET (The Institution of Engineering and Technology).

For more experienced colleagues, we offer a two-year **Engineering Graduate Programme** in Engineering, Business and Information Systems.

We provide mentoring via our **Mentoring and Employee Development** programme with defined stages and regular reviews.



We welcomed 15 apprenticeships into UK Power Networks Services between 2016 and 2019. Our apprenticeship scheme is recognised at level 1 (outstanding) of the Ofsted inspection and standards framework.



Gender equality and reduced inequalities

This SDG seeks to ensure inclusive and equitable quality education and promote lifelong learning opportunities for all. The relevant SDG targets for this goal are:

Our targets



Target 5.1 seeks to end all forms of discrimination against women.

Target 5.4 seeks to promote shared domestic responsibilities within the household.

Target 5.5 seeks to ensure women's full and effective participation and equal opportunities for leadership at all levels of decision-making.



Target 10.3 seeks to end discrimination.

Target 10.4 seeks to adopt policies that promote equality.

Our gender equality and reduced inequalities objectives

- Encourage women and minority ethnic groups in Science Technology Engineering and Mathematics (STEM).
- Continue reducing the gender pay gap every year.
- Promote diversity and inclusiveness in all areas of our work.
- Develop and maintaining an environment in which differing ideas, abilities, backgrounds and needs are valued, and where those with diverse backgrounds and experiences are welcomed and fully able to participate and contribute.
- Embracing diversity and inclusiveness and actively eliminating discrimination in all of its forms.



Diversity and inclusiveness is one of our values that make up the DNA of our business. We recognise and encourage the value difference and constructive challenge can bring.



How we are achieving these objectives

Diversity and inclusiveness is one of our values that make up the DNA of our business. We recognise and encourage the value difference and constructive challenge can bring.

Our administrative roles generally attract an even balance of men and women. In engineering and technical roles, however, a disproportionate number of men apply. According to the Women's Engineering Society, women make up 11% of the workforce in engineering/technical roles, so there is a smaller pool available to us. We nevertheless recognise that we need to do more to attract women to these roles.

Under the Equality Act 2010 (Gender Pay Gap Information) Regulation 2017 we provide an annual report on our Gender Pay Gap. Since the introduction of the Gender Pay Regulations in 2017, we have seen a **14% improvement in our Median Gender Pay Gap.**

14.% improvement in our Median









As part of the wider group, UK Power Networks Services achieved the **National Equality Standards Accreditation** (NES) in October 2018. Achieving the NES accreditation is just the beginning but signifies our intent and commitment toward becoming a truly diverse and inclusive workplace. The company was ranked fifth by Inclusive Companies for Diversity in the **Inclusive Top 50 UK Employers.** Our wider group, UK Power Networks, introduced an **EMPower Community** in September 2018 which employees can join and make suggestions on how we can become more inclusive.



Ranked 5th

by Inclusive Companies for Diversity in the Inclusive Top 50 UK Employers.



UK Power Networks Services achieved the National Equality Standards Accreditation (NES).





As part of our wider group, we have now launched the **Everyone Matters** taskforce which has the purpose to create an inclusive company culture and foster collaboration in the workplace.

We analyse factors including age, gender, ethnicity, sexual orientation and disability as part of our **recruitment processes.** Analysing the profile of our job applicants, tracking responses to advertisements, inclusion on shortlists through to selection for interview and eventual offers and acceptances, is also part of this work. Our recruitment team work exclusively with third party agencies that have clear diversity and inclusion policies in place.

> Everyone Matters Strategy

> Underpinned by our vision

and values. Working

in partnership and measuring progress.



As part of the wider group, we have been recognised for our diversity and inclusiveness by the Association of Black and Minority Ethnic Engineers UK (AFBE-UK). We are also actively engaged with **local schools and colleges**, particularly those with ethnically diverse pupils in order to encourage applications from black, Asian and minority ethnic (BAME) backgrounds. In March 2020, with our wider organisation UK Power Networks, we welcomed 16 students from BAME backgrounds all of whom had an interest in pursuing a career in engineering.

ATTRACT & RECRUIT

Being an appealing inclusive employer, enabling all talent to successfully apply.

ONBOARD & DEVELOP

Ensuring all talent is understood and all colleagues trained.

COMMUNICATE & ENGAGE

Ensuring all talent has access to information and feels engaged.

We show zero tolerance towards **bullying**, **harassment** and inappropriate language and behaviour and encourage the reporting of all cases of discrimination. We acknowledge that people are different and have the right to express who they are without fear of negative attitudes. We have robust and accessible **policies and procedures** that are easily understood and are consistent with our equality, diversity and inclusion values. We provide a safe space via an external anonymous service where employees can report freely any concerns about inappropriate or threatening behaviour at work.

We have introduced **blind CVs to our early careers recruitment** process, where identifying factors such as sex, age, name and school are removed from applicants' CVs.



PERFORMANCE & PROGRESSION Consistent talent performance management and career advancement.

REWARD, RECOGNITION & BENEFITS

All talent's needs catered for.

RETAIN/EXIT

All talent wants to stay.

Learn from and manage exits.



As a Respected and Trusted Corporate Citizen, we are guided by a strong moral and ethical compass in our day-to-day interactions with our shareholders, suppliers, our customers and our employees.

To deliver this part of our Vision, we must lead on the sustainability agenda, as it is the right thing to do.

We are proud to provide the most reliable networks in the country and provide a high quality service that is valued by our clients and their customers.

We minimise disruption and inconvenience to those affected by our activities and ensure we have zero public safety incidents. We treat our colleagues and our customers the way in which we would want to be treated.

We are committed to deliver quality projects, on time and to budget always meeting client and customer expectations. Customer satisfaction is one of our key performance indicators and it is evaluated annually by an external independent body.

We are technology agnostic and our procurement procedures are fair and transparent and are recognised by the Chartered Institute of Procurement and Supply at the maximum level (Platinum).

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Customer satisfaction is one of our key performance indicators and it is evaluated annually by an external independent body

Alignment with the UN SDGs

The UN SDGs aligned to our vision to be a Respected and Trusted Corporate Citizen are:



Decent work and economic arowth



Industry innovation

and infrastructure

Sustainable cities and communities



Partnership for the goals

The following sections discuss for each of these SDGs, our objectives, what we are currently doing and what we will do in future to meet our goals.

Decent work and economic growth

This SDG seeks to promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all. The relevant SDG targets for this goal are:

Our targets

R Target 8.5 seeks to support job creation along with the growth of small and medium size enterprises.

> Target 8.8 seeks to promote safe and secure working environments for all employees.

Our decent work and economic growth objectives

- Support the development of the UK economy through partnerships with small and medium enterprises solutions.
- Ensure our employees are provided with the safest possible working environment and that they are able to go home to their families each and every night.
- Ensure our clients, contractors and members of the public go home safe staying safe applies to everyone we work with.



How we are achieving these objectives

As part of the wider organisation, UK Power Networks Services has been recognised as a great place to work by The Sunday Times 25 Best Big Companies to Work For over that deliver innovative and cost effective the last five years. We pride ourselves in being an Employer of Choice which is demonstrated through our position as number six in the 2021 Best Big Companies to Work For guide, making us a 3-Star Company.

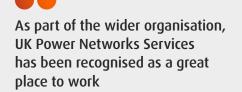
We have been accredited with an **Investors in People Platinum Award** which recoanises UK Power Networks Services' commitment to excellence in people management.

We were awarded the **Ministry of Defence** Employer Recognition Silver Award.



SILVER WINNER 2019

INVESTORS IN PEOPLE We invest in people Platinum



Industry innovation and infrastructure

This SDG seeks to build resilient infrastructure, promote inclusive and sustainable industrialisation and foster innovation. The relevant SDG targets for this goal are:

Our targets



Target 9.1 seeks to develop sustainable and resilient infrastructure.

Target 9.4 seeks to upgrade infrastructure sustainably.

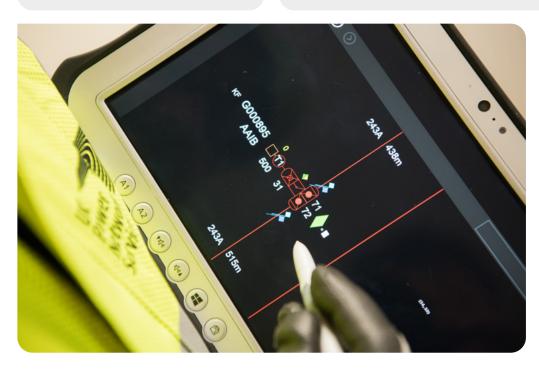
Target 9.5 seeks to enhance research and upgrade industrial technologies.

Our industry innovation and infrastructure objectives

- Lead decarbonisation of industry and improvements in energy efficiency.
- Ensure our clients can rely on us to address their sustainability concerns.

Innovation is

Innovation is at our core and we are always looking for opportunities to innovate.



Innovate UK

How we are achieving these objectives

Innovation is at our core and we are always looking for opportunities to innovate. We actively participate in innovation projects to improve our expertise and develop sustainable solutions for our clients. We seek innovation opportunities with our clients and look for funding opportunities such as with **Innovate UK** for projects including Wireless Electric Fleets (WEF) or UPS Smart Electric Urban Logistics.

Our work on **GWEP** enabled us to showcase our focus on innovation, and this was realised through the implementation of two groundbreaking initiatives:

- Rationalised Autotransformer System a state of the art advanced protection system, which reduces the number of circuit breakers and other equipment whilst maintaining safe operation of the line.
- Use of polyfibre-reinforced concrete instead of reinforcing steel which has saved over 18,000kG of CO_2 .

Our operation and maintenance strategies

are designed to allow for the integration of future technologies that will enable further decarbonisation of infrastructure such as microgrids, Supervisory control and data acquisition communication and control and low carbon energy generation.

Under our value of **continuous improvement** we are committed to promote innovation through everything we do and we constantly look for efficiencies and circular economies.

Our waste and recycling policy is based on the best practice industry standard or **waste hierarchy** of: prevention, re-use, recycling, recovery and disposal. This approach minimises waste to landfill while maximising the life span of goods when adequate.

Sustainable cities and communities

This SDG helps make cities inclusive, safe, resilient and sustainable. The relevant SDG target for this goal is:

Our targets



Target 11.2 of the UN SDGs seeks to provide affordable and sustainable transport systems.

Target 11.6 of the UN SDGs seeks to reduce the environmental impact of cities.

Our sustainable cities and communities objectives

- Lead the electrification of the transport sector through delivering smart, efficient solutions.
- Create job opportunities for young people local people and those from a diverse background by using our apprenticeship scheme and work experience for secondary school students.

How we are achieving these objectives

Community energy has an important role to play in the UK's transition to a low carbon economy and so we partnered with **Community Energy England and Community Energy South** to conduct a survey to understand more about the needs and aspirations of community groups from industry and future energy networks.





We collaborate with **Pathway CTM**, a social enterprise who offer employability training, support and opportunities for schools and students. In the past year, we have hosted two site visits for over 30 engineering college students where they were able to gain a better understanding of the power distribution network and the role of a power engineer.

We have an ongoing **partnership with Skills Builder** (formerly Enabling Enterprise) – we host three workshops a year for primary school students, mainly BAME students. The aim of the workshops is to help build young people's transferable skills from a young age, such as teamwork, innovation and communication and introduce them to the world of engineering and promoting careers in STEM.



We support our communities development through our **Community Matters** scheme which includes paid volunteering day for employees to support their communities (two days per year), charity and sport activities funds. UK Power Networks Services helped the wider group to raise a record breaking £160,500 in 2019.

Our commitment to supporting those with dementia saw us create 4,000 employee **dementia friends,** able to support vulnerable customers particularly those affected by dementia.

As part of the wider group, we funded **Trees for Cities to plant 2,669 trees in 2020**. This offset 127 tonnes of nitrous oxide emissions, cultivating lasting change in neighbourhoods by creating healthier environments.

Partnership for the goals

This SDG seeks to strengthen the means of implementation and revitalise the global partnership for sustainable development. The relevant SDG targets for this goal are:

Our targets



Target 17.6 seeks to share knowledge and co-operate across science, technology and innovation.

Target 17.7 seeks to encourage and promote effective partnerships.

Our partnership for the goals objective

Continue to work with industry and academic institutions in the pursuit of innovation projects that will support the global climate change and sustainability agenda.

How we are achieving these objectives Our dedicated Client Relationship

Manager looks after strategic industry partnerships that can be beneficial for all parties involved, but most importantly can deliver better results for the end user.



We are accredited under the international standard **ISO 44001** of collaborative business relationship management. We use this framework to ensure that our alliances are effective and risk is managed through the process.

As part of our innovation projects portfolio we have **partnerships in place** with small and medium enterprises. Examples include

- Our Electric Fleet Centred Local Energy System project where we are partnering with Moixa, smart charging specialist, for the delivery of a smart holistic energy solution for UPS.
- Our Innovate UK funded Smart Electric Urban Logistics project with UPS and Cross River Partnership.
- We have strong partnerships with **universities** to create smart energy solutions to innovate the UK energy industry including Warwick University, Manchester Metropolitan and South Bank University.

As part of our innovation projects portfolio we have partnerships in place with small and medium enterprises.





London South Bank University

We work with **Career Transition Partnership** (CTP) and British Forces Resettlement Service in an effort to attract more ex-armed forces personnel to the business as we recognise the brilliant transferable skills they have to offer. Since 2015, UK Power Networks Services has employed five ex-military personnel into our workforce.



Sustainably Cost Efficient (€)

We are aware the work we do has an impact on the environment. We must conserve the environment and improve the biodiversity by doing our work sustainably.

As a business we are well placed to support the transition away from fossil fuels and the decarbonisation of industry.

We are working with industry to electrify transportation and heat, while internally our vision to be Sustainably Cost Efficient means we look to reduce waste and seek to continually improve how efficient we are with resources.

We provide value for money to our customers and clients by operating and maintaining our networks safely and sustainably.

We have a plan to minimise our own emissions as well as influencing our supply chain to reduce theirs.

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We are working with industry to electrify transportation and heat, while internally our vision to be Sustainably Cost Efficient means we look to reduce waste and seek to continually improve how efficient we are with resources.

Sustainably Cost Efficient

Alignment with the UN SDGs

The UN SDGs aligned to our Vision to be Sustainably Cost Efficient are:



Affordable and clean energy



Responsible consumption and production

Climate action



The following sections discuss for each of these SDGs, our objectives, what we are currently doing and what we will do in future to meet our objectives.

Affordable, clean energy and climate action

These SDGs seek to ensure access to affordable, reliable sustainable and modern energy for all, doing more and better with less, mitigate climate change and protect our ecosystems. The relevant SDG targets for these goals are:

Our targets

7 Target 7.2 seeks to increase substantially the share of renewable energy in the global energy mix by 2030.

Target 7.3 seeks to double the rate of improvement in energy efficiency by 2030.

12 Target 12.2 seeks to achieve the sustainable management and efficient use of natural resources.

Target 12.4 seeks to responsibly manage chemicals and waste.

Target 12.6 seeks to encouragecompanies to adopt sustainablepractices and reporting.

Target 12.7 seeks to promote sustainable procurement practices.

- (3) Target 13.1 Strengthen resilience and adaptive capacity to climaterelated hazards and natural disasters in all countries.
- Target 15.1 Ensure the conservation, restoration and sustainable use of terrestrial and inland freshwater ecosystems and their services.



Our affordable, clean energy and climate action objectives

- We are committed to deliver our 'Green Action Plan' to decarbonise and reduce the impact of our operations (more details below).
- Support our clients in the decarbonisation of all their operations including transport and heating.
- Support our clients to develop renewable energy resources.
- Support our clients in their energy efficiency objectives.

How we are achieving these objectives

As part of the wider group, we have reduced our carbon footprint by 26% since the baseline year of 2014/15 and ranked first in the UK and Europe and second globally in the Singapore Power Group's Smart Grid Index – the world's first index to help utilities measure and advance in key dimensions of grid development including green energy.

We have reduced our carbon footprint by



since the baseline year of 2014/15 in the Inclusive Top 50 UK Employers.

Sustainably Cost Efficient





Our **Green Action Plan** is our specific response to Climate Change and preservation of the environment. This plan is updated annually, offering new opportunities for sustainable growth.

The Green Action Plan is built on three action pillars:

1 Minimising our environmental impact

2

Supporting the global low carbon transition – doing our part in fighting climate change

3 Leading by example – setting a standard



We have **measurable targets** which we can track our progress against and regularly share this information with our staff via regular internal communications. Our key commitments are:

- **Energy:** Reduce building energy use by 10% by December 2021 at our top six largest sites
- Waste: Manage 90% diversion from landfill across all our offices and depots and achieve 80% recycling by December 2021 at our top six largest sites. In 2019/20, we diverted approximately 88% of our waste from landfill and recycled 99.4% of our streetworks spoil
- Water: 10-15% reduction on existing water usage by December 2021 at our top six largest sites
- **Biodiversity:** Increase in biodiversity potential by 20-30% at 100 sites by December 2021



We are changing our Business Carbon Footprint target to 20% reduction by 2021 from 16% by 2023

- **Pollution:** Decrease the NOx emissions from our fleet and generators by 33% by 2030
- **Carbon:** Changing our Business Carbon Footprint target to 20% reduction by 2021 from 16% by 2023
- **Noise:** Work with local authorities and planning departments to mitigate risk of noise from our networks and planned developments
- **Procurement:** Reduce packaging and transportation across our supply chains and adopt a circular or semi-circular approach to procurement

All the above targets are measurable and our in-house sustainability advisor regularly monitors progress against milestones with the relevant departments to ensure sufficient progress has been made.

Sustainably Cost Efficient



We are supporting our **clients to tackle the energy trilemma** of security, cost and sustainability by establishing their energy strategies that will take them through the energy transition. Our strategies always promote the use of zero carbon distributed energy resources, electrification of heat and transport. We have supported many clients including **High Speed 1 and London City Airport** in shaping their low carbon energy future.

We have used a pioneering approach on the **Great Western Electrification Project** (GWEP) where we used polyfibre-reinforced concrete that resulted in a 42 tonne reduction of reinforcing steel going to site and a reduction of embodied carbon by 18,000kg CO₂ equivalent. The initiative won Network Rail's Sustainable Construction Award and was shortlisted for the Environment and Sustainability categories at the Utility Week Awards 2017 and UK Rail Infrastructure Awards 2018 as well as two categories at the Rail Partnership Awards 2018.

Chartered Institute of Procurement & Supply

our organisation's strategy.

As part of the wider group, we have achieved the **Platinum Chartered Institute of Procurement and Supply (CIPS) Standard** (the highest level). This means that we have demonstrated that our procurement has become an intrinsic part of our business and is integral to

Our procurement team seeks for alternative greener options and is actively working with our sustainability advisor and the Carbon Trust to set out further targets and actions to influence the decarbonisation of our supply chain.

We are working with environmental and sustainability experts, to take a **Science Based Target (SBT)** approach to set an ambitious goal to achieve net zero as a company, and to help us develop a robust roadmap as to how we get there.



We have achieved the Carbon trust Standard for Carbon in 2020.

We are committed to procure only **zero emission cars and vans** from 2025 and we aim to electrify 100% of our car and van fleet by 2030. We will monitor the market for trucks and plant and procure electric solutions if feasible.

We have achieved **ISO 14001** which is recognised as the leading environmental management system standard.

We will continue to reduce our oil leakage within our infrastructure by minimising the installation of new oil filled cables.



We are minimising all our unnecessary travels by encouraging home working and **teleconference meetings**.

We are intensifying our **LED lighting** replacement programmes in our top six most energy intensive office buildings.

As part of our on-going replacement and maintenance programme, we are monitoring **SF6** based equipment, intervening to prevent and stop leakage and replacing SF6 based equipment with environmentally friendly solutions.

Contact details



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