

Gender Pay Reporting 2023



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)	2023	2022	2021
Difference in mean hourly rate of pay	15%	14%	22%
Difference in median hourly rate of pay	14%	6%	23%

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.

Whilst the difference in the mean hourly rate of pay has increased slightly, we continue to work on the measures we have put in place which are detailed in this report. We have seen an increase in the difference in median hourly rate of pay from 6% to 14%. In the reporting period more men were recruited at management level than women and, the majority of female starters were in the lower middle and lower quartile pay bands both of which have influenced the increase in the difference of median hourly rate of pay.

There continues to be 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.

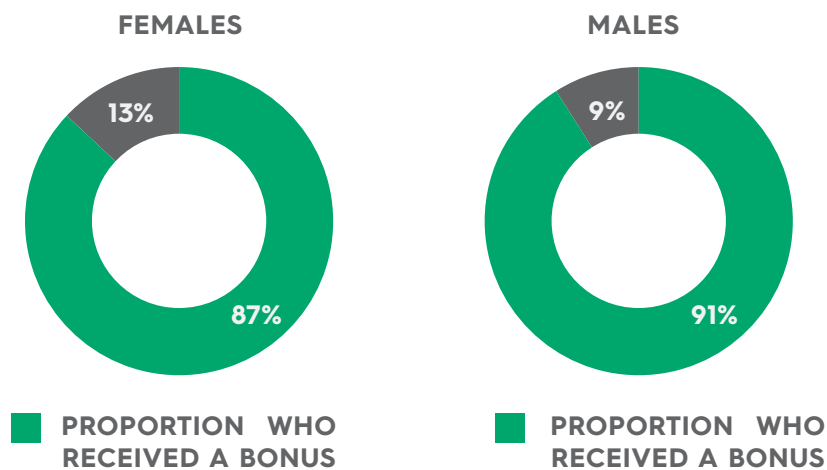
PROPORTION OF MALE AND FEMALE UK EMPLOYEES ACCORDING TO QUARTILE PAY BANDS



Our pay gap remains largest within the upper and upper middle pay quartiles. This is caused by lower representation of female staff at senior management and leadership levels. While our pay gap has improved at

the lower middle quartile, we did see an increase in the upper middle quartile in the past 12 months. This is due to a higher number of male hires at this level over the past year.

NUMBER OF PEOPLE RECEIVING A BONUS 2023



BONUS GAP (DATA AS AT APRIL 2023)

Difference in mean bonus pay **4%**

Difference in median bonus pay **0%**

Our median bonus pay gap was 0% for 2023. The mean bonus gap was 4%. This is primarily due to staff receiving the same bonus payment amounts which were to help compensate for the rising costs of living in the reporting period.

In addition, due to a difference in timing of other bonus payments between this year and last year there were no other bonuses paid out in the year. The bonuses relating to the financial year end 31 December 2022 were paid after this period and will therefore be included in the gender reporting figures for the period 6 April 2023 to 5 April 2024.

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 continue to facilitate a Women in Leadership Programme. The aim is 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 continues to be very positive and we continue to work towards growing and inspiring even more female leaders that will hopefully progress into more senior positions.

We have introduced a new parental leave policy for both parents which we hope will foster a more equal and inclusive workplace. We have also 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. The feedback we have received regarding these coaching sessions has been positive with individuals stating that the sessions have gone some way to retaining them within the business.

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

During 2023 we ran further Equality, Diversity and Inclusion training for our senior leaders which included Unconscious Bias and Psychological safety training focussed specifically on behaviours and actions related to inclusion. This included mandatory face to face training for a large portion of our senior managers to ensure we continue to set the correct 'tone from the top.

We also launched our Equality, Diversity and Inclusion strategy led by our EDI group by listening to our employees and using this valuable feedback to develop a plan tailored to our business and our people. Our plan reflects both our employees' views as well as the long-term Company ambitions in this important area.

Whilst there is definitely a lot more work to be done, we believe that this comprehensive and sustained effort is essential for creating lasting change, and we appreciate the ongoing support and feedback from our employees as we work towards a more equitable workplace.

Recognition of static figures

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.



Rob Brown

Managing Director