

# Always Doing the Right Thing

Our guide to ethical business conduct



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## Need help?

Contact the Ethics Team or Internal Business Conduct Helpline: 0800 376 0113 or email: [businessconduct@cadentgas.com](mailto:businessconduct@cadentgas.com)

External Business Conduct Helpline: 0800 988 9094 or email: [report@seehearspeakup.co.uk](mailto:report@seehearspeakup.co.uk)

# Welcome to Always Doing the Right Thing



Our purpose is to keep the energy flowing for our customers and stakeholders in the communities in which we operate. As part of this, we're committed to Always Doing the Right Thing in the choices and decisions we make every day, both as individuals and as one team. In addition to being our ethical code, Always Doing the Right Thing underpins our company values, guiding the way we behave and how we work today, along with our aspirations for tomorrow.

I am immensely proud that we have a long history and commitment to Always Doing the Right Thing. This is demonstrated by the high standards we set for ourselves, in our ethical approach to doing business, in the way we work together and in our commitment to safety. The choices and decisions we make every day really matter and so it's vital that we speak up if we have any concerns.

We all have a responsibility to protect our standards and to support each other in upholding them. To do this requires courage and confidence to voice our opinions and concerns and to challenge behaviour which is inconsistent with our ethical code, even if that might mean missing targets, incurring extra costs or questioning an instruction from your manager.

Always Doing the Right Thing applies to all employees and this document provides guidance for dealing with different situations that we may face from time to time. I rely on you to play your part and raise any concerns. In return, I will support you. If you think something falls short of these guidelines, please tell your manager or the Ethics Team, or contact our confidential external helpline. We can then put the matter right quickly.

Always Doing the Right Thing is intended to help us protect our reputation as an ethical business and so maintain the trust of everyone we do business with. I urge you to read this document, discuss it with your colleagues and help us to continue our commitment to Always Doing the Right Thing each and every day.

A handwritten signature in black ink, appearing to read 'Chris Train'. The signature is stylized and written in a cursive-like font.

Chris Train  
Chief Executive Officer

# What is Always Doing the Right Thing?

Always Doing the Right Thing underpins our company values, guiding the way we behave and how we should work today. It applies to all of us and this document provides guidance on how to report ethical or compliance concerns, get advice and the support that you can expect from us.

We expect you to keep to these values and behaviours, as well as our policies, the codes of any professional bodies you belong to and the laws and regulations that apply where you work.

## How do I know if there may be a problem?

Acting ethically and with integrity is a broad concept but examples include preventing bullying, discrimination, misreporting and financial wrongdoing. We have policies and guidelines to help us make sure we all do the right thing and avoid unethical behaviour.

However, they cannot cover every situation. Take time to **C**onsider **O**ptions **D**ecide **E**thically. Are you acting in line with our values and policies? If you are not sure, stop and get advice.

## Quick test:

Is it legal?

Is it right and honest?

Can I justify it to my manager, director and family?

Would I feel comfortable reading about it in the press?

Is it within the terms and spirit of Always Doing the Right Thing?

You should be able to answer 'yes' to all these questions, but if you can't, or you are not sure, please see the guidance on the next page.

**C**onsider  
**O**ptions  
**D**ecide  
**E**thically

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or email: [businessconduct@cadentgas.com](mailto:businessconduct@cadentgas.com)

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# Ethical decision-making

## Why good people may make bad decisions

Most people have good ethical instincts and can easily distinguish right from wrong. They will be able to readily identify ethical issues and concerns, and can make the right decision.

Pressure may make it hard to make the right choice. It might also feel like raising concerns or challenging involves questioning the honesty and integrity of others, which is difficult. For these reasons, good people sometimes make poor ethical decisions.

Always Doing the Right Thing is intended to help you make the right decision.

Unfortunately, we are often under pressure when we are making decisions. Pressure comes in many different forms.

## Who should I speak to if I think there may be a problem?

We recommend that you talk to your line manager or someone more senior in your area in the first instance. Also consider whether a specific team like HR or SHES will be able to help you. If you think no action has been taken or you do not feel comfortable speaking to your manager the following options are available.

You can discuss your problem with the following people:

### HR Team

Email: [box.contactHR.GD16@cadentgas.com](mailto:box.contactHR.GD16@cadentgas.com)

Tel: 0845 677 7000

### Ethics Team

(part of the General Counsel function providing independent advice on ethical standards and/or concerns)

Contact: Internal Business Conduct Helpline.  
0800 376 0113 or email: [businessconduct@cadentgas.com](mailto:businessconduct@cadentgas.com)

### 'SeeHearSpeakUp' Helpline

an independent company that specialises in responding to concerns

Contact: External Business Conduct Helpline.  
0800 988 9094 or email: [report@seehearspeakup.co.uk](mailto:report@seehearspeakup.co.uk)

### Examples of pressure:

During times of change

Having to make decisions quickly when we have less time to weigh up the issues

If we are asked to do something by a senior colleague who we are reluctant to question

If we feel a sense of loyalty to someone who asks us to behave unethically

If everyone else seems to be doing something, so we might assume that it must be alright



## Values and Rules

In order to 'Do the Right Thing' we need to know the rules that apply to us, including internal policies and legal obligations. If we don't know the rules, we may get into trouble without ever acting unethically. We also have to apply our values and not 'bend' the rules to suit ourselves.

### Our values

We have four values which shape how we think and act:

<b>Commitment</b>	Dedication to deliver on our promises, keeping focused on safety and always doing the right thing
<b>Community</b>	We're one business, focused on the needs of the communities we serve
<b>Curiosity</b>	Exploring and embracing new ways of thinking and working to meet the needs of our customers and stakeholders
<b>Courage</b>	Challenging ourselves to shape the future and do things better

### Our ethical culture

Together we need to continue to build an open culture in which Always Doing the Right Thing comes naturally and wrongdoing is unthinkable and unacceptable.

We should all feel respected and valued at work, while also respecting and valuing those around us. Behaving this way will create an enjoyable environment for everyone. We can do this by taking responsibility for our actions and behaving in an ethical manner.

If something isn't right, we need to say so even if it is because of a mistake we have made.

### Responsibilities

#### Cadent's responsibilities

We are committed to the following:

- supporting people in making the correct ethical choices
- ensuring everyone feels able to speak up if they have concerns
- investigating facts thoroughly, fairly and promptly when you raise a concern
- taking action if anyone who has raised a concern is being treated unfairly because of it
- protecting people against malicious allegations by taking disciplinary action if necessary
- ensuring that there is appropriate training and resources to enable people to understand the compliance obligations that apply to their jobs

### Your responsibilities

We ask and expect everyone to continue to:

- follow the guidelines set out in this document
- comply with the obligations and policies applicable to your job
- seek advice and help if you have ethical concerns
- challenge unethical behaviour
- report poor ethical standards including any shown by those we engage with such as suppliers, contractors and customers
- co-operate fully with related investigation

### Managers' responsibilities

Managers have the same responsibilities as all employees and are responsible for:

- leading by example, doing the right thing and demonstrating leadership qualities
- promoting these guidelines and compliance with them
- ensuring their team members understand these guidelines
- supporting those who raise questions or concerns

## Our trust culture

We are all valued for being able to make reasonable judgements and decisions, but to do so we need to understand the rules that apply to our roles. Sometimes things will go wrong, and it's important that we all learn from our mistakes. We can only do that if we can share our mistakes freely. And that's why, when it comes to compliance, we are committed to creating a culture of trust.

As part of this we will support you if:

- a breach results from a good faith judgement call which you have been entrusted to make
  - you raise concerns about compliance issues
  - a compliance breach results from events beyond your control
- clear policies and training are needed for you to understand the compliance obligations

Being trusted doesn't mean that we are not accountable for our actions. Examples of where we should expect to be held accountable include:

- a deliberate breach of a compliance obligation
- repeated accidental breaches, where we fail to learn from mistakes
- a non-compliance issue which is not reported or has been covered up
- acting beyond the trust that has been given to us, for example, making a decision that is beyond our authority to make

In these circumstances, disciplinary action including dismissal could be taken.



# 1. Conflicts of interest

## General Conflicts of Interest

We must avoid conflicts of interest where our personal interests or activities affect (or could be seen to affect) our ability to perform our work or make unbiased decisions on behalf of Cadent.

### Main points

Potential conflicts of interest must be declared. For example considering starting up a business even one you do not think present a conflict:

Financial interests – e.g. where you or a family member holds a financial interest in a company that does business with us

Commercial interests – e.g. where a family member or friend holds a responsible position in a company that does business with us or if you are promised a job at a company that does business with us

Second jobs outside directorships and other outside activities, which could appear to conflict with or detract from your role. For example, work for charities or public organisations

Workplace relationships. For example, a work place relationship with someone who could influence areas such as your pay, performance or commercial

## Business separation

Business separation is a special case of conflict of interests. There is a perception that whilst National Grid continues to own a share of the Cadent business there is an incentive for them to favour us over the other distribution networks. Our transportation licence requires that we treat National Grid as we would any other third party. That is not to say that we cannot do business with them, but when we do, it must be fair and transparent. If we were found to be in breach of these regulations we could face heavy fines and sanctions.

All managers must report any potential conflict of interest on their Certificate of Compliance and Disclosure.

### Need help?

Contact the Ethics Team or Internal Business Conduct Helpline: 0800 376 0113 or email: [businessconduct@cadentgas.com](mailto:businessconduct@cadentgas.com)

External Business Conduct Helpline: 0800 988 9094 or email: [report@seehearspeakup.co.uk](mailto:report@seehearspeakup.co.uk)

### Do:

always declare potential conflicts of interest promptly and in full, even if you think there is no actual conflict of interest. An apparent conflict of interest could still be damaging to Cadent's reputation

report any pressure to act in a way that is not consistent with Always Doing the Right Thing to your line manager, the Ethics Team or the internal or external business conduct helpline as appropriate

treat National Grid discussions and negotiations as you would any other third party

### Don't:

alter a business record or incident report to meet a target or achieve a business objective

take a second job or a directorship without a manager or supervisor's approval

In the UK, gambling (such as office betting pools) on Cadent property or during working hours is not allowed, unless it has been authorised by a senior manager (Band B or above). This does not apply to activities sponsored by us.

### Dilemma:

My manager has asked me to record a lost time incident as annual leave in order to improve our performance measures.

Everyone is responsible for keeping accurate records. You should report the lost time incident correctly. Your manager's request is inappropriate and has put you in a difficult position so you should also contact the Ethics Team or the internal or external business conduct helpline.

### FAQs:

What if one of my relatives or a close friend works for one of our suppliers?

If you and your team do not deal with the supplier at work, or have an influence on the procurement process, there is no need to tell your manager. However, if you have any dealings with the supplier at work (even indirectly) you must report it.

### For further information:

Speak to your line manager if you have a potential conflict of interest. You or your line manager may also contact the Ethics Team for further guidance.

## Discrimination, Harassment and Bullying

At Cadent we are committed to maintaining a work environment that respects people's differences. None of us should tolerate harassment, bullying or discrimination of any kind. We believe in treating everyone fairly and respectfully.

### Main points

We must make sure our workplace is free from harassment, bullying, discrimination or threatening behaviour. It may have a negative effect on a person's well-being, performance and our workplace as a whole, so is not acceptable.

Discrimination can take many different forms, including where a person treats another less favourably than they treat or would treat others because of race, gender, age, disability, sexual orientation, gender reassignment, marital or civil partner status, pregnancy or maternity; or religion or belief.

Harassment means any unwanted physical, verbal or non-verbal conduct that has the purpose of violating a person's dignity or creating an intimidating, hostile, degrading, humiliating or offensive environment for them.

Bullying is treating someone in an aggressive, offensive, intimidating, malicious or insulting way, either in public or in private, and/or is an abuse or misuse of power which is meant to humiliate and undermine someone's self-esteem and confidence.

At Cadent we are committed to maintaining a work environment that respects people's differences. None of us should tolerate harassment, bullying or discrimination of any kind.

### Do:

- Report discriminatory behaviour, bullying and/or harassment
- Raise a formal grievance in line with Cadent's DBH Policy
- Support and listen to colleagues that may need it

### Don't:

- Make rude, insensitive or offensive comments or jokes about another person. This includes those relating to race, sex, age, religion or disability, sexual orientation, pregnancy etc
- Display or distribute discriminatory or offensive jokes or anecdotes, or those which may cause harassment. This includes sending messages via email, "WhatsApp" etc. or posting on social media

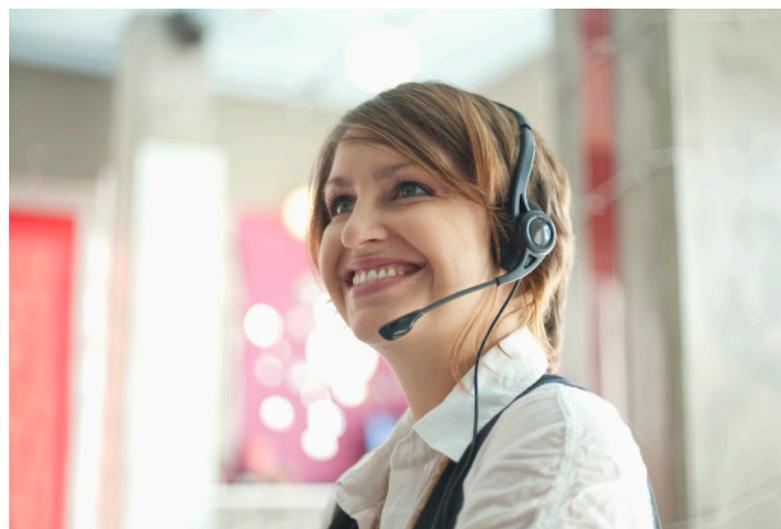
### Dilemma:

I recently joined a new team. My colleagues have made a number of comments about another female team member. I've found the comments uncomfortable but I'm concerned about raising my concerns because I'm new to the team.

If you're uncomfortable speaking to the people making the comments, you should raise your concerns with your line manager as soon as you can. If you don't want to do that, you should contact Human Resources or the Ethics Team, or call the internal or external helpline.

### For further information:

Contact the HR Team –  
Email: [box.contactHR.GD16@cadentgas.com](mailto:box.contactHR.GD16@cadentgas.com)  
Tel: 0845 677 7000



## 2. Information and communications

### Data Privacy

We're committed to protecting people's privacy by making sure we handle their personal information responsibly. A good sense check is to think about how you would feel if it were your data?

'Personal Information' is facts or opinions that relate to an identifiable living person, for example, a customer's date of birth or a manager's opinion after an interview. A subset of this is 'sensitive personal information' which requires a greater level of protection and relates to ethnicity, political opinions, religious beliefs, health or criminal convictions.

#### Main points

We must understand why we are processing personal data and ensure it is proportionate, fair and secure.

To manage our personal data obligations Cadent has a data privacy map which records and assesses how we handle personal data. If you are changing how you deal with personal data, you must contact our Data Privacy Officer to ensure those changes are acceptable.

Everyone has a part to play in protecting personal data and failure to do so can result in disciplinary or criminal sanction.

#### Do:

ensure your processes are up to date on the Data Privacy map

keep personal information safe and secure

report any concerns to your manager or our Data Privacy Officer

#### Don't:

take or share images or recordings of other people unless you are authorised to do so or you have their permission

use personal details as a unique identifier or reference code

process more data than you need to, or retain it for longer than is necessary

use personal data we have collected for one reason for a different purpose without contacting our Data Privacy Officer

#### FAQs:

Can I share a customer's details with a friend calling on their behalf?

No, not unless you are sure the customer has authorised this and the caller is who they say they are.

What if the police ask for details of one of our customers?

We will seek to help the police but they need to justify their request and there is a process for this so contact the data privacy dot box below.

#### For further information:

Contact the Data Privacy Officer at email : [dataprotection@cadentgas.com](mailto:dataprotection@cadentgas.com)

#### Need help?

Contact the Internal Business Conduct Helpline: 0800 376 0113 or email: [businessconduct@cadentgas.com](mailto:businessconduct@cadentgas.com)

External Business Conduct Helpline: 0800 988 9094 or email: [report@seehearspeakup.co.uk](mailto:report@seehearspeakup.co.uk)

# Information Security

As we increasingly depend on our information to do business, we must all ensure our information is secure and accurate, whilst remaining accessible by those who need it. We need to consider all forms of information, whether it's on our phones, on a shared drive or printed out.

## Main points

To ensure we protect our information, we need to understand how sensitive it is, classify it and handle it accordingly. We need to think about how we store, transfer and destroy information when it's no longer relevant.

## Do:

- ensure information is only shared with people who need it
- protect information with strong passwords
- always lock your laptop and other electronic devices, even if you are only away for a few minutes and amongst colleagues
- contact the incident response team if you think you may have shared confidential information by mistake

## Don't:

- tell anyone your password, even your manager or someone in IS support. Don't share your password with your family or friends
- click on links in an email or open any attachment you are unsure about

## Dilemma:

My manager has asked me to log on using their details to check my inbox.

Never share your log-in ID and password with anyone. You and your manager need to find another way, for example setting up a proper delegation of their inbox. It's in both of your interests.

## FAQs:

What should I do if I receive an email or attachment I am concerned about?

Do not open it and send to incident response team/service desk at [ngrid.gsd.uk@hpe.com](mailto:ngrid.gsd.uk@hpe.com)

What are the rules about USB sticks and other removal media?

Whilst we are allowed to use USB sticks and other removal media, they carry additional risks and you need to be cautious. The company provides approved devices which should be used, and in all cases the data and/or the device should be encrypted. There will be some systems in which removal media is not permitted e.g. in control rooms.

What extra security measures could I use for paper copies?

Consider numbering each copy and recording who gets which copy.

Am I allowed to leave my laptop in my car?

You must not leave your laptop or other sensitive data in your vehicle overnight. If you have your laptop with you, and it is safer to leave it out of sight and locked in your vehicle than bring it into a shop or restaurant, then this is a better option as it is less likely to get lost or stolen.

## For further information:

For Information Security incidents – IS Service Centre:  
Call 77111 (internal) or 0800 9177111 (external)

For help with suspicious emails – Cyber-Response Hotline:  
0121 424 8204 Email: [cyberresponse@nationalgrid.com](mailto:cyberresponse@nationalgrid.com)

## Email and the Internet

Electronic communication, which includes email and the internet, is an important business tool. However, the way we use it and external threats to it can present risks.

### Main points

We need to be mindful that electronic communication:

- may carry computer viruses that can infect our systems
- may be misinterpreted and cause offence
- make it easy to send messages and attachments to the wrong people by accident

Electronic communication may need to be disclosed in court proceedings or investigations. You are responsible for following our policies when you use your devices to access company files and systems. Be careful as to the sites you access.

### Personal use

You are allowed to connect personal devices to the 'guest' wifi-network but these should not be used to access our IS systems without permission from IS.

We are allowed limited personal use of the internet, including social media on work devices, but this must not:

- interfere with your work and should be generally confined to breaks
- breach other policies and procedures
- give rise to any risk, liability, potential loss or expense for the company
- cause any negative impact on the company

### Do:

- stay up-to-date with advice from IS and if unsure ask for help
- comply with our security controls e.g. passwords and logging on
- be cautious about external emails, which are now shown as 'EXT'
- comply with any licence agreement, copyright or trademark law
- get approval from IS before you download software or programs

### Don't:

- open emails or attachments from unknown external sources
- download or pass on material that's dangerous, offensive or illegal
- impersonate anyone online or maliciously change any messages
- send junk messages, become involved in chain letters or viral/personal video clips
- send or seek out messages that are political, religious or activist

### FAQs:

What's so important about links or attachments in emails? These could allow computer viruses to enter our systems which can do damage, result in the loss of confidential data or even prevent us from controlling our assets. If you are not sure whether an attachment or link is safe, contact the helpdesk.

What should I do if I have accidentally sent an email that may contain confidential information?

This is sometimes called a data breach and the first thing to do is to immediately try to recall the email. Then contact Digital Risk and Security Team for support so we can secure the position and report the matter if we are required to do so. Don't try and fix it yourself.

### For further information:

For Software installations – IS Service Centre:  
Call 77111 (internal) or 0800 9177111 (external)

To report a possible data breach –  
Cyber-Response Hotline: 0121 424 8204  
Email: [cyberresponse@nationalgrid.com](mailto:cyberresponse@nationalgrid.com)

## Social Media

We want you to have fun and talk about the positive work we are doing, but you are still responsible for anything and everything you post on social media. Anything posted on the internet is likely to be permanent, even if you delete it – the information could have been copied and reposted. The same applies to internal social media such as ‘Yammer’.

Ensure that that all content associated with you is consistent with your work, our values and professional standards.

Misusing social media at work is serious, and could damage your and our reputation, result in disciplinary action and even lead to the police being involved.

### Main points

Online conversations or postings are just as important as letters and emails and could be disclosed in court proceedings or investigations. In such circumstances, our electronic systems may be searched for all relevant content.

It can be very hard to tell who will see your postings, even in a private group.

We have a Social Media Team who can support you.

### Personal use

We allow limited personal use of online social networking on work devices, but that must not:

- interfere with your work and should be generally confined to breaks
- breach other policies and procedures
- give rise to any risk, liability, potential loss or expense for the company; or
- have any negative effect on the company

### Do:

- be sensible and responsible. If you post anything about our business, you must keep to our core values
- have a good reason for setting up a ‘closed’ social media group in work. We should not be sharing ‘non-work’ content within work that we do not want others to see
- contact the marketing team for advice if you plan to use social media for any business activity

### Don’t:

- post personal information that could put you at risk
- publish any views on behalf of the company unless your job role entitles you to do so
- upload anyone else’s personal or confidential information
- make false or derogatory statements about any person or organisations
- share company information that isn’t in the public domain

### Dilemma:

Some of my colleagues are using Facebook to make derogatory comments about people in their team, both inside and outside working hours.

This is unacceptable. You should tell your line manager, Human Resources or a member of the Ethics Team.

### FAQs:

A couple of journalists contacted me after I placed a post on Twitter. Can I talk to them?

No. You must not talk to journalists if they phone you or approach you on a social media site. Take the journalists’ details and pass them on to the Media Relations Team.

What if I make a mistake on social media?

You should contact the Social Media Team. Social media is forgiving, so if you make a mistake, admit it. Be upfront and be quick with your correction. If you are posting to a blog, you may choose to modify an earlier post – just make it clear that you have done so. In some instances with certain platforms, you can delete your message or post, so check that option if you think you need it.

What if a customer asks me a question?

If you are able to correctly answer the question, identify yourself as a Cadent employee and answer the question. If you can’t answer the question or don’t feel comfortable answering it, please send the question to the Social Media Team.

### For further information:

Contact the Social Media Team –  
Email: DL.MediaRelationsGasDx@nationalgrid.com

## Managing Records

Effective records management will help ensure that we have the right information, at the right time, to make the right decisions. It protects us by being evidence of what we did and why. The entire record must accurately reflect the relevant activity or dealing, be kept safe and protected against unauthorised access.

### Main points

We need to be clear what our 'record' is for each asset, event and decision e.g. a document in SharePoint or the minutes of a meeting.

We have to assess how long we keep our records for, and in what format. This is set out in your function's 'record retention schedule'. We need to challenge ourselves not to keep costly paper records in a digital age.

We must be able to prove we have a robust and accurate record of our assets, decisions and actions. A little bit of time spent properly organising and storing records will prevent cost and delays later.

We have to keep our records safe, ensure no one has unauthorised access to them and follow all accounting and internal control procedures.

It is tempting never to delete or throw anything away 'just in case'. Whilst well intentioned, this is costly and may even contravene privacy laws, if we keep personal information longer than is necessary.

### Do:

find out who your Records Coordinator is and use the 'record retention schedule' for your business area

ensure that records are accurate, reliable, secure, accessible and up-to-date

store records 'as you go' rather than build up a backlog

### Don't:

enter, alter or leave out anything that might make a record false, misleading or incomplete

backdate documents or give the impression you are someone else

hold up an investigation, assurance activity or audit

keep records just because you are not sure what to do with them

### FAQs:

I was supposed to calibrate a machine on Friday but forgot and did it on Monday. Is it OK to backdate the inspection form for Friday?

No. That would be falsification of company records, which is a serious issue. All information must be accurate and truthful. You should record the date when the inspection actually took place.

Is there a legal requirement to store a document in paper form?

No, we do need to keep accurate and robust records for legal reasons but as long as we can show it is a true copy of the original there is no requirement to keep a paper record.

Should electronic records be treated any differently to paper-based records?

No, electronic (soft) and paper (hard) records are to be treated the same and procedures need to be robust and detailed for both types of record.

### For further information:

Contact your Records Co-ordinator or the Records Team at [recordsmanagement@cadentgas.com](mailto:recordsmanagement@cadentgas.com)

## 3. Corruption and transparency

### Fraud, Bribery and Corruption

Every employee is responsible for controlling the risks of fraud, bribery and corruption and for ensuring that we all keep to the highest standards of honesty, integrity and ethics at all times.

#### Main points

Our reputation for acting responsibly and within the law is one of our greatest assets.

Our policy is to conduct all of our business in an honest and ethical manner and we take a zero-tolerance approach to bribery and corruption. We are committed to acting professionally, fairly and with integrity in all our business dealings and to implementing and enforcing effective systems to counter bribery and corruption.

Our policy and the laws in relation to fraud, bribery and corruption apply to all our employees and anyone else who acts on our behalf, including suppliers and agents. Disciplinary and legal action may result if these rules are not complied with.

#### Do:

- act with honesty and integrity in everything that you do
- challenge and report behaviour that is not in line with Always Doing the Right Thing
- ensure that our contractors, suppliers, agents etc. know what our policy requires of them and that they also act with honesty and integrity

#### Don't:

- ask for, offer or pay a bribe
- accept a bribe
- falsify any company records, such as time sheets, expense reports, mileage reports, inspection reports or performance reports
- pay "backhanders" (facilitation payments) or kickbacks

#### FAQs:

What is a bribe?

A bribe is anything of value (not just cash) that is offered, given or received in connection with "improper performance". In other words, it is when something of value is used to improperly influence the decision or action of another party.

Does bribery require a cash payment?

No, bribery can involve anything of value, e.g. gifts, hospitality, the award of a contract etc. Please see the Gifts and Hospitality section of this booklet.

What are facilitation payments and kickbacks?

Facilitation payments, also known as "back-handers" or "grease payments", are typically small, unofficial payments made to secure or expedite a routine or necessary action (for example, a payment to fast track permits required for site).

Kickbacks are typically payments made in return for a business favour or advantage.

#### For further information:

If you need more advice on ensuring compliance with our policies and the laws surrounding fraud, bribery and corruption, please speak to your Manager or the Ethics Team. Alternatively, you can also contact the internal and external Business Conduct Helplines.

For further guidance on gifts or hospitality, please see the Gifts and Hospitality section of this booklet.

#### Need help?

Contact the Ethics Team or Internal Business Conduct Helpline: 0800 376 0113  
or email: [businessconduct@cadentgas.com](mailto:businessconduct@cadentgas.com)

External Business Conduct Helpline: 0800 988 9094 or email: [report@seehearspeakup.co.uk](mailto:report@seehearspeakup.co.uk)

# Gifts and Hospitality

Gifts and hospitality are sometimes seen as just part of business, but, unless managed sensibly, it could leave us vulnerable to accusations of unfairness, bias, deceit or even bribery.

## Main points

You must not allow your decisions to be influenced – or appear to be influenced – by giving or receiving gifts or hospitality.

Any gift or hospitality must be proportionate and for a legitimate business purpose. It is not a legitimate business purpose to attend a sporting event.

All gifts and hospitality must be recorded in advance on the Gifts and Hospitality Register, which can be found via the Cadent Tab on the Infonet. The rules on gifts and hospitality also extend to your family members.

Please note, offers of Gifts and Hospitality which have been declined only need to be reported if they are over £150.

Invitations to social events, such as sporting events, the theatre or music events are not generally considered to have a legitimate business purpose. If exceptional circumstances arise where such invitations are believed to amount to a legitimate business purpose, approval in advance from the Head of Audit and Risk is required.

## Quick test:

Could it cause embarrassment to the company if it was made public?

Is it being offered openly (rather than secretly)?

Is there a regular pattern of gifts or hospitality being offered by one person or organisation?

Is it being offered at a sensitive time that means it should be refused? For example, if it is being offered by a company involved in a current tender process it shall be refused.

## Gifts

Although we discourage it, you may, in certain circumstances, accept or give gifts as part of a business relationship but this must be approved via the Gifts and Hospitality Register.

Gifts with a value of less than £20 - Can be offered and accepted with the prior approval of your manager via the Assurance Team's 'Gifts and Hospitality' site.

Gifts with a value of £20 or more – Cannot be offered or accepted. You must tell your manager, make every effort to return the gift, and record this on the Assurance team's 'Gifts and Hospitality' site. In exceptional circumstances, (for example, when visiting a country where gift-giving may be customary and expected) it may be appropriate to offer or receive a gift with a value over £20 but prior approval of the Head of Audit and Risk must be sought.

## Meals, entertainment and hospitality

All hospitality is to be recorded using the Ethics Team's 'Gifts and Hospitality' Register. If the host is not present at an event or meal etc., this should be considered to be a gift rather than hospitality.

Hospitality valued up to £100 per person – Can be offered or accepted with the prior approval of your manager.

Hospitality valued between £100 – £500 per person – Can be offered or accepted with the prior approval of your manager and a Band A manager.

Hospitality valued in excess of £500 per person – Can be offered or accepted with the prior approval of your manager, a Band A manager and a Board member.

**Do:**

- seek the required prior approval(s) before offering or accepting any gifts or hospitality
- complete the electronic gifts and hospitality register on the Cadent Infonet website

**Don't accept or offer:**

- benefits in return for influence or a specific decision
- cash, loans, shares, gift certificates or gift vouchers
- an invitation to potentially offensive or inappropriate entertainment
- gifts to or from a public official

**FAQs:**

What do I do if I can't return a gift without causing offence to a customer?

You should not accept the gift and make every effort to give it back, perhaps asking for positive feedback to be given to your manager instead. If, however, after discussing it with your manager it is agreed that whilst it should be refused, to give it back would cause significant offence, then for:

Cash – donate it to Cadent's nominated charity

Alcohol or food – subject to the value limits above, you can keep the gift as long as you do not drink alcohol while working for or on behalf of us, or while on our premises

Anything else – please contact the Ethics Team

In any event, record what has happened on the Ethics Team's 'Gifts and Hospitality' register via the Cadent Tab on the Infonet.

My partner and children have been invited to an event. Can they go?

Partners and children may attend events with you, if the event serves a legitimate business purpose.

**For further information:**

Contact the Ethics Team or Internal Business Conduct Line 0800 376 0113

Email: [businessconduct@cadentgas.com](mailto:businessconduct@cadentgas.com)



## Failure to Prevent the Facilitation of Tax Evasion

The Criminal Finances Act 2017 introduced a new corporate criminal offence, of the failure to prevent the facilitation of tax evasion. We must ensure that we have appropriate procedures in place to ensure we do not allow the facilitation of criminal tax evasion.

### Main points

It is a criminal offence if we fail to prevent any party working for us, or on our behalf, from facilitating tax evasion. We must ensure that appropriate procedures are in place to prevent this. This includes for example, for employees, suppliers and contractors. The offence carries unlimited financial penalties.

### How could it happen?

For example, Cadent requires temporary labour resources on a large project, which are sourced through an intermediary. The intermediary makes cash payments knowing that the individuals will not declare this to HMRC on their tax returns. Cadent is guilty of the corporate criminal offence, if we have not put in place reasonable procedures to prevent this.

### Do:

be vigilant and report suspicious behaviour or requests to the Ethics Team or Business Conduct Helplines

### Don't:

amend documentation such as invoices or purchase orders at the request of third party "for tax purposes"

knowingly agree to a request which you understand will result in tax evasion

## Modern Slavery and Human Trafficking

Unfortunately, slavery and human trafficking are not a thing of the past. These practices cannot be tolerated. We have a duty to ensure that these practices are prevented within our business and supply chain.

### Main points

We must consider and understand, how slavery or human trafficking could affect the work that we do, to ensure that it is prevented.

The main way that slavery and human trafficking could impact our business is through our supply chain. We must be vigilant, in tender events and through ongoing supplier management, to ensure that we do not do engage with businesses known to facilitate these practices.

### Do:

be vigilant, if you suspect that anyone is being forced into compulsory labour or servitude report it to the Ethics Team or Business Conduct Helplines

You can find out more about how we are preventing modern slavery and human trafficking in our annual transparency statement at [www.cadentgas.com](http://www.cadentgas.com).

## Use of Company Resources

You should take care of the company assets you have been provided with and rely upon in order to do your job. Any personal use of such assets should be limited and pre-approved.

### Main points

You are responsible for taking due care of all property belonging to the company that has been assigned to you.

As a general rule, you are not allowed to use company assets such as vehicles, tools and materials for personal use. An exception is however made for limited personal use of assets like laptops, mobile telephone and photocopiers as seen as appropriate by line managers.

This limited personal usage requires prior approval of your line manager and is on the basis that such use:

- is occasional and not excessive
- does not result in excessive costs
- does not interfere with your work responsibilities and is generally confined to breaks
- is in compliance with legal requirements and all of our relevant policies and procedures
- does not have a negative impact on Cadent

Any inappropriate use of company equipment is potentially a disciplinary offence and may amount to a criminal offence.

### Do:

ensure that any personal use of company assets, such as laptops, mobile phones and photocopiers is limited, i.e. it should be the exception and not the norm

### Don't:

use field based tools or other construction materials for personal use

### FAQs:

Can I use overnight mailing supplies to post some important personal papers?

No, you may place personal mail in the outgoing mail but only if you have already paid the postage.

One of my colleagues is using his company computer to run an accounting side business.

No, company resources should not be used for other commercial purposes. In addition, such use is likely to be seen as excessive.

Can I use my laptop/iPad/mobile telephone to read the BBC News website in the evening after work?

Yes, such use would not be deemed excessive, but this is limited to browsing only. Streaming or downloading of content is not allowed.

Can I use my laptop/iPad/mobile telephone in the evening after work to place some bets on the horses?

No, such websites or practices are not suitable for business devices as there is a potential that the reputation of Cadent would be damaged if it became known that its devices were being used for gambling.

Can I use my laptop to order my daughter's birthday present from Amazon?

Yes, provided that you are doing this during a break, such orders are made occasionally and there is no risk of the company being liable for the goods.

### For further information:

Contact the HR Team –

Email: [box.contactHR.GD16@cadentgas.com](mailto:box.contactHR.GD16@cadentgas.com)

Tel: 0845 677 7000

## Competition

Whilst we are a regulated company, we operate in an increasingly competitive industry. Competition law applies to uphold fair play in business. It stops companies which have a strong position in a market, such as monopolies, from abusing their position or making anti-competitive agreements.

### Main points

Companies are not permitted to restrict competition by:

- agreeing with other companies not to compete, e.g. by price fixing, big rigging, sharing markets or customers, sharing commercially sensitive information etc.
- abusing a dominant position in the market, e.g. by treating customers differently, making customers buy products they don't want or charging low prices that don't cover costs to drive out competitors

An agreement doesn't have to be in writing for it to be illegal. You can break the law by having an informal conversation (or "gentleman's agreement") with another business, even if the agreement isn't carried out.

A breach of competition law could result in:

- Cadent being fined up to 10% of its worldwide turnover and sued for damages
- you being fined or sent to prison for up to 5 years if you're found guilty of being involved in cartel activity
- company directors being disqualified for up to 15 years

### Do:

- get legal advice if you think you may be about to enter into what could be an anti-competitive arrangement (including sharing confidential or commercially sensitive information)
- always make sure we act fairly and don't place anyone at an unfair commercial advantage or disadvantage
- keep records to explain your decision-making and to provide evidence of the contact you've had with customers, suppliers and competitors

### Don't:

- communicate with competitors (except those who are our customers or suppliers, and then only to the extent necessary) about prices, costs, terms of business or other confidential or commercially sensitive information
- impose or quote unreasonably high or low prices, or restrict any third party's freedom to deal with others
- communicate with competitors (even if they are customers) about our business strategy or other suppliers, contractors or customers
- sell products or services only on a 'bundled' basis (when someone buying product 'A' also has to buy product 'B')
- refuse to deal with an existing or potential customer or supplier, except for clear, genuine, unbiased reasons

### Dilemma:

We are bidding for work from customers. A colleague suggests that one customer should be given a better price than the others.

Seek advice from the Ethics Team. Are there any clear, genuine and unbiased reasons why that customer should get a better price? If not, the deal will be discriminatory and could potentially amount to a breach of a dominant position.

### For further information:

Contact the Ethics Team – 0800 376 0113  
Email: [businessconduct@cadentgas.com](mailto:businessconduct@cadentgas.com)

## Community Volunteering, Investment and Sponsorship

Keeping our communities safe and warm has always been at the heart of what we do and we have a strong track record of operating as a responsible business from our regulatory commitments and through our social actions.

We also believe in supporting charitable, civic and community organisations.

### Main points

#### Volunteering and fundraising

We are committed to engaging in volunteering and fundraising programmes which give employees the opportunity to work with a variety of different organisations and to take part in a range of activities.

Employees who donate money or raise funds for a registered charity may be able to apply to have their efforts boosted by our fundraising incentive scheme, where donations could be matched up to £400 per year.

#### Community investment

All requests received to contribute to community projects should be referred to the Corporate Social Responsibility Advisor in Regulatory and External Affairs. No donation or offer of support should be made to an organisation requesting help, be it financial or employee time and efforts.

### Do:

get involved with your local communities through the approved volunteering programme

### Don't:

make a commitment to match donations or fundraising to charities or other not-for-profit organisations until this has been approved

promise corporate funding or a sponsorship commitment

make corporate donations to encourage a customer to buy or recommend our services, or to receive favourable treatment from a vendor, regulator or public official

### For further information:

Speak to the Corporate Social Responsibility Advisor within Regulation and External Affairs



## 4. Acting responsibly

### Drugs and Alcohol

Cadent aims to maintain a safe, healthy and productive working environment for you and everyone affected by our works. You must never work if you are under the influence of alcohol or illegal drugs.

#### Main points

No employee or contractor is allowed to work if they're under the influence of alcohol or illegal drugs.

You must not drink alcohol during working hours or on company property. There may be rare exceptions to this policy, but they need to be approved by a senior manager (Band A/B). Over the counter and prescribed drugs are permitted, however, if you're taking any drugs that may affect your performance at work you must tell your manager and you should get advice from your doctor.

If you have any concerns that someone has not followed these rules you need to report it for the good of everyone.

If an employee openly admits that they've developed an alcohol or drug-related problem, we'll support them in getting professional help.

We can carry out tests for alcohol and drugs, in order to protect the health and safety of employees and others. Testing can be carried out:

- if required by law

- before we offer a job

- after an incident

- if there is good reason to believe that a person's work is affected by their use of alcohol or drugs

#### Do:

remember that drugs and alcohol can remain in your system for quite long periods after they have been taken. It is your responsibility to make sure you are not influenced by them when you come to work

#### Don't:

come to work when you are under the influence of alcohol or drugs that may affect your ability to safely perform all aspects of your job

#### Dilemma:

I'm taking prescription medication that could affect my ability to work, but I don't want to tell my supervisor because I don't want to reveal my medical condition.

You don't have to tell your supervisor the type of medication you're taking or why you're taking it. If you think that the medication you are taking could affect your performance, you must let your supervisor know this fact. Your supervisor can then get advice from the Health Team to decide if you can do your work safely and efficiently.

If I have a drug or alcohol problem, how can Cadent help?

We will support you if you have a problem and want help. Our Employee Assistance Programme (EAP) can also give employees and managers confidential support and advice on a wide range of issues at any time of the day or night, every day of the year.

#### For further information:

Contact the Occupational Health Team  
Tel: 0845 872 9715

HR Team – Email: [box.contactHR.GD16@cadentgas.com](mailto:box.contactHR.GD16@cadentgas.com)  
Tel: 0845 677 7000

#### Need help?

Contact the Ethics Team or Internal Business Conduct Helpline: 0800 376 0113  
or email: [businessconduct@cadentgas.com](mailto:businessconduct@cadentgas.com)

External Business Conduct Helpline: 0800 988 9094 or email: [report@seehearspeakup.co.uk](mailto:report@seehearspeakup.co.uk)

# Safety

We want to be world-class when it comes to safety. It's important that you always work safely and comply with health and safety rules and regulations. You must report all accidents and safety incidents so we can investigate them and take appropriate action.

## Main points

Our activities, and those of our contractors, involve risks, but we do all we can to keep ourselves and the public safe.

Our aim is to have no work-related injuries or harm, and to keep the public safe. We all have a part to play by removing or minimising safety risks.

## Do:

- work safely using the right equipment and following our procedures
- always consider the risks of your work
- report any concerns, incidents and near misses, however minor
- when things change always consider how this could impact your work

## Don't:

- take short cuts
- cover up or choose not to report a safety incident in order to meet a safety target

## Dilemma:

I've worked with the same team for a few years. Recently, one of them has cut corners in following safety procedures. Other team members have said I shouldn't worry about this and that our colleague is just going through a tough time. I don't want an accident to happen, but I also don't want to distance myself from the other team members or get this employee into trouble.

It's good to be loyal to your team, but that loyalty should prompt you to report your concerns to your manager. There could be many reasons for your colleague's unsafe behaviour and they may need help. Whatever the reason, it can't continue and you will be thanked and supported for raising the issue.

## FAQ:

Do I really have to report a minor accident if nobody had to take time off work?

Yes. You must report all accidents, no matter how minor. We investigate all accidents – however trivial they may seem – to identify any hazards and trends and take action before there are serious injuries.

## For further information:

Contact the SHES Team

## Environmental Protection

We are positive about protecting the environment. As well as meeting our legal requirements, this contributes significantly towards our reputation as a responsible business.

### Main points

We're all responsible for protecting the environment.

We will comply with relevant legislation, and aim to find new ways to reduce our effect on the environment as well as to improve it. We use our environmental-management systems and innovation to improve our performance.

### Do:

follow our environmental procedures, using permits and other documents where necessary

report all environmental concerns, incidents and near misses, however minor

### Don't:

cover up or fail to report an environmental incident

### Dilemma:

During a recent site visit we found that we hadn't inspected on-site controls and monitoring records, which we have to do as part of our regulatory commitments.

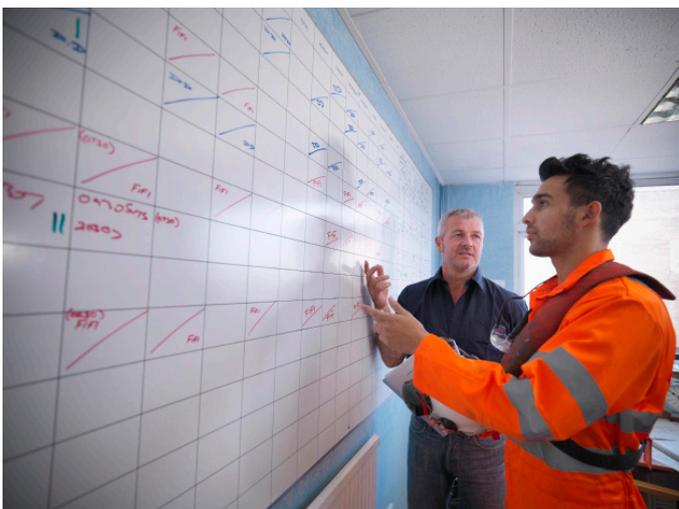
Tell your manager straight away. You may also need to contact the Environmental Manager in the SHES Team. They will discuss it with you and give advice.

Do I still have to report an environmental incident if no pollution was caused?

Yes. You must report all environmental incidents, no matter how minor. We investigate all incidents that are reported – however trivial they may seem – to identify any hazards, and so we can take action before serious harm is caused.

### For further information:

Contact the SHES Team



## Insider Threats

The security of our people, assets and information is vital to us and the national infrastructure. Taking appropriate security measures is an important way in which we can help protect ourselves against people who may cause us harm.

If an employee or contractor uses their position or information to harm our company, this is referred to as an 'insider threat'. An insider threat could include criminal activities, such as theft, sabotage, terrorism or commercial espionage.

### Main points

An insider threat could come from an employee or a contractor. A person from outside Cadent could also pose a threat by exploiting the relationship they have with one of our employees or contractors.

To minimise the risk of an insider threat, we ensure we employ reliable people and use background checks when people are joining our company.

However, we need to stay vigilant in our workplace too. During the course of their employment, a person's attitude and loyalties can change. This can sometimes result in people becoming more likely to use their access to our systems and assets in ways that could cause us harm. We must look out for suspicious or unusual behaviour and deal with any security concerns seriously.

If you are worried about a change in a colleague's behaviour you need to raise it so it can be considered sensitively and appropriately. Speak to your manager. Or you can contact the Security Team or phone the Business Conduct Helpline.

### Do:

- be alert to suspicious activity or behaviour
- talk to the colleague to see if they are alright, if you feel comfortable doing so
- raise any concerns with your line manager, or talk to Security for advice

### Don't:

- jump to conclusions. You shouldn't assume that a change in a person's behaviour means that they are doing something wrong

### Dilemma:

A usually lively team member has changed their working patterns and is now working unusual hours. They are also reluctant to take any holiday. I've noticed they have started to unexpectedly take files home with them.

Depending on your relationship with this colleague, you could ask if they are alright. If you still have concerns after this, or don't feel comfortable with this suggestion, discuss the situation with your line manager.

### FAQs:

What should I do if I don't feel comfortable raising a concern with the person or my line manager?  
You can talk to the Ethics Team, or contact the helpline.

### For further information:

Contact the Ethics Team – 0800 376 0113  
Email: [businessconduct@cadentgas.com](mailto:businessconduct@cadentgas.com)

## Physical Security

Having effective security in place helps keep our people and assets safe and secure. It helps us guard against criminal activity, such as theft, vandalism and potentially terrorism.

### Main points

The safety of employees, contractors, members of the public and our assets is a key priority for us. We take steps that are necessary to protect the security of our infrastructure, including appropriate physical security measures. The level of physical security measures we take is proportionate to the level of risk.

We all need to be responsible for physical safety and if appropriate challenge behaviour that could threaten our security. Corporate security within the SHES Team can support and advise you, including in liaising with the police.

### Do:

- challenge anyone who isn't wearing an appropriate access pass
- report any loss or theft from Cadent to the police
- make sure that you use the security arrangements we have in place (for example, locking gates and doors) or report them if they're not working correctly
- be aware and prevent 'tailgating' at security barriers and doors

### Don't:

- ignore concerns or incidents – they may indicate a trend or persistent problem
- reveal security arrangements or sensitive information to those who don't need to know these details
- make recordings of secure areas that could reveal security features

### Dilemma:

I have noticed an unmarked van has been parked on site for a number of days.

Contact the on-site Security Team as soon as you can. There could be an innocent explanation, but the on-site Security Team will be able to investigate to make sure that there is no threat to our people or assets.

What should I do if I see a bag or package that has been left unattended?

Contact the on-site Security Team. They will decide on the best course of action to take.

I have noticed a visitor walking around our site unescorted. Should I challenge them?

Absolutely. You should always challenge unescorted visitors, or anyone tailgating. Visitors who are not authorised to be on our premises could have criminal intentions, and threaten the security of our people and assets.

### For further information:

Contact the on-site security team or the security manager within the SHES Team.



Need help?

Contact the Ethics Team or Internal Business  
Conduct Helpline: 0800 376 0113  
or email: [businessconduct@cadentgas.com](mailto:businessconduct@cadentgas.com)

External Business Conduct Helpline: 0800 988 9094  
or email: [report@seehearspeakup.co.uk](mailto:report@seehearspeakup.co.uk)

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**Cadent**  
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