

# Inclusion Report 2022



May 2022

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Enquiries to: North Sea Transition Authority 21 Bloomsbury Street London WC1B 3HF

### 1. Executive Summary

The continued health, economic and logistical impacts of the COVID pandemic meant that 2021 was a challenging year for our industry and, as we have learned many times before, challenging times can demonstrate the importance and value of inclusion. A sense of belonging and purpose is crucial.

As this report is being written, the world is facing a different challenge with the horrific events in Ukraine, the resultant disruption to the global energy system and the knock-on impact on the cost of living.

The industry is also in one of the most profound periods of change in its history, with the publication in March 2021 of the North Sea Transition Deal and the rapidly evolving challenge to meet energy demand and accelerate the pace to Net Zero. One year on from the publication of the NSTD, significant progress has been made by industry and government, but much remains ahead of us. The OGA has been renamed the North Sea Transition Authority (NSTA) to better reflect the nature of our work and the priorities of industry. Our people are critical to our success and having a 'great place to work' with inclusion at the heart of this will allow our talented people to shine and be at their best.

All the while expectations on every industry are being raised in social areas (such as inclusion), but also with regards to delivery against environmental and governance standards – and strong performance in all areas of ESG reporting is pivotal to attracting investment and maintaining industry's social license to operate.

Set against this fast-changing picture, the 2021 Inclusion Report seeks to transparently share the work that the NSTA has been undertaking as an employer, and as the industry regulator.

We are delighted to share our progress during 2021 including our focused work with industry and our future commitments which we've based on our learnings so far.

### 2. Our role as an employer

#### 2.1 Summary

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Consistent with our last two reports, below is an update on the existing practices and activities that the NSTA committed to continuing.

Activity Area	NSTA Progress during 2021	
Representation and reporting	Continued to monitor our data, with the support of our trade union partners, and ensure that no unintentional bias has taken place in any of our processes such as performance management and pay review. We have also implemented an annual data review process to ensure that the data we store (including sensitive data) is accurate and up to date. Staff have the option to select 'prefer not to say' on ethnicity, religious belief, disability and sexual orientation data.	
Coaching	Continued to offer and promote coaching to our staff with external coaches. This can cover anything from career development, to self-awareness/confidence building and wellbeing. Available sessions have continued to be extended whilst the impact of the pandemic is still being felt.	
Leadership training	During 2021, when restrictions allowed, we were delighted to restart both of our internal leadership development programmes. During 2021, 30 individuals will have engaged in this valuable training with plans in place for 60 staff to take part in 2022. We believe this training is key to enable people to be confident and inclusive managers and will continuously look to improve this for future cohorts.	

Activity Area	NSTA Progress during 2021
Visible leadership	Continued to stay close to and support our staff through regular check ins/all staff sessions recognising that the industry has been through a tough time particularly during the latter half of 2021.
Flexible working	As shown in this report, this continues to be a focus for us in 2021 into 2022, and was at the heart of focus group-led engagements with staff as we considered the future "Hybrid Working" model for the organisation.
Mental health awareness	Committed to running mental health focused events twice a year as well as continually reviewing the resources we have available. We have trained an additional three mental health first aiders and now have a total of 13 which equates to around 8% of our workforce.
Learning and Development	NSTA has continued to provide our staff with learning opportunities during the year and also provided tools such as creating a career development intranet page with supportive resources and running sessions on, for example, how to create a personal development plan. Regular learning sessions have taken place on areas such as our strategy, digital awareness and technological advances – also providing opportunities for staff to share their own learning and knowledge with others.
Ensure all forms of inclusion and equality are considered	The NSTA takes a balanced approach. As shown in this report, we have held several sessions across the year to educate, inform and raise awareness from neurodiversity to health issues and the challenges facing carers.
Refresh mentoring activities to update the process, include recent recruits and to test the concept of "reverse mentoring".	We have piloted reverse mentoring and plan to take this learning forward to ensure our mentoring programme is effective as possible.

#### 2.2 Representative diversity data

Whilst the NSTA does not have representative diversity targets, we do recognise the importance of being transparent with our diversity data, which is as follows:

#### **Females**

- 47% / 53% (unchanged from last year and mirroring the UK workforce).

#### All Other Ethnic Groups Combined

- 12% compared to 13% last year

(2011 census data shows 14% of the UK workforce as all other ethnic groups combined, with Aberdeen being lower at 8%).

### RRRR and **4** men.

#### Board

– The board has 4 women



#### Leadership Team

- The leadership team has 5 men and 2 women.

#### **Table 1: Success Stories**

Area of commitment	Achievements during 2021/22	
Social mobility	NSTA has set up a relationship with national social mobility charity, Career Ready and two NSTA mentors are working with students in Aberdeen and London. As well as their regular mentoring sessions, the students will also undertake a paid placement in our offices over the summer period.	
Neurodiversity	NSTA has run awareness sessions on Autism, ADHD, Dyslexia and Dyspraxia. The sessions were extremely well attended with excellent feedback from staff. Resources have been shared and will continue to be refreshed.	
Future working model	Following the focus groups held last year and feedback from our employee engagement forum, NSTA produced a guide to hybrid working at the NSTA. Since September 2021 (with a brief pause when restrictions were reimposed), staff have been encouraged to come into the office and work with their teams to see what works best for them with a 60/40 split between home and office. This offers our staff more flexibility than prior to 2020 and obtains a good balance to ensure that staff can still benefit from the ability to learn and collaborate with one another in person. We will continue to review our hybrid model to ensure it is fit for purpose.	

Area of commitment	Achievements during 2021/22	
Recruitment	During 2021, the NSTA reviewed its recruitment process to make it more accessible to applicants. This involved producing improved guidance around the requirements of the application process and providing greater clarification around the STAR methodology used during interviews. To ensure fairness and consistency for applicants, the ability to attach a CV was removed and replaced with a 'skills and experience' section in the application form. The NSTAs competency framework was also reviewed to ensure the use of inclusive language and alignment with NSTA values. An inclusion page has also been added to the Careers website. A regular new starts survey is conducted, and the success of the changes made will be reviewed via this.	
Wellbeing awareness	NSTA has run sessions throughout the year on prostate cancer, financial wellbeing, Carer awareness and mental health awareness (the latter is now part of a regular bi-annual programme). We also ran sessions via our employee assistance programme on preparing staff for returning to the office recognising this may have an impact on anxiety levels. We have continued to make resources available to staff via our intranet and Yammer page covering a wide range of wellbeing topics, encompassing areaswhich are sometimes considered as 'taboo' in the workplace. The NSTA continues to shape an inclusive wellbeing culture which not only supports the positive wellbeing of staff but also enables staff and managers to support the positive wellbeing of others.	
Data/engagement survey	<ul> <li>NSTA held its biennial engagement survey during summer 2021.</li> <li>All Directorates improved their scores in all seven areas.</li> <li>Leadership</li> <li>Learning and career development</li> <li>Reward and recognition</li> <li>Working conditions and environment</li> <li>Space and balance</li> <li>Listening and engagement</li> <li>Values</li> <li>The overall engagement index score (the average of all 7 scores) was 75%, up from 68% in 2019 and 56% in 2017 which is a significant improvement. Notable improvements were made in areas where there had been a real focus on effort such as leadership development, work/life balance and learning and development.</li> </ul>	

### 3. Our role as the regulator

#### 3.1 Summary

The NSTA continues to commit to industry that we will play our part in effectively promoting inclusion and diversity in four specific ways: **Gender diversity leadership**; **Engaging industry**; **Role modelling**; and **Learning**. As you will see in section 3.3, and as per our commitments in last year's report, we have taken an active role in engaging industry this year in open and honest discussions around diversity and inclusion.

#### **3.2 Gender Diversity Leadership**

The NSTA recognises the importance of the Energy Leaders' Coalition Charter as set by Powerful Women. Our Chief Executive is now one of sixteen CEOs sitting on the ELC. We continue to make progress against the seven commitments the charter references.

#### Table 2:

Energy Leaders' Coalition Commitment	NSTA 2021 actions
Recognise your personal role in driving change, acting as an Ambassador for better balance.	Our senior leaders, led by the Chief Executive, continue to advocate for inclusion and engagement, sharing our experiences (including where we have lessons to learn) in the spirit of transparency.
Communicate your ambition, your targets and your timeline for change in a public declaration.	NSTA will continue to publish this report annually.
Hold yourselves accountable for your progress.	Inclusion is a key part of our "Great Place to Work" philosophy and programme, is included in relevant audits and features in our staff surveys – the results of which are all visible to the Board and to staff.
Set key measures to track progress and report publicly on them.	Quarterly inclusion updates have been published through the year covering our progress, raising awareness on areas based on feedback from staff.

Energy Leaders' Coalition Commitment	NSTA 2021 actions	
Provide the resources you need to deliver your ambition and support your people to do so.	We continue to fund, and provide staff time to partake in, learning and engagement activities to help further develop our understanding of best practice.	
Communicate progress across your organisation.	We produce a quarterly inclusion update.	
Share successes externally and look to peers for solutions to challenges.	We are active in sharing our experiences, challenges and successes, including through the use and promotion of this annual report.	

#### 3.3 Engagement with industry

In the 2021 Inclusion Report, we committed to reaching out to operators and tier 1 contractor companies and invited them to attend focused working sessions where we hoped to hear some of the best practice examples from around our sector. Following these sessions, we offered to then share the "lessons learned" for all to benefit and include examples from these sessions in this 2022 Inclusion Report.

During the past year we convened a series of engagement sessions, each involving operators and tier 1 contracting companies, as we were keen to generate a discussion across the supply chain and to look for learning opportunities. These sessions were held on a "Chatham House" basis whereby specific examples, challenges and successes could be more openly discussed on the understanding that we wouldn't attribute specific examples to specific organisations.

The meetings provided a forum to have open and honest discussions about progress, challenges, experiences and importantly to learn from one another. For those who genuinely wanted to raise their game, it was an opportunity to talk to others doing it better (just as they would on matters such as safety and advances in technology).

#### What challenges did we hear?

It was clear that there are common challenges faced by most of the participating organisations, the most common were:

- Attracting talent from wider ranges of backgrounds.
- Quality of representative diversity data held by organisations.
- Improving diversity in offshore roles; particularly those of a higher grade.
- Attracting female candidates, especially graduates.
- External perception of the industry can be negative, heightened during 2021 in the build up to COP 26.

In addition to this, there were some more individual challenges that were described, including:

- Smaller organisations may often have flatter structures where career opportunities and perception of advancement can be more limited

   therefore attraction is particularly challenging.
- Integration of D&I policies and practices across different cultures where approaches are very different, especially crossing continents.

#### What successes did we hear?

Whilst it is sometimes natural to focus on the gaps and to look at what needs to be improved, we believe that it is vital to appreciate and recognise where there has been progress and where there are successes.

Whilst respecting the privacy of the individual companies, we were delighted to hear that firms had experienced a number of specific achievements and benefits through their focus on inclusion – including:

- All of a company's projects from last year were delivered remotely with international colleagues participating and contributing – with fantastic diversity of thought. On the back of the success of this, hybrid working will now continue in the company's locations around the world.
- An internal LGBTQ+ group supported an offshore employee and the company by developing policies and toolkits. These were very well received.
- Highlighting the priority that one company is placing on D&I by linking clearly to reward mechanisms.
- Engaging offshore leadership in D&I training by having OIMs take the lead has resulted in great success.

#### Sharing the lessons learned

The purpose of the exercise was not just to hear the practices, successes and challenges from individual companies, we also committed to trying to distil advice, experience and ideas that can be taken from the examples we heard in order to try and help other organisations.

From our sessions we have compiled a "top 10 suggestions" list drawn from the experiences of those companies taking part.



Ensure that inclusion is at the forefront of reorganisations



Work with and leverage external networks and partnerships



Visibility and transparency of plans and progress are key measure progress and get feedback

Treat D&I just like safety – it is an enabler



Connection is important to enable staff to understand where they fit in, using real stories during learning sessions will likely "stick" with staff better



Internal D&I groups sponsored and supported by senior leaders can be more successful



Be honest when you have made a mistake



Pay attention to the 'soil conditions' to enable the right things to grow



Link conscious inclusion to personal development



Manage external partners to ensure they are aligned with your values, for instance be willing to intervene early with recruiters to ensure the pool of candidates for a role is as

diverse as possible

#### 3.4 Role modelling

It was heartening to see that many of the companies who attended our learning sessions saw the value in developing partnerships and connections with external networks and groups. The NSTA has continued to maintain our engagements, including the OEUK D&I network, AXIS network, the Energy Skills Alliance and others. Where there is an opportunity to contribute to external events such as the POWERful Women annual conference, the NSTA has been happy to take part.

#### 3.5 Learning

As already covered in section 3.3, the NSTA has had the opportunity to directly connect with industry in terms of their D&I practices and has been able to share some insights into good practice. It is hoped that industry can benefit from this information and take these into account when reviewing their own practices. We will continue to share examples of good practice in future reports.

#### 3.6 ESG

We recognise the challenge facing industry in harmonising, clarifying and interpreting ESG standards and metrics. We have worked with licensees, through our NSTA ESG Taskforce, to monitor the evolution of key ESG requirements, and to recommend a standardised approach to ESG reporting. We expect this to make it easier for licensees to report, and committed in a recent Open Letter that the NSTA and its ESG Taskforce will continue to provide updates to support and assist industry as appropriate.

Within the Open Letter, we have offered licensees the option of a 1:1 conversation with the NSTA's ESG Taskforce, to ensure that we continue to support licensees in their ESG practice and disclosure development.

We have committed to refreshing our ESG analysis over this year to provide advice, recommendations, and identify areas of best practice which support the gaps identified. We intend to publish the results of our findings over the summer.

### 4. Commitments & Requests

#### 4.1 Commitments

The NSTA commits that we will:

- Continue with the practices described in section 2 of this report, including transparent reporting of progress, challenges and success stories.
- 2. Continue to support the activities of expert groups and networks working in this area and be considerate to ensure we avoid duplication of effort.
- **3.** Additionally take new steps in the following areas:
  - a. Storytelling the activities and sessions we have held have demonstrated to us that the most impactful ones have real stories attached. Our approach this year will therefore be more story telling based in nature rather than expert led.
  - b. Mentoring following the feedback we received on reverse mentoring, we are keen to review our approach to mentoring to focus more on the development need rather than the 'type' of mentoring. We will also further encourage and facilitate external mentoring opportunities via external partners and professional bodies.
  - c. Social mobility supported by our experience with Career Ready, we will work to identify where there are potential barriers in our recruitment and attraction processes.

- d. WISE Campaign we will work with WISE to identify where the NSTA can assist their ongoing campaign to attract more females into engineering by providing access to real world content.
- Feedback and recognition culture

   following a pilot, we will look to
   introduce 360 feedback to more parts
   of the company. Alongside this, we will
   look to further educate and inform on
   different aspects of recognition –
   particularly peer to peer.
- f. Reinforcing our values we recognise that through turnover and new recruitment, many of our staff were not part of the process we completed in 2016 to create our values, and so during the year we will be reengaging with all staff to ensure the values remain understood, relevant and most importantly – shared.

#### 4.2 Requests of industry

It is clear that work in the inclusion space is ongoing in our industry - which is positive - but there is much still to do. We have set out some excellent examples of work in this report and would ask that, where appropriate, these are considered to ensure inclusion is prioritised (which also aligns to the existing industry focus on meeting UN sustainable development goals). A key route to improvement is listening and learning from each other and so we also continue to encourage collaboration and sharing of good practices between companies along with supporting the efforts of organisations such as OEUK, the Axis network and POWERful Women.

Keeping the topic of inclusion high on the agenda, whilst there are so many other important and urgent issues to attend to will always be a challenge. Our belief in the importance of having a focus on staff at the heart of the industry's work was captured by a senior leader of a company that attended one of our sessions - "There is no point in doing what we do if we don't have life at the heart of our organisations."

### Appendix

ENERGY

We express our sincere thanks to the following companies who kindly attended and contributed to our discussions on inclusion:

	Shell	SICCAR POINT ENERGY	Siccar Point Energy
bp	bp	Canadian Natural	CNRL
wood.	Wood plc	subsea 7	Subsea 7
	Ithaca Energy		Spirit Energy
	New European Offshore		Worley
TotalEnergies	TotalEnergies	STORK	Stork
<b>A</b> pache	Apache	HALLIBURTON	Halliburton
	Neptune		



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