

PUBLIC POSITION STATEMENT

HUMAN RIGHTS

1. Objective

- 1.1. The purpose of this position statement is to demonstrate how National Grid effectively manages and conducts its business with due observance of the fundamental principles of human rights, outline our employees' responsibilities in observing these principles and set out requirements in respect to implementation, monitoring and reporting.

2. Scope

- 2.1. This position statement covers National Grid and its Subsidiary Companies in the course of existing business and in the assessment and development of new business opportunities. For Associate Companies and Joint Ventures, National Grid will promote the adoption of an approach consistent with the principles set out in this document.
- 2.2. For the purposes of this position statement, we take the term "human rights" to include rights to non-discrimination, a healthy, safe and secure working environment, just and favourable conditions of work, a clean and healthy environment and freedom from corruption, including bribery.
- 2.3. The key international standards and guidelines relevant to this position statement are:
 - UN Universal Declaration of Human Rights.
 - OECD Guidelines for Multinational Enterprises.
 - ILO Core Conventions on Labour Standards.
 - UN Global Compact
 - Guidelines for Integrating Human Rights into Business Management

3. Our Approach to Managing Human Rights

- 3.1. National Grid operates within and serves communities across the world. We believe long-term growth and respect for human rights go hand in hand. Showing respect for the rights of individuals and communities affected by our operations is both proper and will help ensure we are given further opportunities to expand our business.
- 3.2. The following principles provide the framework to help us demonstrate how we effectively manage and conduct our business with due observance of the fundamental principles of human rights. We expect our business partners, contractors and suppliers to demonstrate a similar commitment.
- 3.3. We believe all of our employees are responsible for respecting human rights. In particular:

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- Our Board has overall responsibility for ensuring human rights considerations are integral in the way we manage existing operations and develop new business opportunities and for promoting continuous improvement in our performance;
- Managers and Supervisors are responsible for providing clear and visible leadership that promote human rights as integral to the way we do business;
- We are all responsible for operating to the highest standards of business and personal integrity and for ensuring our day-to-day actions and behaviours respect the human rights of those with whom we work and those affected by our operations.

3.4 National Grid supports the principles of the Universal Declaration of Human Rights, the OECD Guidelines for Multinational Enterprises and ILO Core Conventions on Labour Standards. National Grid supports the principles set out in, and is a signatory to, the UN Global Compact.

3.5 Through our policies and procedures and within our sphere of influence,

We seek to ensure:

- We do not encourage, assist, facilitate or in any way contribute to human rights violations.
- We comply with or, where appropriate, exceed applicable international and national legal obligations with respect to human rights.
- We do not offer, promise, give, accept, condone, knowingly benefit from or demand a bribe or other improper advantage.
- We participate in the political process in a non-partisan and responsible manner to ensure our position is fairly heard on matters that are important to our stakeholders. Furthermore, we support employees, as good citizens, participating in the political process, but only in their personal capacities, and do not require them to support any political party or candidate.
- We provide equality of opportunity and treatment for the purposes of eliminating discrimination based on race, colour, gender, sexual orientation, gender identity, religion, political opinion, nationality, social origin and status, indigenous status, disability, age or other status of individuals unrelated to the individual's ability to perform work.
- We operate a work environment free from any form of harassment, intimidation or bullying.
- Our employees have the benefit of a safe, healthy and secure working environment and we protect the safety of those who work with us and the public affected by our operations.
- We recognise the skills and contribution of our employees through just and favourable conditions of work, reasonable job security, fair remuneration and benefits.
- We respect the rights of our employees to join trade unions.
- We provide direction and training to enable our employees to meet their obligations to conduct business with due regard to human rights.
- We do business with partners, contractors and suppliers that respect the fundamental principles of human rights and work with our supplier base to increase the practical application of these principles.

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- We carry out an assessment of the prevailing human rights context, together with any potential positive and negative impacts of proposed operations, as an integral part of developing new business opportunities.
- We respect the cultures, customs and values of the people in communities in which we operate and engage with representatives of stakeholders, including those of indigenous peoples, who could be affected by our operations.
- We manage any on-going human rights issues in line with the values set out in our Framework for Responsible Business.

4. Related Policies and Documentation

- Framework for Responsible Business.
- Core Values.
- Standards of Ethical Business Conduct.
- All Policies, Public Position Statements and Vision Statements.

5. Key Contacts

- 5.1. This position statement is maintained by the Corporate Affairs Director, who is responsible for facilitating communication throughout the organisation ensuring that, where appropriate, it is made available in local languages.
- 5.2. Any questions regarding its content or application should be addressed to the Corporate Responsibility Manager.

6. Monitoring and Compliance

- 6.1. Compliance with the individual elements of this position statement (as set out in Section 3) is the responsibility of the Key Contacts for the related Policies.
- 6.2. The Corporate Affairs Director will monitor and review overall compliance with the objectives of this position statement and periodically publicly report progress.
- 6.3. Any changes needed to ensure its effectiveness will be drawn to the attention of the Board's Committee on Risk and Responsibility and to the Board itself.
- 6.4. Each Subsidiary Company will ensure that the Corporate Affairs Director is informed of material human rights issues as they occur and, in any case, will report annually on performance.
- 6.5. Each Associate Company and Joint Venture will be encouraged to put in place similar arrangements to enable compliance to be reported on an annual basis.

7. Definitions

- 7.1. **Associate Company:** A company whose equity share capital is 20% or more, but not more than 50%, beneficially owned by a National Grid company or companies.
- 7.2. **Joint Venture:** A commercial undertaking entered into by two or more parties (one being a National Grid company) by setting up a separate company in which all partners have shares.
- 7.3. **Subsidiary Company:** A company that is a subsidiary of National Grid, provided that a National Grid company holds or controls a majority of the voting rights in it or the right to appoint or remove a majority of its directors.
- 7.4. **Transnational Company:** A company operating in a number of countries, producing at least 25 per cent of its world output outside its country of origin.