

Supplier Code of Conduct Workshop

12th January 2022

together
we are
the network

Thank you

Thank you again to those of you who joined us for our Supplier Code of Conduct Workshop on 12th January 2022. We got a great deal out of the session and we hope you did too.

Overview of key themes from workshop

We dedicated January's workshop to discussing Northern Gas Networks' (NGN) proposed new Supplier Code of Conduct ('Code'). We presented the requirements of the Code, its drivers and how compliance can be demonstrated. We discussed with stakeholders whether the aims and requirements of the Code were clear, what work might they might need to do to become compliant, and their level of acceptance and support for our proposed Code.

Your feedback:

- The objectives and requirements of the Code were clear and similar to other codes that stakeholders were aware of.
- Over half of attendees could comply with the Code now with the remainder anticipating it would take them up to six months to comply.
- All stakeholders were supportive and accepting of the proposed Code.
- Stakeholders would value NGN providing suppliers with access to web based training and resources to help suppliers manage their compliance with the Code.

A detailed account of the workshop discussions and feedback is provided later in this document.

Best wishes,

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Business Sustainability Lead
Northern Gas Networks

Maija Narimanridze

Procurement Manager and Sustainable Procurement Lead
Northern Gas Networks

Neil Whalley

Environment and Sustainability Manager
Northern Gas Networks

Purpose of the workshop

We spoke to our supply chain and business intermediaries to discuss our proposed Code. We wanted to understand if they could comply with the proposed Code, the areas they would struggle with, and the support they would require to become compliant.

The agenda for the workshop was as follows:

- Summary of our business, regulatory setting and Environment Strategy
- Overview of proposed NGN Supplier Code of Conduct
 - Drivers and where/when the Code applies
 - What the Code requires, expects and encourages
 - How to be compliant with the Code
- Stakeholder views on:
 - Clarity of objectives of the Code and the compliance requirements
 - How the Code compares to those published by other organisations
 - How long would it take suppliers to

become compliant and how much would they need to invest to do so

- Supplier support for and acceptance of the proposed Code
- What additional support would suppliers like to see NGN provide to help them become compliant with the Code
- Discussion groups
 - Can you / your members comply now, or would it take some time to be compliant? What do you need to do to get there?
 - Would you need any additional support to enable you to comply?

26

delegates representing
suppliers and business
intermediaries

8.62

overall satisfaction with
the event (out of 10)

Feedback received:

"Very useful workshop and discussion."

"Overall a good session - useful introduction to the proposed Code of Conduct."

Acting on your feedback – our commitments

The feedback you gave us during this workshop is helping to shape the way we work both now and in the future.

| You Said | So we will |
|--|--|
| You would like to see us provide additional support to suppliers to help them become compliant. | Become a member of the Supply Chain Sustainability School as part of the launch of the Code. This will allow all our suppliers, irrespective of size, access to free online training, support and resources to upskill and help our own suppliers become compliant |
| Some of the language in the Code document may be off-putting to smaller businesses who don't have in-house specialists | Review the Code documentation to remove jargon and explain any technical terminology to make the document more accessible. |
| It would be helpful if the Code came with a guide to explain how to effectively demonstrate compliance, or 'what good looks like' | Provide a compliance guidance guide document with the launch of the Code. |
| It was surprising to see no reference to minimising the use of hazardous substances in the Code | We have added this commitment to the Code. |
| The expectation for a Modern Slavery Policy for suppliers whose annual turnover is <£36m is a concern for small and medium sized enterprises (SMEs) as this is not a statutory requirement | Review the wording of this expectation in the Code and direct suppliers to freely available online resources for guidance and support to help them meet the requirements. |
| It would be useful to have a main point of contact at NGN to answer any questions around the requirements of the Code | Contact details for queries will be added to the Code document. |

Key themes emerging from this workshop

Stakeholder Views of the Proposed Code

Attendees were unanimously supportive of us introducing the Code, with 96% considering the objectives of the Code to be clear and understandable. Most attendees (77%) believe the requirements of the NGN Code to be similar to those seen in codes of conduct published by other organisations. All suppliers identified the proposed Code to be acceptable or very acceptable.

Over half of attendees (58%) stated they felt there were already compliant with the Code criteria, with the remainder believing they would need up to six months to become compliant, however they were typically unsure of the level of investment they would need to make to achieve this. The compliance requirements were typically (79%) viewed as clear and understandable.

How can NGN help suppliers?

Our stakeholders told us they would like to see us provide additional support to suppliers to help them become compliant, with 68% suggesting access to web-based resources and training would be most helpful and 28% welcoming face-to-face training sessions with specialists. In addition, stakeholders would value access to a specialist point of contact at NGN to answer questions they had.

Next Steps:

We want to keep the conversation going. We intend to launch our Code in Spring 2022 and will provide suppliers with communications requiring their requirements. We also welcome your ideas on any aspects of our business and the work that we are doing together

Feedback on this session. Have you had further thoughts on some issues raised during this session? Or a great idea of things we should be doing in response to your feedback? We'd love to know. Please contact us directly on stakeholder@northerngas.co.uk

Event Evaluation and Future Engagement

13 responses out of 26 attendees

| Summary: | Environment Workshop | Wednesday 6th October 2022 |
|-------------------------|--|--|
| Event Evaluation | | |
| Q1 | Choose 2 words from this list below to describe this event | Insightful, interesting, thought provoking, challenging |
| Q2 | Overall, how satisfied were you with the event? | 8.67 (overall) |
| Q3 | How would you rate the discussions? | 8.31 |
| Q4 | How would you rate the event contact and speakers? | 8.85 |
| Q5 | Did you find it useful to have a subject matter expert presenting in the session | Yes (all) |
| Q6 | How would you rate the networking opportunities? | 6.54 |
| Q7 | Is there anything you think could be improved / changes for future workshops? | <p>Key themes -</p> <p>"Anonymised answer boxes with open questions as part of slido questions might open up the discussion in challenging areas where suppliers don't want to identify their weaknesses openly."</p> <p>"I always prefer cameras to be on. I found it tough being in a breakout room without being able to gauge reactions."</p> <p>"Overall a good session - useful introduction to the proposed Code of Conduct. Some information regarding NGN's requirements and the support that may be available."</p> |
| Q8 | Is there anything else you would like to tell us? | <p>Key themes -</p> <p>"Good event and welcomed the chance to be involved."</p> <p>"Very useful workshop and discussion."</p> <p>"Zoom breakouts worked well as did the live poll."</p> |
| Q9 | Thinking of yourself as a stakeholder of NGN, how satisfied are you with the relationship that you have with NGN | 8.62 |



| Q104 | To what extent do you agree or disagree with the following statements? | No of respondents answering with the following options |
|------|--|--|
| | NGN keeps me up to date on their business plans | Strongly agree – 2 Agree – 5 Somewhat agree – 2 Neither agree nor disagree – 3 Somewhat disagree – 1 |
| | NGN provided me with clear information about their business performance | Strongly agree – 2 Agree – 6 Somewhat agree – 1 Neither agree nor disagree – 3 Somewhat disagree – 1 |
| | NGN provided me with opportunities to give feedback on the topics that interest me | Strongly agree – 5 Agree – 6 Somewhat agree – 0 Neither agree nor disagree – 1 Somewhat disagree – 1 |
| | NGN allows me to give feedback through my preferred method | Strongly agree – 4 Agree – 4 Somewhat agree – 0 Neither agree nor disagree – 4 Somewhat disagree – 1 |
| | NGN makes it clear how they have used feedback to change | Strongly agree – 1 Agree – 4 Somewhat agree – 3 Neither agree nor disagree – 4 Somewhat disagree – 1 |

| Future Engagement | | |
|--------------------------|---|--|
| Q1 | How else would you like to engage with NGN in future? | <p>"A blend of face to face (post pandemic) and online sessions would be good."</p> <p>"We are a membership organisation. Really welcome any opportunity to be able to feed in when appropriate."</p> <p>"NGN likes to keep us at arms length. It would be more helpful to have a proper partner relationship rather than simply a transactional one."</p> <p>"Our best engagement levels are through person to person conversations with our clients within NGN."</p> |

Tell us what you think

Thank you for reading this report. We welcome any further feedback, thoughts or ideas you have. Please drop us a line at stakeholder@northerngas.co.uk

For further information contact:
stakeholder@northerngas.co.uk