



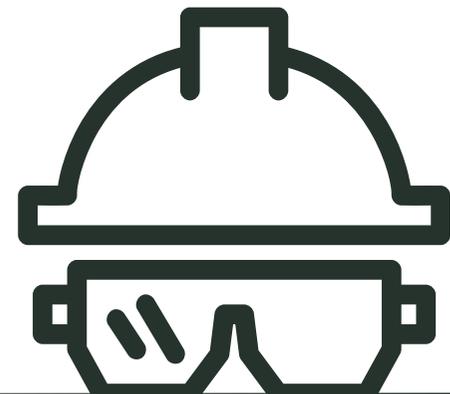


Delivering our safety commitment

We are committed to ensuring the safety of our people, our customers and the public.

We will never compromise on safety, as we keep energy flowing safely and reliably to meet the needs of our customers today and tomorrow. We endeavour to prevent any incident, accident or injury. Our safety management system provides strength in depth through multiple layers of hazard management and protection.

This encompasses the actions we take to keep our people and contractors safe; to protect members of the public and to ensure safety standards around our street works and other operational activities.



Delivering our safety commitment

Keeping our people and partners safe

One of our top priorities is occupational safety and ensuring the safety of our people and our contractors undertaking their day-to-day work activities.

Our aim is to prevent our people and the public getting hurt as a result of our work activities and we require our contract partners to maintain the same critical focus on safety, particularly in their work in proximity to members of the public. We work with our people and contractors, reviewing safety performance and learning from incidents, providing training and targeted programmes to reinforce the importance of safety in everything we do.

Our key safety focus is to achieve long-term reductions in our Lost Time Injury Frequency Rate ('LTIFR'), with a specific target of 0.7 per million hours worked by 2021. We have focused on underground services, driving and linked occupational health activities, to raise awareness of the risks of musculoskeletal injury.

Our safety performance has improved. Over the last decade we have improved our employee LTIFR from 3.5 per million hours worked to close to 1. The severity of our injuries is also decreasing.

Embedding the highest possible level of safety in all our activities is always a challenge. Over recent years, our LTIFR performance has plateaued. This year it will be more than 1 per million hours worked, due in part to an unusual number of injuries from no-blame road traffic collisions.

We will always strive to improve our safety performance and as part of a three-year plan we are focusing on reinvigorating our safety culture, investing in training our leaders and front-line staff, simplifying our management system and focusing on driving improvements in areas where the risk to our people and members of the public are highest.

Through 2018/19 we have established an Executive-led Safe Driving Group dedicated to reducing driver safety risks. We have driven a focus on underground cable strike risks, safety leadership visits sharing learning between us and our contract partners and embedded a consistent approach to assuring the competence and capability of all our contractors.

Cable strikes

The accidental striking of an electrical cable, known as a cable strike, is a significant risk that our people and contractors are exposed to when working on our buried pipes and equipment.

Early in 2018/19, we noticed a sharp increase in the cable strike rate. We have engaged our employees and contractors with a renewed focus on this area by sharing good practice and learning from previous incidents. We have also run workshops led by cable location specialists. This has all helped to reduce the risk of cable strikes and forms part of our specific improvement pathway for cable strikes.

Mains replacement – length of metal and plastic



Lost Time Injury Frequency Rate (per million hours worked)



Number of cable strikes



Cable strikes per km pipe as part of our replacement programme



Case study:

Leadership safety visits

The Safety Leadership Days are organised twice a year to provide an opportunity for the Board members and Senior Leadership team to visit teams at work, as they perform their daily duties and experience a day 'on the front line'. This allows the leadership team to discuss safety as it happens, and to understand how safety messages filter down and whether lessons learnt are communicated and applied effectively. It's also an opportunity for our workforce to engage on safety with leaders in the business.

The principal focus areas for 2018/19 were:

- Protecting the public from our works.
- Protecting our employees in the highway.



I thought the pre-briefing materials and the theme for the day were excellent. It was clear that a lot of work had gone into it. I met front line staff and the level of engagement and pride in their work was first class."

Mark Mathieson
Board member

Keeping the public safe

We operate the National Gas Emergency Service contact centre, taking calls and giving safety advice on behalf of the industry. In 2018/19 we answered 1.4m gas emergency calls, of which 93% were answered within 30 seconds.

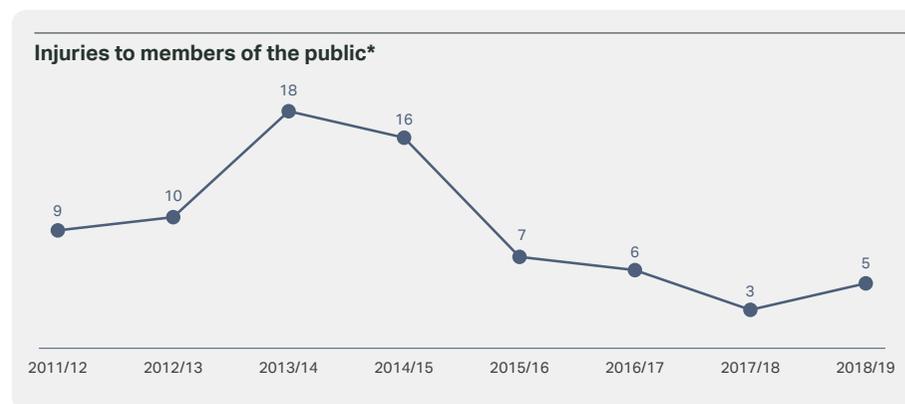
Of these 1.4m calls, approximately half are related directly to our network and of these 393,620 were reported gas escapes that required attendance. There are many reasons why someone might report a gas escape including leaks from our network, problems with pipework or appliances, meter problems, issues with a third party network or suspected carbon monoxide. We provide assistance for all gas emergencies irrespective of cause to ensure public safety. Of these reported gas escapes, 83,201 (21%) related specifically to the Cadent network, that is the pipes and equipment owned and operated by Cadent upstream of the emergency cut off valve and meter.

We are also responsible for keeping members of the public safe from injury during work on our gas mains and assets. In 2018/19 we have replaced 1,701 km of ageing metallic pipes with new, longer-lasting plastic pipes, predominantly through works in streets and highways. This programme reduces leakage from our networks whilst preparing for a range of future fuels and driving a long-term improvement in public safety.

The graph below shows a downward trend in injuries to members of the public and unfortunately last year we saw a slight increase which has led to a renewed focus on our safety commitments.

Our works in the streets and highways will inevitably have an impact on residents, communities and businesses in the areas we serve. We recognise the safety risks involved when our work sites are in locations that pedestrians use. Although we have clear policies for signing, lighting and guarding around our work sites, accidents can still happen, but we are committed to reducing the likelihood of accidents and the risk to members of the public from our works.

During 2018 we have worked with our teams and contractors to reinforce our safety commitments. We are committed to the highest levels of safety around our excavations and never leave an excavation in the street or pathway open or unguarded to stop accidental entry of work sites, further reducing risk to members of the public.



*A major injury is one where the affected person is taken away from site of incident for treatment.