



Energy for  
generations

# ESB Board

## Diversity, Equity and Inclusion Policy

Approved: December 2024

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## 1. PURPOSE

A foundational capability of the Board's *Driven to Make a Difference: Net Zero by 2040* strategy is a diverse workforce strengthened by a values-based and inclusive culture.

The purpose of the Board's Diversity, Equity & Inclusion (DEI) Policy (the "Policy") is to provide leadership on diversity, equity and inclusion; valuing difference and sustaining a culture of belonging, right across the business.

By adopting its own Policy, the Board is demonstrating this broader commitment to diversity, equity and inclusion, becomes a vector for change and can be measured on progress.

## 2. RELATED DOCUMENTS

This Policy incorporates the requirements of the Code of Practice for the Governance of State Bodies<sup>1</sup> (Gender Balance Diversity & Inclusion Annex) and the Irish Corporate Governance Code 2024. It fully aligns with ESB's: -

- Human Rights Policy
- Respect and Dignity Policy
- DEI Charter
- Dignity at Work Charter and
- Our Code

and sits alongside the Board's Code of Business Conduct.

## 3. POLICY STATEMENT

ESB is committed to building and sustaining a diverse workforce founded on a culture of inclusion, equity, tolerance, and belonging. Maintaining an environment where people can be themselves, thrive and feel connected to our purpose is essential to the success of ESB.

Diversity, Equity and Inclusion is especially important for the ESB Board in achieving our goal of Net Zero by 2040.

The Board understands that:

- (a) inclusive and diverse Boards and Board Committees value difference in terms of:
  - (i) skill sets, personalities, learning styles, professional and industry backgrounds, geographical experience and expertise; and
  - (ii) as regards age, disability, gender, family status, marital and/or civil status, race, religion, sexual orientation, or membership of the Travelling community.
- (b) a diverse Board with a range of views, insights, perspectives and opinions will enhance decision-making, help to avoid the risk of groupthink and ultimately benefit the company's shareholders and other stakeholders through better business performance;

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<sup>1</sup> Section 4 Board Effectiveness

- (c) a strong values-based and inclusive culture is cultivated through clear tone from the top, with the Board and Executive Team championing the Diversity, Equity and Inclusion strategy at ESB, including related strategic initiatives;
- (d) an inclusive culture in the boardroom demonstrates a commitment to high performance and public service values; and
- (e) balanced and diverse Boards provide more effective governance, are more innovative, and help to promote inclusive behaviours in the boardroom.

#### 4. DIVERSITY, EQUITY AND INCLUSION OBJECTIVES

The Board: -

- (a) aspires to achieve diversity, equity and inclusion in terms of the requirements set out in section 3 (a);
- (b) is committed, subject to the shareholders support, to adopting the ESB Inclusion Principle (**40% Women; 40% Men; 20% Any Gender**) when appointing members to the ESB Board and on the boards of large subsidiary companies, as the near term objective;
- (c) will take steps to ensure that senior Board positions (e.g., Chair, Committee Chairs, Senior Independent Director, Chief Executive) shall be gender balanced;
- (d) recognises that periods of change in Board composition may result in temporary imbalance and will make every effort to rebalance at the earliest opportunity subject to the shareholder's support;
- (e) via the Remuneration & Management Development Committee will support management's actions to increase the proportion of senior leadership roles held by women, through proactive succession planning and pipeline development for Executive Director roles to achieve and maintain diversity at executive levels;
- (f) will identify and participate in training and development opportunities in support of the Board's Diversity, Equity and Inclusion objectives;
- (g) will challenge and support ESB's progress on Diversity, Equity and Inclusion through the relevant Board Committee and at the Board, working towards representative workforce participation.

#### 5. RESPONSIBILITIES

##### 5.1 Chairman

The Chairman is responsible for:

- (a) leading the Board's Diversity, Equity and Inclusion agenda and setting measurable objectives to support continuous improvement and track progress;

- (b) advising the Minister on the right balance of skills, experience and knowledge required on the Board and, in accordance with the Board's terms of reference, regularly reviewing Board composition, succession planning, talent development and the broader aspects of diversity;
- (c) building and sustaining an inclusive culture by ensuring board members feel empowered to question and are given the support and training they require to fully participate in board discussions and decision making;
- (d) working with the Public Appointment Service (PAS) to:
  - (i) give a clear understanding of ESB's values and commitment to Diversity, Equity and Inclusion including through this Policy, and seeking their assistance in adhering to those values and commitments when identifying and proposing suitable candidates for appointment to the Board; and
  - (ii) identify suitable candidates for appointment to the Board on merit against objective criteria having regard to the benefits of diversity, equity and inclusion in promoting the success of ESB for the benefit of our shareholders as a whole;

and

- (i) engaging proactively with external nominating bodies.

## **5.2 Company Secretary**

The Company Secretary is responsible for: -

- (a) reporting on the implementation of the Board's Diversity, Equity and Inclusion Policy in the Annual Report and other related matters as required by the Code of Practice for the Governance of State Bodies, the applicable Governance Code and other regulatory and statutory requirements;
- (b) ensuring the annual evaluation of the board considers its composition and diversity;
- (c) regularly reviewing the Board's Diversity, Equity and Inclusion Policy in conjunction with the Executive Director, Group People & Sustainability and recommending any revisions to the Board; and
- (d) reporting to the Board on progress against Policy objectives.

*Approved December 2024*