

Modern Slavery Act Transparency Statement

Northern Gas Networks Holdings Limited, Northern Gas Networks Limited, Northern Gas Networks Pension Trustee (UK) Limited, Northern Gas Networks Operations Limited and Northern Gas Networks Finance Plc (UK)

(together the “NGN Group”)

For the Financial Year 1 April 2015 to 31 March 2016

Background

Northern Gas Networks Limited (NGN) is the licensed gas transporter for the North of England region, delivering gas to 2.7 million homes and businesses in the North East, Northern Cumbria and most of Yorkshire through our network of 36,000km of gas mains. The NGN Group employs more than 1,100 employees across the region, with offices in Leeds, Sunderland and nine other operational depots.

NGN is owned by a consortium of three corporate shareholders, namely Cheung Kong Infrastructure (CKI), Power Assets Holdings Limited and SAS Trustee Corporation. CKI is a diversified infrastructure company with a market capitalisation of HK\$105.0billion (£8.7billion) and operations that span the globe. Power Assets Holding Limited owns and operates a vertically integrated electricity generation, transmission and distribution business in Hong Kong. SAS Trustee Corporation is a pension fund for government employees in the state of New South Wales in Australia.

NGN has a clear vision to be the best and to be recognised by the regulator Ofgem as being the top performing gas network for customer experience and efficiency and by the Health and Safety Executive for our safety performance. NGN and its owners are committed to supporting our business in its mission to provide a safe and reliable gas service, deliver excellent customer service and go for the extra miles for the communities we serve.

Anti-Slavery Commitment

The NGN Group and its owners are fully committed to ensuring that the group complies with all applicable legal requirements including without limitation the Modern Slavery Act 2015.

The NGN Group and its owners have a zero tolerance to slavery and human trafficking and are committed to ensuring that there is no modern slavery or human trafficking in our supply chains or in any part of our business.

Supply chain and Procurement

The NGN Group has updated its suite of standard form contracts to expressly require suppliers to comply with the Modern Slavery Act 2015. The NGN Group reserves the right to audit the compliance by its suppliers with this Act and ultimately reserves the right to terminate an agreement if the supplier in question is found to have breached the Act.

The NGN Group has updated its internal Procurement policy to expressly require compliance with the Act in addition to updating its invitation to tender pre-qualification questionnaire, which requires prospective suppliers to confirm their compliance with the Act as a prerequisite to selection as a prospective supplier to the NGN Group.

In addition, Achilles, the operator of the Achilles UVDB (Utilities Vendor Database), which is used by the NGN Group as an approved qualification system for the purposes of compliance with the Utilities Contracts Regulations 2006, has updated its standard supplier selection questionnaire by similarly requiring suppliers to confirm compliance with the Modern Slavery Act 2015 as a prerequisite to registration as an approved supplier pursuant to the Achilles UVDB.

Furthermore NGN will be notifying its existing suppliers of the need to comply with the Modern Slavery Act 2015 and the terms of its Anti-Slavery Policy as detailed in the Human Resources section below.

Human Resources

All new and existing employees are subject to prescribed right to work checks so as to ensure that the NGN Group does not employ illegal workers thereby ensuring compliance with the Immigration, Asylum and Nationality Act 2006.

The NGN Group has implemented an Anti-Slavery Policy that reflects our commitment to acting ethically and with integrity in all our business relationships and to implementing and enforcing effective systems and controls to ensure slavery and human trafficking is not taking place anywhere in our supply chains.

The NGN Group operates an employee code of conduct which requires employees amongst other things to uphold the NGN Group's high standards of business integrity, honesty and transparency in all its business dealings. Employees are required to immediately report any possible breach of the code of conduct to their line manager, Human Resources or a member of NGN's Senior Management Team or via NGN's confidential whistleblowing line.

Statement

This statement is made pursuant to section 54 of the Modern Slavery Act 2015 and constitutes the NGN Group's slavery and human trafficking statement for the financial year ending 31 March 2016.

Name: Mark Horsley

Position: Chief Executive Officer, Northern Gas Networks

Signature: 

Date: 29th April 2016