

Gender Pay Reporting 2021



At Natural Power we recognise that our greatest asset is our people.

Diversity & Inclusion is about making a sustainable and measurable difference to business performance and culture by creating a workplace where everyone feels equally valued. At Natural Power, we believe there's a strong moral and commercial case for doing so. Diversity within the workplace ensures a stronger, sustainable and valuable business therefore we need to maintain an environment which is desirable to all our people. Our priority is to appoint the best candidate for any given role, ensuring that we attract talent from the widest possible pool of potential employees.

The culture at Natural Power encourages everyone to be themselves as we continually strive to "help people succeed".

We recognise that reporting on gender pay helps to focus attention and encourages the market to work together to create a better balance. Our renewable energy consultants include engineers, analysts, environmental experts and project managers. Like many other science, technology and engineering companies the majority of these roles have mainly been male dominated. To achieve our organisational goals we need to attract, retain and harness the skills of all our talented people, both men and women. We hope to do this by building an inclusive culture that celebrates diversity of thought, innovation and challenge, so that all of us may flourish. Our gender pay gap is just one of the ways in which we can assess the progress we make across our diversity and inclusion agenda.

PAY GAP (DATA AS AT APRIL)	2021	2020	2019
Difference in mean hourly rate of pay	22%	23%	28%
Difference in median hourly rate of pay	23%	23%	28%

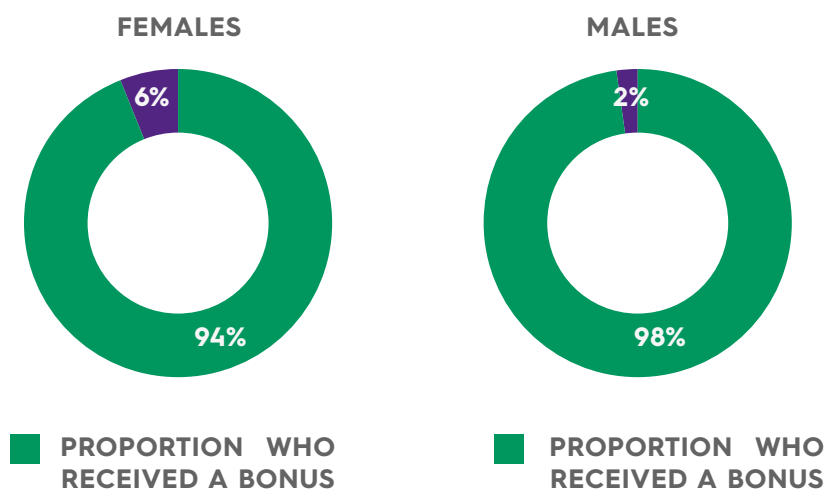
Unlike equal pay which refers to paying a man and a woman the same amount for the same, or similar work, a pay gap is the difference in average pay between men and women in an organisation. It is the result of gender imbalance - having more women in junior roles or fewer women in senior roles, relative to men. This means that having a pay gap is likely to persist until organisations have fair representation of men and women at every level - something Natural Power are aiming to address.

Due to the pandemic the reference date for the last report of these numbers was April 2019. At that point the mean and median pay gap was 28%. We are glad to say that the measures we have put in place since then have reduced that gap to 22% and 23% respectively. There is obviously still a lot more work to do on this but since it involves progression through the company there is no quick fix for this and it will take time to eradicate the gap.

PROPORTION OF MALE AND FEMALE UK EMPLOYEES
ACCORDING TO QUARTILE PAY BANDS



NUMBER OF PEOPLE RECEIVING A BONUS 2021



BONUS GAP (DATA AS AT APRIL 2021)

Difference in mean bonus pay **34%**

Difference in median bonus pay **0%**

We are glad to say that our median bonus pay gap was 0% for 2021. The mean bonus gap, as with our pay gap, is as a result of gender mix. Bonus amounts tend to increase with seniority where we currently have more men than women. Whilst women make up 36% of our overall workforce in April 2021, only 19% of our senior management team were female.

WHAT ARE WE DOING ABOUT IT?

We do not believe in quotas or positive discrimination. We do believe in programmes and initiatives that attract the best talent, and foster a culture that gives our people the opportunity to succeed.

We know it's going to take a long time to be where we want to be, but it's important we take the right actions rather than rush into unsustainable, quick fixes. Fundamentally we need to listen, measure and communicate our success. We care about building an environment where all employees have access to the same opportunities. We will continue to work towards this in our recruitment campaigns by ensuring that we select the right candidate for the role, through fair and balanced processes and continuous development opportunities, where merit alone determines who our future leaders are.

In order to support our female employees we facilitated a Women in Leadership Programme, before the pandemic, in 2018 and 2019. The aim was to enhance knowledge on leadership skills with an emphasis on being confident, utilising personal styles and understanding where individual styles add value. This programme allows employees to form a network to

inspire confidence and self-esteem discussing issues that arise within the workplace. The feedback from the course was very positive and we intend to continue running such training in the future to grow and inspire even more female leaders that will hopefully progress into more senior positions.

We have introduced a Maternity Returners programme where prior to returning from maternity leave mothers will be offered 4 hours of coaching from an external provider, providing them with the confidence they may need for returning to the workplace following the birth of their baby. Upon returning to work following maternity leave, mothers will be entitled to a returner's bonus payment of £400 per month (pro rata'd for part time employees) for 12 months subject to Tax and NI deductions, which may help contribute to childcare payments.

We have reviewed our recruitment campaigns and job adverts ensuring that the language and tone used is gender neutral in order to attract more female applicants.

We have introduced flexible working arrangements within Natural Power however will continue to review our Flexible Working Policy and Family Friendly policies in order to continually improve the benefits to all new and existing employees of Natural Power.

We have completed a job evaluation process, mapping out all our roles and introducing a revised grading structure. This will help increase consistency in recognising equivalent levels (for the purpose of grading and salaries), provide more transparent and structured career progression, support succession planning and ensure equal pay for the same roles/levels in the organisation.

Over the last year, despite the challenges of the COVID pandemic, we have run equality, diversity and inclusion (E, D&I) training for all our employees and have set up an E, D&I working group. We are developing an E, D&I plan by listening to our employees and using this valuable feedback to develop a plan tailored to our business and our people. Our plan will reflect both our employees' views as well as the long-term Company ambitions in this important area.

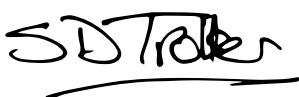
We have rolled out a programme of activities with regards behaviours in the workplace seeking to address any unconscious bias in

employee's language and behaviours. This has included mandatory face to face training for all senior managers to ensure we set the correct 'tone from the top'.

During the last couple of years there was an increase in the proportion of females in the Upper quartile from 11% to 19% and a decrease in our mean pay gap from 28% to 22%. Whilst there is definitely a lot more work to be done, we believe that this is an indication that the measures we are taking are starting to have an effect.

DECLARATION

I confirm that the information and data provided is accurate and in line with the UK government's Equality Act 2010 (Gender Pay Gap Information) Regulations 2017.



Stephen Trotter

Managing Director