





At E.ON, we're committed to building an inclusive organisation where colleagues know they're valued, respected and feel a sense of belonging so they can thrive and be at their best.

As an energy company it's vital we reflect our customers' diversity of backgrounds and life experiences. At the heart of it all, creating an inclusive workplace is how we do business every day because it is simply the right thing to do.

My personal involvement goes beyond that as CEO. I'm proud to sponsor embRace, our racial inclusion network, and I've personally benefited from speaking to colleagues from a wide variety of backgrounds, understanding their challenges and where I can help to make a difference.

As Chair of the Energy & Utility Skills Partnership, I have a wider role within the energy industry to make sure we shape our future workforce to be diverse and skilled to deliver our net zero future.

I'm proud of the progress we're making. Whilst there is more to do, I'm confident we'll continue to make positive changes. The commitment of the Board, our leaders and colleagues all helps to make E.ON UK a place where everyone feels a true sense of belonging.

Michael Lewis CEO, E.ON UK

Better together

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Welcome to our first Inclusion Report, an opportunity for us to share our progress and our plans to make E.ON UK a place where colleagues feel respected, valued and can thrive.

Being an inclusive organisation is a journey, and we're constantly learning. Through listening sessions and surveys, we hear from colleagues what works for them and where we can do better.

Over the past 18 months we've made a number of changes based on what colleagues have shared: introducing hybrid working principles giving flexibility and autonomy, advertising all our roles as flexible including part-time and job-share options, completely updated our recruitment and selection training with a focus on inclusion to support those with disabilities or that are neurodivergent. And we're empowering a speak-up culture through the introduction of Respect Matters training and guides.

We've also strengthened our external commitments, renewing our Disability Confident status until 2024 and we became signatories of the Race at Work Charter.

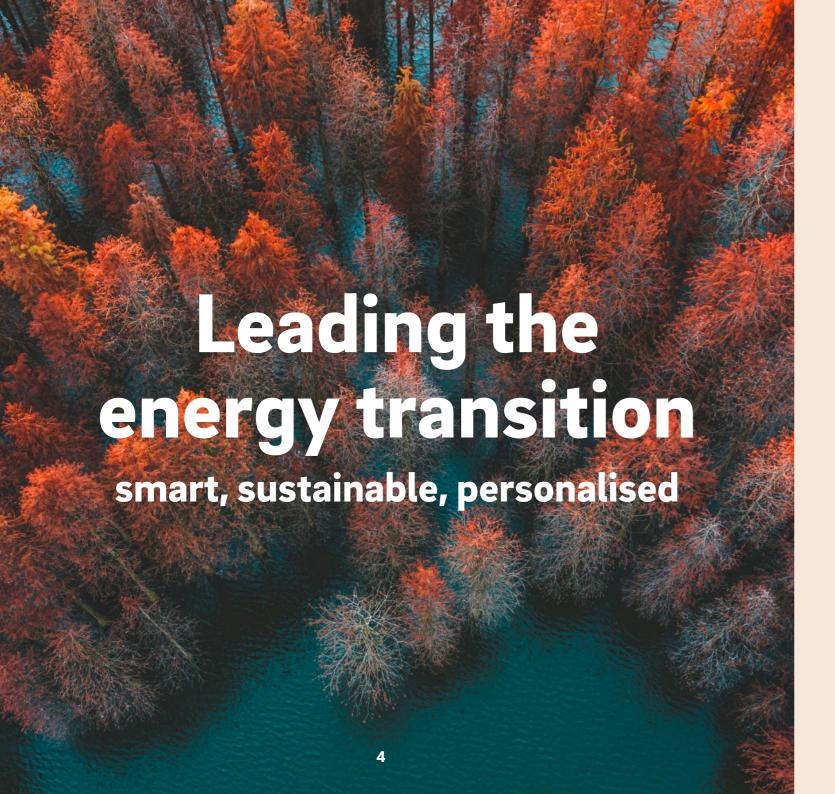
Within this report we're sharing our gender and ethnicity pay gaps, these along with other important measures help us track the outcomes of our activities and show us where further improvements are needed. As a large employer we also have a role in providing a range of different routes into the world of work, through apprenticeships and purposeful roles at all levels, along with fair opportunities for everyone to progress and build their skills and career. Our open-access, inclusive talent networks give everyone learning opportunities and we work closely with local schools and colleges to inspire a new generation to help us solve the challenges of climate change and reaching net zero.

This report covers E.ON UK colleagues, including E.ON Next. I certify that the information and data included within this report is accurate and in line with mandatory requirements.

Chris Norbury

Chief People Officer, E.ON UK







At E.ON, we're leading the energy transition, providing smart, sustainable and personalised solutions for customers at home, in business and across entire towns and cities.

We know we can only achieve this if we have the right people, with the right skills, knowledge and passion to face the challenges head on and embrace the opportunities the UK's journey to net zero presents.

That's why we're committed to creating a place of work where everyone has purpose. Where we help and support each other to learn and grow. Where flexible working and market leading benefits are the norm. And where everyone is welcome and respected. Because we know that we're better together.

We call this E.ON Life.

Inclusion networks

Our colleague-led inclusion networks are supportive communities promoting allyship, equality, diversity and inclusion across E.ON in the UK.

Their activities significantly contribute to making E.ON a more inclusive workplace by providing supportive spaces for colleagues, sharing resources and being the voice of colleagues in under-represented groups.

It's thanks to initiatives like our inclusion networks that we've been recognised as one of the UK's Top 50 Inclusive Employers every year since 2017, ranking 14^{th} in the most recent list.



Menopause Matters embRace LGBT+ & Friends Christian **Network**

25% of UK colleagues are part of an inclusion network

Neurodiversity

Fast Forward

adaptABILITY

Islamic Network Parent Network



A spotlight on some of our networks

adaptABILITY

As one in five adults in the UK has a disability or long-term health condition, it's an important area for us to provide support, build knowledge and empathy.

We've been a Disability Confident employer since 2017, making sure candidates with disabilities receive the adjustments they need to help them be their best, right from applying for a role.

Our inclusion network, adaptABILITY, provides a safe place for people to share their experiences and support each other. Regular engagement events using Ted Talks and external speakers combined with colleagues sharing their own personal stories help raise awareness and improve understanding.

We work closely with our site forums, to make sure our workspaces are accessible to all, and that adjustments are made based on colleague and network feedback. All colleagues can also access advice and training on adjustments from our Employee Relations team. And through our partnership with the Business Disability Forum, we provide tools, practical advice and webinars.

"The one thing I love about working with E.ON is that they know the journey for disability inclusion is ongoing and are prepared to regularly review and change their policies and processes to create a working environment where people with disabilities and/or long-term conditions can thrive."

Courtney Swaby Disability Business Partner, Business Disability Forum





LGBT+ and Friends Network

Our LGBT+ and Friends Network actively encourages colleagues to be their authentic selves. With the sponsorship of E.ON Group CFO, Marc Spieker and UK Chief People Officer Chris Norbury, the network is expanding their reach across the E.ON Group, doubling membership to 530 members over the last 12 months.

Through highlighting LGBT+ topics and sharing real-life experiences the network drives awareness and appreciation.

Colleagues are supported with their career development and breaking down barriers – giving them a safe space where they have a voice and the confidence to challenge business decisions and culture. During the pandemic, the network created virtual pride events, Time to Talk sessions, 'I Am Remarkable' sessions for LGBT+ colleagues, Buzz recognition cards for our peer-to-peer recognition scheme and rainbow walkways to welcome colleagues at two of our largest sites.

As with other diversity and inclusion networks across our business, this one is run by a group of community members and allies from different areas of E.ON. The community members volunteer their time and talent alongside their day-to-day roles.



"I am really proud to be a member of the LGBT+ and Friends
Network and enjoy helping individuals (both LGBT+ and our allies)
in a wide range of queries aimed at making people feel welcome,
supported and accepted. I have worked at E.ON for over 20 years
and as life and community norms change, we as a network have
helped E.ON to adapt to create an environment where people can
be their true self.

It really makes me smile to see Board members in both the UK and across the Group, offer support and encouragement to the network. This all becomes evident when we celebrate who we are, especially during Pride and the LGBT+ awareness days. Also, senior leaders regularly step up and offer their time, resource and support so changes are made quickly to drive acceptance."

Tim Larcher

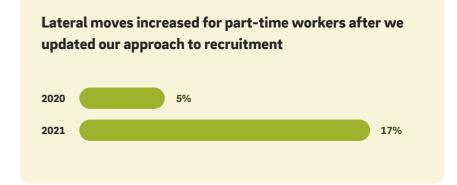
Co-Chair of the LGBT+ and Friends Network (pictured left)

Flexible working has benefits for everyone

We're flexible

Flexible working helps parents and carers return to work, through balancing caring responsibilities and maintaining career progression. It can help to reduce the gender pay gap, plus it enables people with long term health conditions and disabilities to stay in work.

We make sure that flexibility is there for our colleagues right from the application stage, with all our roles advertised as flexible, with part-time and job-share options. And everyone can request flexible working from their first day with us too. These changes helped us improve career progression for part-time workers last year by doubling promotion rates and increasing lateral moves from 5% to 17%.







"I'm hopeful we'll both get a better balance between work and home life. I think having a successful career is supported to a great extent by being 'well' personally, being able to be your best in work, and being able to better support our teams to succeed. I also see great value in having a job-share partner who I can share ideas and challenges with.

Searching out others with experience helped to set up our jobshare. Talking to them about why it was successful, what they gained and practical advice."

Laura Wildman (left) job-shares with Jane Powell (right) as Heads of Central Planning and Reporting, in Commercial Services.

Flexible working means any way of working outside of the traditional 9 to 5, five days a week in an office, and through challenging assumptions and working patterns we've been able to help colleagues find better balance.

Job sharing

Job sharing is when two people share a role. Job sharing helps people to continue to progress their careers, balance other responsibilities, within roles which need cover each day of the working week.

Hybrid working

Our hybrid working principles allow all office-based colleagues to enjoy the best bits of home and office working. Our offices are collaborative spaces where we can come together and connect, using home working to add flexibility and choice.

Becoming a parent

Whatever the journey to parenthood, flexibility is an essential part of the support we offer our colleagues. Thanks to our colleague led Parent Network, we've made several improvements to our processes, for example, our Foster to Adopt process now allows leave to be taken at short notice.

We believe it's important to support colleagues through fertility treatment too, and we provide paid time off for IVF fertility clinic appointments. And, if the worst does happen, we offer two weeks paid leave for both parents or surrogate parents for pregnancy loss before 24 weeks.

Buy extra flex with annual leave

Colleagues can buy up to two weeks' annual leave through our flexible benefits salary sacrifice scheme, meaning they can have extra time off when they need it.



Talent. Today and tomorrow.

Our inclusive, open to all talent networks champion personal development and growth. Helping everyone learn new skills, gain qualifications and build new capabilities and careers.

We believe everyone should have the same opportunities to progress their careers. That's why in 2021, we moved away from talent pools and created a set of inclusive development networks. Our five networks help colleagues develop the skills and capabilities needed to build and progress their career and to help us achieve our purpose together.

Technical and Engineering Network

From solar installers to heat pump engineers, the journey to net zero is full of opportunities to learn new skills and this network helps colleagues who want to make the switch and develop into more technical roles.

Future Energy Leaders Network

Our newest development network, launched in 2022, is for current and future senior leaders. Providing tailored development offers that help shape the skills required for the future that will underpin our purpose and their career.

Fast Forward

This network exists to help women accelerate their careers, by inspiring everyone to develop and grow whilst breaking down the barriers that prevent progression in the workplace.

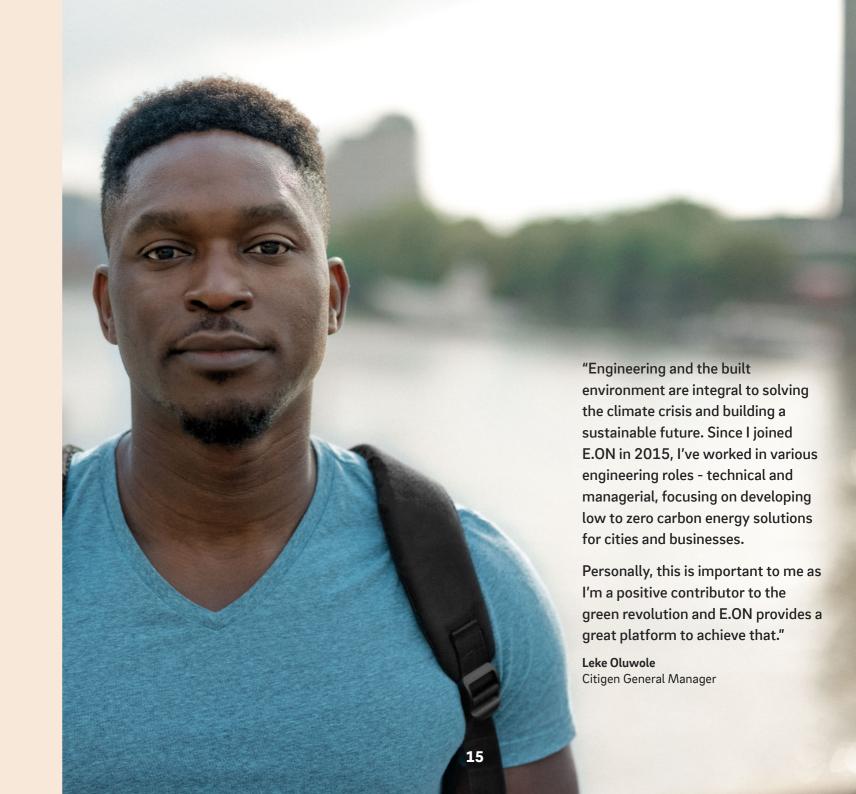
Digital Network

Bringing colleagues together to collaborate, build and share their digital skills and know how, driving a digital first culture.

Careers Network

For those at the earlier stages of their career, this network provides careers information, advice and guidance to help with career planning.

Now with over 1,500 members, which is three times the number of colleagues who were part of talent pools, learning opportunities and resources are available to all colleagues.







We're proud to be a Cornerstone Employer

We're part of a wider community of over 300 businesses, working with schools in the Derby and Nottingham areas, focusing on schools with high percentage free school meals and pupil premium, to inspire young people into the world of work, providing practical tools and experiences including CV writing, career inspiration and interview skills.

Enterprise Advisors

Over 20 colleagues volunteer as Enterprise Advisors working with schools and colleges at a strategic level to deliver the outstanding careers curriculum.

"When I was at school I really struggled because there simply weren't the resources available. Working in the corporate world, I have my own experiences to share and I would love to be able to influence someone who is unsure about their future path by sharing my story and giving advice to those who want to listen to me. There is a need to support young people who are making life changing decisions that will ultimately impact their future career choices and I became an Enterprise Advisor as you never know how it can impact someone else in a positive way."

Radhika Sharma Enterprise Advisor



"With many young people missing periods of their education over recent years, our commitment to tomorrow's talent is more important than ever. We're one of the UK's largest sustainable energy providers, meaning work here matters to millions of people. From degree to technical apprenticeships, through to international graduate roles, there's opportunity to gain direct experience in the world of work as well as a qualification."

Helen Bradbury
Director of Organisational
Development and Engagement



"When I left education I didn't know what I wanted to do, so university didn't feel like the right choice. As my career has progressed, I felt now was the right time to explore further education.

You're never too old to develop yourself or start an apprenticeship. Since completing the degree, I've gained a new sense of confidence when it comes to conversations about my career. I don't think I'd feel this if it hadn't been for the scheme and the support of my leaders and colleagues."

Joanna Kurkowski

Internal Communications Manager, gained a BA Hons in Business Leadership and Management

*RATEMYAPPRENTICESHIP BEST 100 APPRENTICESHIP EMPLOYERS

Providing paid-for routes into higher education

We're proud to have been listed as one of the Best 100 Apprenticeship Employers for 2022-23. We offer apprenticeship opportunities across our business, enabling young people to mix hands on experience with professional qualifications across a range of skills, from customer service to technical and engineering.

Degree apprentices

Now in its fourth year, our degree apprentice scheme provides an alternative route into higher education. With a paid-for degree and work placements, apprentices learn on the job, getting practical work experience alongside studying for a university degree.

The degree apprentice scheme recognises the financial burden that often accompanies higher education, making it not an option for lots of school leavers.

Career development with apprenticeships

Apprenticeships aren't just for school leavers. Everyone has the opportunity to develop their skills and qualifications. Our apprenticeships start at level 2, including professional and technical qualifications such as accountancy and engineering right through to PhD and MBAs. We currently have 183 colleagues on our apprentice scheme. With 18% from an ethnic minority background and 49% are women.

"I wanted to gain development and experience in a professional environment, whilst studying for an undergraduate degree. The most important thing I've learned is I'm in control of my success and career trajectory. The results I see are a direct result of what I put in. I've also learnt being kind and helpful goes a long way." Jude Topham Third year Degree Apprentice on our Future Leaders Scheme, studying for a BA in Business Management

Our gender pay gap in 2022

Gender pay gap is one of the measures we use to track our performance, and we're committed to closing our gender pay gap by 2025. It's a measure of the difference in the average pay of men and women across the whole of E.ON UK, regardless of their role or grade. It's predominantly a figure which reflects the number of women and men in roles across our different pay grades.

Gender pay gap is not equal pay reporting, which is a direct comparison of two people or groups of people doing the same role.

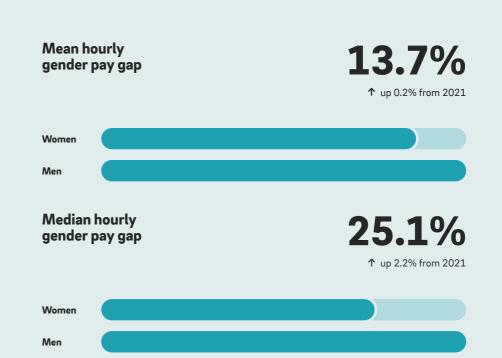
We're sharing our latest gender pay gap from April 2022, at this time, to allow us to report it in a meaningful way to influence positive action and provide better transparency.

Why do we have a gender pay gap?

Our gender pay gap has remained static over the past few years. We use a number of other measures, alongside gender pay gap, to help us track the outcomes of our plan and interventions such as representation within grades and promotion rates. The main drivers of our pay gap are:

- More men than women in leadership roles currently 30% of our senior executive roles are held by women, and we have an ambition to increase this to 50% by 2025.
- More women working as Energy Specialists these are our entry level roles with lower pay.
- The majority of our technical and engineering roles are held by men – these roles attract higher pay due to their specialist nature.

When combined together the differences in gender balance within the roles of Energy Specialist and technical or engineering drive a large part of our gender pay gap due to the differences in pay.



How do we calculate the gender pay gap?

If we lined up male employees in one line from highest to lowest paid, and did the same for all the women, the median gender pay gap is the difference between the pay of the man in the middle and the pay of the woman in the middle. The mean gender pay gap is the difference between the average pay across each line.

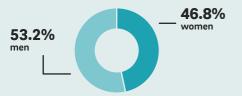
We use the reporting requirements set by the UK government for all companies with over 250 employees.

Gender pay quartiles

Upper quartile



Lower middle quartile



Upper middle quartile



Lower quartile



Bonus pay gap

Mean average bonus pay gap

15% In favour of men

Mean average bonus pay gap

-17.4%

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Proportion of people receiving a bonus



Quartiles are calculated by splitting all employees into four even groups according to their level of pay. Looking at the proportion of men and women in each quartile gives an indication of the gender representation at different levels of the business.

Our plan to close our gender pay gap and improve gender equality

Our focus is on gender equality and supporting women's career development and we have an ambition to increase the number of women in leadership roles to 50% by 2025.

We track our gender representation within different grades, and promotion rates through these grades to monitor the outcomes of our plan. Our approach focuses on the following:

Attraction and inclusive recruitment

We've updated our recruitment and selection training to make sure an inclusive approach is taken, challenging our biases, and making sure all interview candidates receive constructive feedback to support their ongoing development.

We pass all our job ads through gendered language-checking software, ensuring they're gender neutral in order to attract a broader group of candidates. And for senior executive roles, gender balanced, and diverse shortlists are required.

For our Energy Specialist roles, where we recruit in higher numbers, AI recruitment tools are used to shortlist candidates, removing any bias, along with regular monitoring.

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All roles, including senior executives are advertised as flexible, including part-time and job-sharing as options. And we use specific external job boards, like Working Mums to help attract more women.

Improving our flexible working options

We're removing barriers faced by those working part-time by advertising all our roles as flexible. Around 20% of women at E.ON work part-time, and their promotion rate doubled following this change.

Hybrid working principles provide autonomy and flexibility, and throughout the pandemic we made sure there was no reduction in pay for those unable to complete their contracted hours, due to caring responsibilities.



"I joined Fast Forward to support other women as they strive towards fulfilling their potential in the workplace. I know from my own personal experience there have been barriers I've had to overcome to get where I am, but I would never have done that without support from people who believed in me, highlighted opportunities and pushed with me. I'm really proud of the community that we have created and the powerful network this now provides for all the talented women at E.ON to go for it!"

Fiona Humphreys

UK Chief Information Officer and Fast Forward sponsor

"The Fast Forward Women's Development programme gives me real-world advice, hints, and tips on how I can overcome common barriers faced by women in work and life. Providing opportunities to network with senior leaders, likeminded individuals and have career conversations."

Lucy WatsonWomen in Leadership delegate

Hitting Fast Forward on women's career development

Women experience different barriers to career progression, and our focus is to remove these at a systemic level and support women to plan their careers and overcome these barriers.

Fast Forward, our inclusive talent network launched on International Women's Day 2021, is helping women develop and progress their careers. By the end of 2021, promotion rates for women increased from 2% to 5% (same rate as men). Lateral moves for women increased from 6% to 17%. Lateral moves are an indicator of future progression as they provide extra experience and skills.

In May we launched a six month, in-house development programme for all women with a cohort of 50 undertaking our Women in Leadership Development series. In addition, women in senior positions have access to a development programme through our external partners, The Pipeline.

Supporting women through the menopause

Menopause symptoms can be debilitating and have huge negative impacts on women, their careers and future financial security. Research from the Fawcett Society showed one in 10 women who worked during the menopause have left a job due to their symptoms.

We're providing support, training and advice for line managers and all colleagues, tackling the taboo surrounding menopause. Making it easier for people to talk about it, recognise the symptoms in themselves and others and to ask for, and offer, support and help.



"By running monthly Menopause Cafés we give our colleagues a safe space to come and talk about what they are experiencing. Whether they are a sister, brother, husband, partner, child, manager or work colleague of someone or physically going through the menopause themselves. We signpost for external support and share tips."

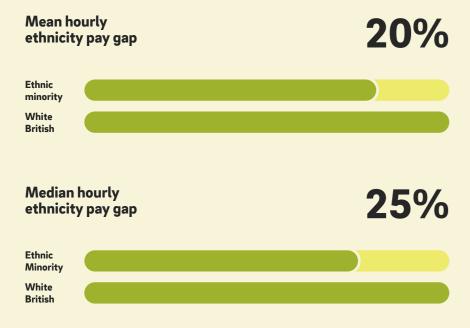
Lisa James Smart Field Performance Lead



"Over the last two years we've increased the awareness of the effect menopause can have. We've ran webinars on the medical aspects, provided nutritional advice and discussed books, along with an elearning package and even a quiz. In addition, by inviting high profile speakers we have been able to keep the conversation going and reinforce the message to colleagues that this is a topic we should all feel able to talk about."

Kirin Kalsi Head of Legal

Our ethnicity pay gap



How do we calculate the ethnicity pay gap?

If we lined up all ethnic minority employees in one line from highest to lowest paid, and did the same for all the white British, the median ethnicity pay gap is the difference between the pay of the middle employees on both lines. The mean ethnicity pay gap is the difference between the average pay across each line.

Our disclosure rate is over 95%. These are the colleagues that have shared their race or ethnicity with us. As this percentage is high, it gives us a strong level of confidence in the data we have available.

For the first time, we're reporting our ethnicity pay gap as part of our approach to provide transparency around this important diversity measure to create equality and fairness.

As there is no government requirement to report ethnicity pay gap data, we've followed the guidance in place for gender pay. This is our starting point, and our understanding and reporting will mature over time.

As with gender pay gap, this is part of the story and provides an extra level of transparency to track how we're doing. Representation at different grades, participation in talent programmes, and promotion rates are also important.

Why do we have an ethnicity pay gap?

Unlike gender pay, the ethnicity pay gap is affected by a range of factors, as it's not a binary measure.

Within the grouping of ethnic minority there's a large number of different ethnic and racial groups, many of which have different experiences within society and E.ON UK.

Gender and age are additional factors, with people from a mixed heritage background being one of the largest growing demographics in the UK and women from ethnic minority backgrounds face double barriers.

Summary of our results

- Across E.ON UK, 26% of our colleagues are from an ethnic minority background.
- Within our upper quartile (detailed on the next page), representation is slightly below the UK average of 14% at 12.5%. Our upper middle quartile sits higher at 14.9%.

- Our pay gap exists due to the above average representation within our lower quartiles (23.7% for our lower middle and 42.8% for the lower). This is due to:
 - Recruitment of over 2,500 colleagues into E.ON Next, where most roles are entry level.
 - Lower representation within our field and technical based roles which attract higher pay.
 - We have strong representation within our professional functions such as digital technology, legal and finance.
- At a senior executive level (board, director and head of roles), 16% of roles are held by someone from an ethnic minority background.

Promotion and talent

Our overall promotion rate for ethnic minority colleagues is 17.6%, which is lower than our representation, and shows that we have more work to do.

Membership across our talent networks shows 16% of members are from an ethnic minority background, and of our apprenticeships 18% are from an ethnic minority background. These are important measures as they show who is actively developing skills.

Understanding where these areas for improvement exist, will help us design interventions to help make improvements.

Ethnicity pay quartiles

Upper quartile



Lower middle quartile



Upper middle quartile



Lower quartile



Ethnicity bonus pay gap

Mean average ethnicity bonus gap

Mean average ethnicity bonus gap

15.7%
In favour of White British

16.3%

Proportion of people receiving a bonus



What are we doing to address our ethnicity pay gap?

Board sponsorship and commitment

Our CEO, Michael Lewis is our executive sponsor for racial inclusion. Along with his Board colleagues, Michael has shared E.ON's commitment to zero tolerance to abuse and harassment, and that inclusion is the responsibility of all leaders.



Race at Work Charter

We're proud to have signed the Business in the Community Race at Work Charter in June last year. The charter is an important framework for us to use as it's based on best practice shown to have a positive impact on the experience of ethnic minority colleagues, and their career progression. We're working to deliver all our commitments and we're pleased to share progress we're making here.

Respect Matters

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Over the past 18 months through listening circles, colleagues have shared that when incidents such as micro-aggressions happen, they are unclear on what they can do and if there will be support available. Based on this feedback we developed Respect Matters as part of our zero-tolerance approach to abuse and harassment.

Respect Matters supports our zero-tolerance approach through training and a practical guide. Launched in September, Respect Matters aims to address microaggressions and empower all colleagues to speak up for inclusion.

Through our inclusive talent networks, supporting ethnic minority career progression is a key focus area for us to make improvements. We've made progress by improving our overall representation, and our focus is now on better understanding the barriers to progression and additional development needs.



"I'm driven by injustice and making it right.
embRace feeds that drive to do more, be
better and it's not just about someone you
read about in the news. These are our
colleagues and I'm committed to standing
with them to bring the change that's needed.

The work embRace does reminds people this problem still exists. We're taking accountability for the part we all play to create a space of 'I'm great as I am. All of me is accepted here and I'll have the opportunity to flourish here, regardless of my race'."

Nazia Aman
Strategy Analyst and member of embRace

embRace, our network for racial inclusion

Launching in June 2020 and with nearly 2,000 members, embRace continues to push us to be actively anti-racist, to listen to colleagues and to take positive action.

The network works to improve knowledge and understanding and has hosted over 30 listening circles, created new learning content and hosted webinars with external speakers. embRace helps us to learn and celebrate our different backgrounds and we've recently celebrated South Asian History month and Black History month.

"In order to embed a culture of inclusivity, including the ethnicity pay gap in our inclusion report demonstrates E.ON's commitment to creating a fair and balanced environment, whatever someone's ethnicity. It's important we're all celebrated and valued for our differences and the embRace network provides a safe space to discuss racial inclusion within the workplace."

Nicola Dormer

Campaign Manager and member of embRace



What's next?

First of all, huge thanks to all the colleagues who are part of our journey, who continue to add to our culture, who celebrate who they are and who are helping us to improve so that everyone can thrive, rather than fit in.

This is our first Inclusion Report, and we'll continue to track our performance, sharing it in the autumn each year. We'll share how we're doing and our stories through our social channels throughout the year.



So what's next?

By using our data and continuing to listen to colleagues, our understanding will deepen and action will be taken on these insights to make positive improvements.

Our networks will grow and mature, reaching more people to give support and learning opportunities.

We'll continue to work with our partners and explore our external commitments to keep stretching ourselves and focus on delivering our 2025 diversity targets.

Rebecca Percy

Diversity and Inclusion Lead





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