



Our social purpose

We are now at a pivotal point to reflect on the critical role we play in our communities; from transforming our operations and culture to maintaining safety and service levels, investing in our people, processes and systems.



Our social purpose

Our role goes beyond delivering these core services and this can often have the greatest impact on the lives and communities we serve every day.

Our social impact ranges across multiple levels, including how we engage ethically with our supply chain, our fundraising, charity partnerships, our EmployAbility programme and employee volunteering opportunities.

Over the past 12 months we have invested in our colleagues who are responsible for delivering our environmental, social and carbon monoxide awareness ambitions and we have appointed Board and Executive sponsors for each area. We have tried to help wherever we can in our communities, and this was exemplified by the extensive volunteering activities that so many of our colleagues signed up for during the year. The pandemic has highlighted the way in which we consider customer vulnerability and has shown that anyone can find themselves in vulnerable circumstances. We have worked incredibly hard to increase the inclusivity of our services, making them accessible for everyone, irrespective of their personal situations. It is vital for us to create social value by benefiting the most vulnerable in our societies and contributing to our local communities to reduce the impact of our operations and work together to reach our net zero ambitions.

Customer vulnerability strategy

Our customer vulnerability strategy recognises that everyone is unique and that their individual circumstances today could be different tomorrow. It reflects the need to understand and prepare for these changes before they happen so that we can adapt and respond to provide the services all our customers love. Our strategy has been developed with customer insight and feedback from stakeholder engagement, including experts in consumer vulnerability.

Developing a universal Priority Services Register ('PSR')

We have been at the forefront of developing a single Priority Services Register for all energy customers, with defined needs codes that allow all energy companies to better understand customers' requirements and respond accordingly. As the industry project sponsor, we brought together electricity networks and water companies to create this much needed change to drive smart actions and better experiences for customers.

Our insights informed us that customers who are unaware of the PSR are far less likely to understand the essential benefits and range of additional safeguarding services that are available to them. We have seen our PSR registrations increase on average by 30% year on year, allowing over 17,000 customers to access the support and safeguarding services they need to keep them safe, warm and independent in their homes.

Training colleagues to deliver social value

We have created a range of tools to help all our customers understand the safeguarding services we provide and the range of additional external support services available. We have created a Safeguarding Knowledge Portal ('SKP') to support our 6,000 employees, whether they are on a customer's doorstep or talking over the telephone, so they can access information and guidance to support our customers. This has created a consistent approach and equal access to the services we offer by fully informing our employees. The SKP includes information about the PSR and how to register a customer, our range of safeguarding services and products, and our bespoke safeguarding training including Utilities Against Scams.

Tackling fuel poverty

1.5m customers living in our networks are currently experiencing fuel poverty. This is 11.7% above the national average. In the most severely affected area, 1 in 5 customers live in fuel poverty. We are committed to playing our part with the wider industry and Government to tackle affordability and reduce fuel poverty.

In partnership with our trusted delivery partner Affordable Warmth Solutions we have invested in excess of £5.5m to extend our network and connect 4,291 customers living in fuel poverty. We have further supported customers receiving a connection by facilitating grants for the installation of gas central heating systems and other in-home measures.

Despite the challenges to the installation of in-home work presented by the pandemic, the Connected For Warmth scheme still offered invaluable support to a large number of low-income private sector homes. The pandemic presented many challenges to both customers living in fuel poverty and the delivery of schemes designed to support them. We adapted our strategy to ensure that customers still received the support needed; we used our social media channels, digital vans and lettering to continue our engagement activities.

Connected For Warmth facilitated 609 first-time gas connections and funded the installation of 360 gas-central heating systems. Customers were also offered support to reduce their energy bills and supported through the Connect For Help initiative to stay warm in their home.

Our approach to human rights, modern slavery and ethics

Modern slavery is a serious global issue and we recognise the important role we can play in tackling it. Our modern slavery statement sets out steps that we have taken to prevent slavery and human trafficking taking place in Cadent and our expectations from our supply chain.

The statement outlines our commitment to support our staff to ensure factors such as having the appropriate working conditions, being treated with respect and paid fairly have had the appropriate due diligence. Our policy framework, training and awareness programmes incorporate the commitment we make towards the respect for human rights in Cadent. We have taken positive steps forward by improving our policies, processes and training to mitigate the possibility of exploitation within our supply chain.

We are a member of the Utilities Modern Slavery working group which collaborates with the Slave Free Alliance. As part of this working group, we are reviewing our procurement processes to keep them in line with best practice in the Utilities Sector; hence preventing enforced labour, human trafficking and slavery in a coordinated manner within our industry.

Our modern slavery statement is updated annually and published on our website in line with the Modern Slavery Act requirements. To find out more about our ongoing commitments to tackling slavery and human trafficking you can read our modern slavery statement on our website.

Promoting a 'Speaking Up' culture

We continually promote a culture of 'Speaking Up' which is supported by the numerous channels available to all employees and the wider population to raise concerns. We have confidential helplines available internally and externally that operate 24/7. We take all allegations of potential ethical misconduct very seriously and have a dedicated Ethics and Business Conduct team trained to independently investigate all reported concerns sensitively and thoroughly and take the relevant remedial action.

Living Wage

Whilst we are not a member of the Living Wage Foundation we do commit to paying the real Living Wage to all of our direct employees. The real Living Wage is based on the cost of living and is voluntarily paid by over 7,000 UK employers.

Our employee communities



Women in Cadent

Creating a network of colleagues from across our business, who are all committed to creating equality and supporting women's professional and personal development.



Embrace

Raising awareness of the different faiths, discuss issues that affect colleagues from an ethnic minority background, and to help develop a workforce that reflects the communities we serve.



Cadent Military Community

Actively supporting service leaders entering the business, our current reservists and those that have previously served. We are proud signatories to the Armed Forces Covenant, and it is important that we demonstrate that we are an Armed Forces friendly employer.



Pride at Work

Allowing current and future generations of LGBTQ+ colleagues to feel comfortable, safe and included at work. Our employee-led community, Pride at Work, is a welcoming and safe space where our Lesbian, Gay, Bisexual, Transgender, Queer ('LGBTQ+') and allied members can thrive.



Thrive!

Raising awareness of and supporting disabilities in the workplace. Our community is made up of both disabled and non-disabled employees who share a common vision of focusing on ability and making our workplace accessible and supportive to all. We raise awareness of the spectrum of disabilities, what this means to our people and how we can support the business to become a leading employer for those with disabilities.

Our commitment to racial equality

We have joined over 570 employers and become the first UK gas distribution network to sign up to the Race at Work Charter, an initiative designed to improve outcomes for Black, Asian and minority ethnic employees in the UK. Launched in partnership with the UK Government in 2018, the Charter builds on the work of the 2017 McGregor-Smith Review, which found that people from Black, Asian and minority ethnic backgrounds were still underemployed, underpromoted and under-represented at senior levels.



By signing the Charter, we join a community of signatories across a wide range of sectors in the UK, who are committed to embedding the five calls to action in everyday business.

Ranjit Blythe, Executive Sponsor for Diversity & Inclusion said: "We are holding ourselves accountable for ensuring equal opportunities for people of all ethnicities. We're proud of the work that's already underway to make Cadent an increasingly inclusive environment for all, and we're committed to going further with each passing day."



Major community outreach launched in Central Lancashire with support of the region's utility networks

Age Concern Central Lancashire, along with partners – Electricity North West and United Utilities – forged a new and exciting collaborative venture, alongside the Preston North End Community and Education Trust, to reach and support greater numbers of people in vulnerable situations. The project takes the form of a 7.5-tonne, 56-square-metre vehicle, to bring information and advice to communities. The Mercedes Atego van, secured through Preston City Council, had a £50,000 refit to convert it into a Mobile Advice Centre ('MAC'). Its complete overhaul includes two consultation booths, open space for group activities and talks, air-conditioning and facilities to make refreshments. In addition, it is specially designed to be dementia friendly and is accessible for people of any age and ability to get the information and advice they need.

All three of the utility networks will be offering MAC attendees free advice on safety and energy efficiency measures, as well as tips on how to stay safe and warm in their homes. The vehicle will be used at supermarket car parks, community events both large and small, and throughout Lancashire's towns and villages with a full schedule of locations to be released in due course and once COVID-19 restrictions allow. Residents across the county will be able to ask Age Concern Central Lancashire about support regarding independent living, memory loss and dementia care, benefits advice and legal services.



A responsible taxpayer

Due to the size of our business, we pay and collect significant amounts of tax on behalf of HMRC. We recognise the importance of this to society and we are committed to being a responsible and compliant taxpayer. Our aggregate contribution in respect of UK taxes borne and collected during the year was £612m and consequently our relationship with HMRC is very important to us. We publish annually our Tax Strategy Statement which sets out our approach and management of tax matters. We seek to foster a constructive relationship, sharing information on the business and tax issues in an open and timely manner with the aim of minimising uncertainty and avoiding disputes with HMRC, entering into real-time dialogue where possible. We recognise that we have an important role to play in shaping future UK tax policy so we take an active role in responding to HMRC consultations and other proposals on UK tax policy which are relevant to our industry.

The bear on a non-stop mission

In April 2020, we led the creation of the collaborative Safety Seymour website. The innovative, fun and engaging website allows all Gas Distribution Networks ('GDNs') to reach more schools, children and parents outside the classroom and helps create a consistent carbon monoxide ('CO') message. We also hosted a Pipeline Industries Guild webinar educating children and their families on CO safety using a specially adapted Safety Seymour session.

We have partnered with Project SHOUT, who are also members of the All-Party Parliamentary Carbon Monoxide Group ('APPCOG'), to promote the Safety Seymour website and the importance of buying an audible CO alarm. With 90% of UK shoppers using Amazon, we were able to create a Safety Seymour advertising banner for amazon.co.uk on pages selling CO alarms with a direct link to our website, which saw a total of 748 visits and over 200 CO alarms purchased via this route.

We adapted the Safety Seymour programme to ensure children could still access our important messaging outside the classroom and stay safe at home.

Helping to spread the word

Following the success of Safety Seymour, we created the CO Crew with a specialist education provider to target older children and increase the breadth of our carbon monoxide awareness and gas safety messaging. The CO Crew is delivered virtually for schools and is completely free and teacher led. Learning is supported by the interactive website, which is accessible, informative and fun with various activities ranging from dances and craft through to spotting the signs and symptoms of carbon monoxide: <https://www.thecocrew.co.uk/>

Fire and Rescue Services

Partnerships have played an integral role in helping us to extend the reach of our services by gaining access to additional expertise and building trust in our communities. We work with all 24 Fire and Rescue Services ('FRS') and these key strategic partnerships allow us to access the most vulnerable people living within our networks. By utilising their experts, we have been able to extend our reach beyond what we could achieve alone. Through their 'safe and well' home visits, the FRS target areas and households where they believe there is a higher risk of fire and promote our safeguarding services.

Working with Derbyshire Fire and Rescue Service, we have sponsored two community vehicles that make home visits to people living in vulnerable situations, often living in areas that have a high Income Deprivation ranking. These vehicles display gas safety advice, promote the signs of carbon monoxide and the importance of installing a carbon monoxide alarm.



Gas safety campaigns

We recognise our responsibility to educate local communities about gas safety, providing key information and simple tips to access gas supplies safely and reliably.

This year we increased our engagement to tackle this critical issue, conducting extensive research into gas safety awareness with 8,000 customers across the UK, with the support of the Energy Networks Association and our fellow gas distribution networks.

Since then, we have used this insight to improve our approach to gas safety education, using trends from the research to identify 'hotspots' that require further education on this topic, and identify methods we can use to effectively reach out to these communities.

Our 'Be Winter Ready' campaign saw us distribute 5,000 information packs and resources to local communities via established, trusted partners such as Fire and Rescue Services and Carers Trust. We were also delighted to launch our new animated awareness campaign, to educate our communities in a simple, accessible format.

We supported national campaigns Gas Safety Week and CO Awareness Week, using a new collaborative approach to provide joint information and advice with partners Gas Safe Register and Derbyshire Fire and Rescue Service. This included new webpages, two radio campaigns tailored to the hotspot areas identified by our research, personal case studies from emergency engineers, and Q&A videos launched across social media and surveys to engage our employees in the conversation.



Tackling social isolation in rural communities

We have partnered with Warwickshire Rural Community Council ('WRCC') to deliver a network of Warm Hubs across the Warwickshire and Solihull area. Warm Hubs create a safe, warm and friendly space for communities to come together to combat the issues of social isolation and loneliness.

Our first Warm Hub was successfully launched in December 2020, with warm festive breakfasts being delivered to 126 village residents near Stratford upon Avon, many of whom were isolated and elderly. With the continued challenges presented by the pandemic, we've also developed a mobile Warm Hub. This is a repurposed, upgraded vehicle which drives to deprived, often isolated communities, bringing a Warm Hub event to those in the community who may not be able to travel by car or access public transport. Our ambition is to expand our network of hubs in Warwickshire and engage other regional partners across our footprint.

15,000

information packs distributed during our 'Be Winter Ready' campaign

Working in collaboration with Electricity North West, we distributed over 60,000 educational gas safety leaflets about the dangers of carbon monoxide and the different services available to gas and electricity customers living in vulnerable situations. This was supplemented by over 200 pharmacies in the North West including leaflets inside prescription bags.

Fundraising

Supporting our colleagues to donate to good causes is a key element of our corporate social responsibility. During the pandemic, with the restrictions and lifestyle challenges imposed, the amount raised through fundraising in the first half of the year was significantly lower than in previous years. We provide all colleagues with up to £400 Matched Giving each year and in order to give employee fundraising a much-needed boost, we took the decision to quadruple the funds matched by the business to £4 for every £1 raised between October and December 2020. In addition to this, the most innovative fundraising ideas could be matched by up to £10 per £1 raised. The result was a fantastic success with over 82 Matched Giving claims being made during the quarter leading up to Christmas, with colleagues raising over £38,000 and the company donating over £70,000 through our Matched Giving scheme.

Matched Giving donations

£88,712

in 2020/21 (up from £45,596 in 2019/20)

Alzheimer's Society

The Alzheimer's Society has been our corporate charity partner since July 2017 and we encourage our colleagues to raise money for Alzheimer's Society as well as other good causes. Our corporate charity was chosen with input from colleagues and this year we donated over £89,000. Our daily interactions allow us to understand the tailored solutions needed for those living with dementia. The services we offer allow us to spot the signs when we enter homes or engage in conversations face to face or over the phone. Enabling our colleagues to become Dementia Friends allows us to provide additional support such as free locking cooker valves and easy assist Emergency Control Valves. We will move to a new corporate charity partner in 2022.

Volunteering

Each year colleagues are offered one day per year to volunteer for a local good cause. From April to September 2020 we offered all colleagues a two-days-a-month volunteering allowance to enable them to support our communities during the national lockdowns. This led to an increase of 39.5% in volunteering hours that year.

Our volunteering activities included:

- Age UK and Volunteering Matters telephone befriending calls.
- Alzheimer's Society Companion Calls.
- Social Mobility Foundation mentoring.
- Careers Enterprise Ambassador support.
- COVID-vaccination centre support.
- Shopping collection and delivery for people that were shielding/isolating.
- Supporting local foodbanks.



Committed to a better future: Cadent Foundation

The Cadent Foundation was established as a Donor Advised fund in July 2019, funded from a share of Cadent's profits.

The Foundation operates across some of the most disadvantaged areas in the country. In fact, eight out of the top ten most deprived local authority districts in England are within our network. This means that millions of people are facing daily struggles due to low income, unemployment, physical and mental health issues, inadequate housing and barriers to accessing support services.

We are uniquely placed to see the real-life impact income deprivation, fuel poverty, low energy efficiency and poor living environments have on the people in our communities. The Cadent Foundation was set up to help play a part in addressing these inequalities.

Its aim is to make a positive and lasting impact by working with charities that address the root causes and consequences of these complex social issues, in order to make a real difference to the communities in which we operate.

Over the last 12 months, the Cadent Foundation has awarded 100 new grants to charities and organisations which can support these communities, amounting to just over £4.8m.

The Foundation has secured impactful national partnerships with The Trussell Trust and Groundwork UK that will drive long-term change and we have begun the first stages of exciting new research studies which will help the UK take a step forward in achieving green energy for all.

The Cadent Foundation has launched its very first impact report, detailing the huge benefits it has brought to local communities in its first year of operation. The report is full of inspirational examples of the positive difference made by these grants.



Donated over

£170,000

to Alzheimer's Society and other worthy causes

