

nationalgrid

Supplier Code of Conduct

August 2025



Introduction

At National Grid, our role as a responsible business is at the heart of everything we do. It is embedded in our purpose – to Bring Energy to Life.

Our values describe what we stand for and guide our behaviour. They set the tone and shape the culture of the organisation.

Do the Right Thing

- Stand up for safety every day
- Put our customers first
- Be inclusive, supporting and caring for each other
- Speak up, challenge and act where something doesn't feel right

Find a Better Way

- Embrace the power and opportunity of diversity
- Increase efficiency to help with customer affordability
- Work with others to find solutions for customers
- Commit to learning and new ideas

Make it Happen

- Take personal ownership for delivering results
- Be bold and act with passion and purpose
- Focus on progress over perfection
- Follow the problem through to the end

We are at the centre of one of the greatest challenges facing our society, delivering clean energy to support our world long into the future.

We value our relationship with you, as you play an essential part in helping create a more socially, economically, and environmentally responsible supply chain.

Along with our values our [Responsible Business Charter](#) outlines our commitments and ambitions to lead the clean energy transition in areas where we can have the most impact on society. Working with all our stakeholders, including our supply chain, we follow principles of sustainability, inclusivity, and accountability in all our actions.

Our Supplier Code of Conduct sets out our expectations, values, and fundamental principles which we expect you to extend into your business and your own supply chain. We expect you and your supply chain to act in accordance with the highest ethical standards and comply with all relevant laws, regulations and licenses when working for National Grid, including compliance with all US (Federal, State and local) and UK (HMRC) Tax laws.

At National Grid, we are committed to promoting an environment where everyone can feel comfortable raising concerns about actions or decisions they believe are unethical or non-compliant. We strongly believe in openness and transparency and encourage our employees and those working on our behalf to report any concerns or conflicts of interest.



Simon Harnett
Chief Procurement Officer

Compliance with the Supplier Code of Conduct

We expect you to bring to our attention immediately any unethical issue, non-compliance, conflict of interest, potential or actual breaches of laws or our Code. We expect this of our employees and it also applies to anyone doing business with us, including suppliers, contractors and sub-contractors. You should fully co-operate with us during any investigation we carry out.

If you have concerns about unethical or unlawful behaviour from anyone doing business with us, there is a confidential helpline available at the end of this document. In return, we will review the facts thoroughly, fairly and promptly when you raise a concern in good faith. This will be undertaken in the strictest confidence, and we will not tolerate any form of retaliation or victimisation, where a concern is raised.

This Supplier Code of Conduct is a Global policy, however there are references to UK/ US specific laws or guidance which are called out throughout. You should adhere to the laws relevant to your region, and if working globally this applies to all laws.

National Grid requires you to be able to demonstrate compliance to the principles set out in this document whilst working on our behalf and:

- ensure processes are in place to remedy any instance of non-compliance breaches or issues identified through audit, reviews, investigations or inspections,
- ensure suitable training is in place for your employees and key personnel working with us, introducing the Supplier Code of Conduct and its provisions along with your relevant policies and procedures,
- if requested by National Grid, furnish information in a clear, consistent, transparent, and verifiable manner, this includes:
 - if requested providing a letter of assurance certifying that you have complied or have brought issues to National Grid's attention in a timely manner
 - supporting our compliance with external requests such as Environmental Information Regulations (EIR).

We may conduct an audit or site visit at any time at our discretion to ascertain the effectiveness of any area of this Code and any violations of National Grid's Policies will be investigated.

Any breach of the Code will result in immediate action, which may include terminating your services to National Grid.

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We will develop the skills to enable and accelerate the energy transition and strive to build an inclusive culture.

Health and safety

Ensuring the health and safety of our employees, contractors and members of the public is one of our core values at National Grid. Everyone in National Grid and everyone we contract with, collectively and individually, has a part to play to achieve this. To work with National Grid, you must:

- understand your health and safety responsibilities
- be committed to creating an environment that is safe, healthy, and secure for all your employees, and anyone who may be affected by your undertaking
- understand that the safety of employees, contractors and members of the public is a mutual priority
- follow all regulatory and safety requirements whenever entering any National Grid site (including offices, etc.).

Wellbeing

We know that when our people are engaged and healthy, our work becomes more efficient, and our culture more positive. Aligned with our approach, we encourage you to:

- manage and address the health and wellbeing of colleagues at the individual, team, and organisational levels to drive impact and foster meaningful change
- adopt a preventative approach to health and wellbeing interventions, recognising the importance of early action
- give equal focus to both physical and mental health when supporting people
- ensure that key health and wellbeing risks are well understood and underpinned by data across the organisation
- make wellbeing a priority for your workforce.

Respecting human rights and combatting modern slavery

We all contribute to ensuring our working relationships are free from discrimination, harassment (including sexual harassment) and bullying by promoting an environment where we all treat each other as we want to be treated, where we value our differences, and we demonstrate respect towards each other.

Discrimination, harassment (including sexual harassment) and bullying behaviour towards any employees within our supply chain, customers or any individuals affected by the work we do, will not be tolerated, you should ensure that you have taken reasonable steps to prevent this.

National Grid expects all businesses in our supply chain to share our commitment to respecting, protecting, and promoting human rights. This includes alignment to the United Nations Guiding Principles on Business and Human Rights, the United Nations Global Compact Ten Principles, core labour standards of the International Labour Organisation (ILO), US Trafficking and Violence Protection Act 2000, US Wage and hour laws, i.e. the Fair Labor Standards Act, the Department of State Principles of Combating Human Trafficking and the Ethical Trade Initiative (ETI) Base Code as a reference standard.

If working with us in the UK, we encourage you to publish an annual modern slavery statement on the [Modern slavery statement](#) registry to demonstrate your commitment to protection of your employees and those in your supply chain, regardless of whether this is a legal obligation to do so. You should ensure compliance with the requirements of relevant Modern Slavery Acts (e.g., The Modern Slavery Act 2015 for England and Wales) in your operating area(s) and this applies to your full business operations and wider supply chain. You must also ensure that any potential human rights and modern slavery risks are assessed, managed and mitigated.

The Real Living Wage (UK)

In the UK, National Grid has committed to pay, as a minimum the real living wage via accreditation with the [Living Wage Foundation](#). For suppliers within existing contracts, we ask for voluntary participation where this is not a contractual requirement. This commitment means that the requirements of the Living Wage Foundation are mandated for all new UK contracts and embedded into our contract terms and conditions and:

- we expect contractors working on our behalf to comply
- this applies to all contractors over 18 years old who work on behalf of National Grid for two or more hours a week for eight or more consecutive weeks
- on request, we may require verification that the real living wage is being paid where contractually stipulated
- it is expected that employment agency partners uphold the same standards of employment that we offer our direct employees and adopt the “employer pays” principle.

New York Prevailing Wage Statute (US-NY)

Under the New York Prevailing Wage (PW) statute, National Grid is obligated to mandate that its contractors and subcontractors pay PW when applicable. For all applicable suppliers, we ask that you:

- ensure that all work carried out on behalf of National Grid is fully compliant with the NY Prevailing Wage Law and applicable Federal Law
- ensure that contractors and subcontractors pay to each worker the correct wage under NY Prevailing Wage Law, and applicable Federal Law.

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We will deliver sustainable energy safely, reliably, and affordably, ensuring no one gets left behind.



Community and workforce resilience

Our approach to responsibility in our communities goes beyond safely maintaining the resilient energy system society expects. It is also about making sure our economic and social role in the community has the greatest possible positive impact in supporting an affordable energy transition.

Additionally, National Grid is committed to skills development within our own business and that of our supply chain to meet the skills gap challenges recognised as an issue in our industry.

We recognise the role the supply chain can play in supporting this approach; therefore, National Grid encourages suppliers to:

- understand how their activities impact both the local area and wider community
- make positive contributions and investments where appropriate, for example, by providing local employment opportunities, skills, development, and workforce volunteering
- build positive relationships and minimise disruption to communities
- support our approach in developing the workforce of the future by focusing on formal training programs targeted in areas considered to be in short supply. This includes the use of apprentices, graduate schemes, and other development/ training programmes.

Business Continuity

We rely on our suppliers to ensure that National Grid continues to deliver secure, affordable and clean energy reliably to customers in the UK and the US.

Therefore, National Grid expects all businesses in our supply chain to plan, establish, implement, operate, monitor, review, maintain and continually improve a documented business continuity management system. This is to protect against, prepare for, respond to, and recover from disruptive incidents when they arise to ensure that you can continue to provide your services to National Grid in the event of any disruption to your operations.

As a minimum these plans should consider people, premises, process (information and technology) and providers.

Specific detail including risk appetite will be shared through the procurement process and contained within individual contracts, where business continuity arrangements may be subject to review as part of the ongoing management of the contract.

Policy of Supplier Selection to Ensure Inclusion and Belonging

It is National Grid's corporate policy and a responsible business commitment to promote equity and inclusion in our supply chain. Expanding the range of suppliers in our supply chain, as outlined in our Global Supplier Diversity Policy, is an important part of our procurement strategy. We understand the value of an inclusive supply chain that is comprised of small and medium-sized businesses owned by socially and economically disadvantaged individuals regardless of ethnicity, minority status, male or female, or members of the LGBTQ and disabled communities, veterans and other small and medium enterprises reflective of the communities we serve across the globe.

Therefore, we encourage you to follow our approach and:

- increase small and medium-sized businesses owned by socially and economically disadvantaged individuals when considering supplier participation in your own sourcing opportunities
- identify subcontracting opportunities or small and medium-sized socially and economically disadvantaged suppliers
- if requested, provide us with your amounts spent via our third party tracking tool on socially and economically disadvantaged small and medium-sized businesses so National Grid can track spend in this area.

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We remain focused on delivering secure, affordable and clean energy for our customers and communities.

Protecting the environment

At National Grid, we recognise the value of the natural environment and are committed to being a responsible business. Our Responsible Business Reporting articulates what ‘responsibility’ means for us at National Grid.

We expect all our suppliers to support our Responsible Business Reporting commitments and actively work towards making a positive impact on environmental factors.

As a minimum, we expect you to:

- ensure environmental considerations are included in your operations, activities, and documentation throughout the lifecycle of works with National Grid
- comply with all applicable legal and statutory requirements and obligations and have in place or work toward an environmental management system that is aligned to the requirements set out in recognised standards such as ISO14001
- act to prevent pollution which may result from your upstream and downstream activities
- inform National Grid if you or any members of your value chain are operating in a water-scarce area and provide relevant mitigation measures and evidence in place
- utilise environmental impact assessment approaches or tools to ensure that any activities that may have a negative impact on natural habitats are conducted in a manner to protect biodiversity, limit deforestation, and preserve land and marine resources

- align your procurement programme and processes with best available practices in your industry, including recognised standards such as ISO20400 for sustainable procurement and PAS2080 for carbon management in infrastructure
- assess ways to reduce the impact of climate change on your activities by implementing mitigation and/or adaptation measures.

Setting climate targets

We have set ambitious Science Based Targets to reduce greenhouse gas emissions across our own operations (Scopes 1 & 2), as well as our wider value chain (Scope 3). To support our pathway to decarbonisation, we expect our carbon strategic suppliers to:

- set their own targets aligned with the Science-Based Targets initiative (SBTi) or other equivalent international standards. Further information on our science-based targets commitments can be found [here](#)
- establish a decarbonisation roadmap in line with applicable guidelines
- have robust systems, processes, and other resources to furnish most up-to-date and verifiable environmental data and narrative that is reasonably free from any material misstatement, when requested by National Grid
- implement relevant performance indicators and sub-targets, including, but not limited to, greenhouse gas missions, waste management and tracking of energy usage and efficiency.

Conflict minerals

National Grid’s policy is not to use products containing conflict minerals. We are committed to complying with Section 1502 of the Dodd-Frank Act (“Conflict Minerals Rule”), a US federal law that requires us to publicly disclose the use of conflict minerals which includes cassiterite (tin), coltan (tantalum), wolframite (tungsten), and gold, or derivatives of these minerals from the Democratic Republic of Congo (DRC).

If you know, or have reason to believe, that conflict minerals may be contained within the product that you are supplying to us you must inform us and exercise due diligence to determine the source.

We expect you, as a business in our supply chain, to:

- have a policy and controls in place to monitor and prevent the use of minerals sourced illegally or unethically
- document your due diligence efforts and make your measures available to us on request and provide us with evidence of the origin of the conflict minerals in products supplied by you to us.

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Business Ethics Standards, fraud, bribery, and corruption

At National Grid, we have a zero-tolerance approach to any type of bribery, fraud, or corrupt business practices.

Therefore, we expect you to:

- have a programme in place to prevent bribery, fraud, or corrupt business practices
- have procedures in place to ensure compliance in accordance with all applicable local, state, federal or national laws or regulations and associated governmental regulatory guidance
- have reporting channels and escalation processes in place so employees can raise concerns about inappropriate business practices or unethical behaviour whilst having processes that protect employees including their identity. You should ensure to make us aware of any concerns in a timely manner.

Entertainment, hospitality, gifts, and cash rewards

We do not allow our employees to take part in any activity that would impair their judgement when engaging in business with you.

We require you to help enforce our rules and help avoid any potential conflicts of interest by avoiding offering gifts, rewards, hospitality, or entertainment to our employees.

- Employees involved in a Procurement event or contract renewal process are not allowed to offer or receive any gifts, meals, hospitality, or entertainment.

Testimonials and endorsements

We will not give testimonials or individual company endorsements including customer feedback surveys, and request that you do not ask for them. We may provide factual references on requests for work that has been completed on our behalf.

Social Media

We expect you to:

- use social media in a responsible, reasonable, and respectful manner and any comments you make to align with the ethical values of National Grid. This means not posting discriminatory, harassing, offensive, bullying, abusive, threatening, false or misleading content, including comments on other posts
- not post confidential National Grid information or anything that jeopardises our trade secrets, confidential company information or intellectual property
- not create new social media channels using National Grid's brand without permission from the Group Social Media team
- make it clear that any social posts you share about National Grid, or recommendations about working with certain people, are your personal opinions, and not on behalf of National Grid. You cannot refer to other National Grid colleagues by name without their express consent
- adhere to the Group social media Policy on Grid:home, if you are a contractor.

Data Protection

We expect suppliers to:

- protect personal data fully in compliance with all relevant data protection laws including but not limited to:
 - the Data Protection Act 2018 (which incorporates the General Data Protection Regulations)
 - California Consumer Privacy Act (or California Privacy Rights Act)
 - New York SHIELD Act
 - Massachusetts Data Security Regulations; and
 - Health Insurance Portability and Accountability Act.
- implement organisational and technical measures to ensure the integrity and confidentiality of personal information and provide independent accreditation and assurance over the controls related to the services (i.e., ISO 27001/ SOC 1 and/or SOC 2, or equivalent standards)
- only collect the personal information required to fulfil the service you are providing and to not further process this information in a manner incompatible with this service
- reasonably co-operate with and assist on data protection impact assessments or compliance matters which relate to the processing activities being carried out by you on behalf of National Grid
- report, as a matter of urgency, any unauthorised disclosure of personal data which you are processing on National Grid's behalf and to fully co-operate with any remediation efforts and subsequent investigation.

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Security

National Grid is committed to ensuring effective controls are in place to protect employees and company assets, including physical and intangible assets such as information.

We expect all our supply chain partners to demonstrate compliance with all government laws and a similar commitment to security and have, as a minimum, the:

- appropriate internal policies and procedures covering people, process and technology
- security controls proportionate to risk, which support the policies and procedures
- independent accreditation and assurance that security controls are in place
- necessary controls in place to detect security anomalies
- plans to define the appropriate activities to perform to respond to security incidents and events and recover from them.

Any suppliers with access to National Grid sites, equipment, people, data or information assets will also be required to undertake employee background checking in line with National Grid's Global People Security Policy and /or US Contractor Background Checking Procedure. Suppliers must review and understand all of National Grid's Security Policies and align with the requirements of (or be equivalent to) National Grid's IT Control Set.

Operational security

To ensure our commitment to delivering operational excellence, including excellent levels of security, we will be relying on the cooperation of suppliers.

If you have been identified as a supplier who supplies us with a product or service which supports a National Grid operational system, service, or asset, we expect you to:

- agree and implement the relevant enhanced organisational and technical policies, procedures, and controls as well as taking commensurate levels of security awareness and training activities within your own business to ensure a well-informed workforce
- work with us to provide any information or evidence requested by the pertinent authorities to ensure we are compliant with the relevant laws and regulations.

Use of Artificial Intelligence

Considering the significant Legal and Ethical issues involved in the use of artificial intelligence:

- we require all of our suppliers to disclose if they are using an Artificial Intelligence System* in the provision of goods or services to National Grid – there is no obligation to disclose where you use an Artificial Intelligence System in the internal management of your business
- if you disclose that you are using an Artificial Intelligence System in the direct provision of goods or services to National Grid, we will work with you to understand whether there are any legal or ethical considerations which will need to be addressed. We may need to ask you to refrain from using the Artificial Intelligence System if we are not satisfied that any legal and/or ethical risks can be appropriately managed.

* When we refer to an 'Artificial Intelligence System', we are referring to a system that operates with a certain level of autonomy, using machine learning and/or logic- and knowledge-based approaches, to produce system-generated outputs such as content (i.e. generative AI (artificial Intelligence)), predictions recommendations and/ or decisions.

UK Tax Compliance

National Grid expects its suppliers to have procedures in place to prevent the facilitation of tax evasion and to prevent other offences as set out in the Criminal Finances Act 2017 and to ensure that they remain compliant with changes to UK tax law.

We will not work with suppliers who engage in any practices which may constitute tax evasion or involve workers not being taxed appropriately.

We would also like to remind you of the importance of the changes to the off payroll working rules (IR35) that became effective from April 2021.

- We expect individuals involved in providing services to National Grid to be paid subject to deduction of PAYE tax.
- It is only permitted for individuals to provide their services via a personal service company (PSC), Sole Trader or other type of intermediary within our supply chain in exceptional circumstances.
- If, in exceptional circumstances, you are providing services to National Grid which include a supply of labour through an intermediary (such as a PSC or Sole Trader), you must inform your National Grid Hiring Manager before services commence, so that compliance checks can be undertaken.
- If you are in any doubt as to whether a staffing arrangement you are using is affected by the off payroll working rules, you should discuss this with your National Grid Hiring Manager. Failure to do so could place your organisation and National Grid at risk of being in breach of tax law.
- National Grid reserves the right to require the immediate removal of any individuals found to be providing services via a PSC without approval within the supply chain.

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The Prompt Payment Code

National Grid has demonstrated its commitment to the fair treatment of our suppliers by signing up to the Prompt Payment Code. We encourage our suppliers to adopt the principles of this code throughout their own supply chains.

For further information please visit the [government website](#).

National Security and Investment Act

National Grid is responsible for critical UK national infrastructure, and we, therefore, expect all suppliers to:

- familiarise themselves with the legal regime under the National Security and Investment Act 2021 (NSIA)
- notify us immediately if they believe that they may be subject to a “qualifying acquisition” under the NSIA
- on an ongoing basis, assess and manage all other risks which the NSIA may give rise to.

The NSIA applies throughout the life cycle of a transaction from pre-tender, and throughout the entirety of project delivery. It also applies retrospectively to transactions already entered.

We reserve the right to raise clarification questions of suppliers in this regard at any time, and National Grid will make mandatory notifications under NSIA where required to do so by law. National Grid may also choose to make voluntary notifications under NSIA where it has concerns, in respect of a particular contract, which are relevant in the context of the NSIA.

Please note that in circumstances where the NSIA applies, the UK Government may issue an order which would have the effect of preventing National Grid from being able to continue to engage with you. This may result in termination of your contract with National Grid.

International Trade/Sanctions Compliance

National Grid has a zero-tolerance approach to breaches of sanctions laws.

Suppliers and their affiliates must:

- comply with all applicable local, state, federal, national or international laws, rules or regulations relating to international trade controls and sanctions that apply to its operations and that apply to National Grid, its affiliates and subsidiaries
- have a program in place to prevent, detect and respond to activities that may cause or contribute to a violation.

Should you identify a breach or potential breach of such above-noted laws, rules or regulations, you must notify National Grid immediately.

Subcontracting and Supply Chain

Where sub-contracting is allowed under the terms and conditions, we may request evidence of compliance such as:

- prior written approval for each new contractor, to include transparent support locations
- agreement that you are responsible for all acts of any subcontractor or third parties
- documentation showing subcontractors and third parties are informed, agree to, and adhere to the provisions of this Supplier Code of Conduct and relevant agreements
- risk assessments with proper due diligence performed including background checks, time and expense records, and certificates of insurance.

Ethics speak-up helpline

If you have any questions relating to the content of this Code, you should contact your contract manager where relevant. If you wish to raise a concern regarding any actual or potential breaches of this Code, please contact National Grid’s Ethics and Compliance Team using the details below.

External helpline (Available 24/7)

US 800 465 0121
UK 0800 298 6231

[EthicsPoint web](#)

Internal helpline (monitored during business hours)

US 888 867 6759
UK 0800 328 7212

[Business conduct email](#)

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