SGN
Commercial
Services

Safety, Health and
Environment
Strategy
2021

Three year plan

Contents

Our Mission

> We want to be recognised as a leader in **health**, **safety** and **environmental** performance by our clients, employees and peers by ensuring our **values** are at the core of everything we do, and as a **differentiator** within the markers in which we operate, to support **sustainable** business growth.

Foreword

"The **health**, **safety** and **wellbeing** of our customers, people and the general public is paramount in everything we do.

"We've made a step change in our performance in recent years. We adopted our "**Safe Days**" programme last year to help monitor and drive improvements in **safety** right across our company."

John Morea, Chief Executive Officer, SGN

"We believe that putting safety and environmental sustainability first is not just good business sense, it's the **right thing to do**.

"We're committed to **protecting** the **safety** of our **people**, **contractors** and all those around us, as well as minimising our **environmental impact** in the **communities** we serve and **beyond**.

"This Commercial SHE Strategy will enable us to make **continuous improvements** toward our goals."

Simon Reilly, Commercial Director

"Our aim is to ensure we get '**Everyone Home Safe and Well**', today and every day. This includes the public, our contract partners and employees.

We will challenge traditional thinking and press for **continual improvement**, making the **safe way of working** the easy way."

Chris Trodd, Group Head of SHE

Introduction

Who are we?

SGN Commercial Services (SGNCS) is part of SGN's unregulated group of companies and undertakes commercial activities on behalf of customers. SGNCS activities are delivered through two business units:

Green Gas Services (Biomethane Systems)
The Green Gas team is primarily devoted to designing, building and maintaining biomethane plants throughout the UK.

Commercial and Metering Services
This department specialises in gas pipeline operations and asset management on behalf of third party gas networks and customers.

Why do we need a safety, health and environmental strategy?

Prioritising safety and ensuring we're acting sustainably are core values at the heart of SGN. To support these key principles, SGNCS strives to achieve and maintain excellence in its ability to manage safety, health and environmental (SHE) risks.

Our SHE strategy will:

- Promote visible leadership that inspires employees at all levels to take responsibility and to make continuous improvements in safety culture

- Develop a working plan to ensure that SGNCS effectively controls its most significant risks

- Boost productivity through a well-trained, healthier, happier and increasingly motivated workforce

- Implement programmes that minimise exposure to health risks and protect the mental health and wellbeing of our people

- Support us to grow an environmentally responsible business that protects our natural resources and supports delivery of net zero targets

- Encourage customer, colleague and stakeholder collaboration to ensure the safety of ourselves and everyone around us

- Enable implementation of Environment, Social and Governance (ESG) framework

Strategic themes

SGNCS's SHE Strategy is built around core safety, health and environmental strategic objectives and outcomes.

This strategy intends to promote broader ownership for managing safety, health and environmental risk by enabling and encouraging collaborative working between SGN colleagues and business units.

The strategic aims and objectives are set out within our high-level three-year approach and action plan.

These high-level objectives are set out across six core strategic themes:

Collaborative working

Net zero future
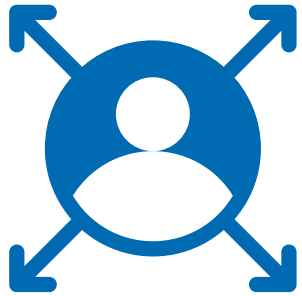
Culture and leadership

SGNCS
SHE strategic
themes

Health and wellbeing

Risk management

Competent team

Culture and leadership

Aim

SGNCS SHE compliance is improved through effective leadership practices.

This effective leadership is fundamental to promoting and sustaining a safe and healthy workplace, lessens our impact on our environment and develops a positive SHE culture.

- Encourage individuals to take personal accountability for any actions or decisions taken in relation to SHE management

- Foster a positive SHE culture within SGNCS based on agreed behavioural expectations and safety leadership

- Promote open communication and active participation at all levels of the business

- Ensure all key decisions uphold consideration towards the environment

- Harness an approach to learning through reporting and discussing faults leading to continuous improvement

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Risk management

Aim

SGNCS needs an appropriate, pragmatic approach to risk management.

Wherever possible, risk should be eliminated.

Where risk cannot be eliminated, we shall identify this quickly, assess it thoroughly, and ensure people are protected from it as far as is reasonably practicable.

SGNCS SHE strategic themes

- Identify and improve areas of risk management through collaboration and innovation, including provision of necessary resources
- Review the risks across the business, assess the effectiveness of different approaches to controlling safety, health and environment risks and check we are targeting our resources effectively
- Recognise and remove risk as early as possible by applying design risk reduction processes during project development stage
- Prioritise our activities on the most important major hazard and individual risks and ensure our activities are proportionate to the risks posed
- Develop and deploy an annual programme of SHE audits and inspections, focusing on key topic areas across our business operations
- Ensure robust processes are in place for all stages of contracting, from pre-qualification, selection, management, through to post contract reviews
- Develop and manage site-specific emergency responses to emerging risks and scenarios
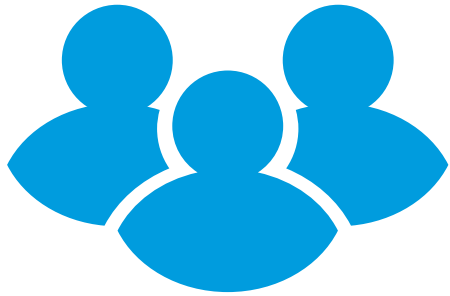
Competent team

Aim

An effective and competent team is key to key to SGNCS success and is fundamental to providing a safe and efficient operation.

Our colleagues and management team are highly-trained and able to effectively respond to any situation we're responsible for.

SGNCS SHE strategic themes

- Continue to resource and maintain an effective Competence Assurance System (CAS) to ensure we have the necessary organisational capability and professional competence
- Recognise training as fundamental to ensuring our people acquire and maintain the skills and knowledge to perform to the defined standards
- Identify appropriate safety and behavioural performance indicators to be used in competency reviews
- Ensure training gaps are identified, activity risks are evaluated and the correct control measures in terms of training and competence are put in place
- Utilise feedback obtained from safe work observations, behavioural safety assessment activities and lessons learnt from incidents to evaluate the effectiveness of the CAS on an ongoing basis

SGNCS SHE strategic themes

Health and wellbeing

Aim

Occupational Health and Wellbeing is pivotal to everything we do at SGNCS.

Good mental health and wellbeing enhances employee engagement, performance, achievement and promotes a healthy work life balance.

- SGNCS will continue to provide:
  - Greater awareness around mental wellbeing
  - Initiatives and activities that remove the stigma around mental health and disability
  - Access to the company's Employee Assistance Programme (EAP) available for employees through my-eap.com portal
  - Comprehensive occupational health surveillance that includes mental health assessments
- Adopt SGN's fatigue management strategy to control and manage the different causes of fatigue
- Develop a culture where our people openly report how they're able to cope with workload and day-to-day challenges through effective management and active resilience measures
- Intervene early when staff are unwell or have a disability, to support them to manage their condition, stay well and in work
- Ensure the appropriate support is in place for staff to return to their duties, safely and efficiently following a period of leave

SGNCS
SHE strategic
themes

Net zero future

Aim

We're striving to be a valuable contributor in delivering SGN's net zero strategy by accelerating the transition towards a shared net zero future by embedding environmental management and embracing the challenge of decarbonisation.

- Measure the environmental impacts of our activities

- Adopt ISO14001 Environmental Management System for all our biomethane activities

- Establish clear structure of responsibilities and accountabilities to deliver net zero

- Assess capabilities required to succeed under a net zero future

- Build on our customer relationships to accelerate the adoption of innovative approaches to help them meet their decarbonisation goals

- Embed an approach of reducing the carbon footprint and air emissions originating from gas upgrading activities

- Develop a Procurement Charter to encourage our suppliers to undertake efforts towards a sustainable future

- Optimise our supply chain to reduce emissions

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themes

Collaborative working Aim

SGNCS will continue to work collaboratively and build relationships with all our stakeholders including SGN's group businesses, key clients and contractors.

- Ensure clear and effective communication between every level across SGN and SGNCS
- Work with other business functions to share knowledge and achieve common goals
- Drive cultural change in line with SGN's safety management framework requirements
- Continue to work closely with our commercial customers and participate in joint SHE initiatives
- Work with our supply chain and contractors to establish working practices that ensure everyone's safety
- Collaborate with industry stakeholders to promote safety throughout biomethane sector

Implementation

Our strategy maps our approach until March 2024.

We'll work with teams across SGN to help successfully deliver this strategy through training, collaboration and incorporating feedback as well as continuing to build our internal and external relationships with colleagues, customers and our supply chains.

We've developed a detailed action plan to deliver this strategy. This can be found at **sgncommercialservices.co.uk/safety-and-environment**.

Business Unit Heads will monitor progress regularly, and report progress to SGN's Commercial Engineering, Environment, Safety Committee (CEESC) on a biannual basis.

**SGNCS
SHE strategic
themes**

Review

The Director of Commercial along with the Group Head of Safety, Health and Environment and the management team will formally review the Commercial SHE Strategic Plan after three years.