Modern slavery

Our statement on slavery and human trafficking 2023

nationalgrid

Introduction

As CEO, it is important to me that everyone working for us, or on our behalf, can expect good working conditions, that are safe and inclusive, and that they are paid fairly in return. As a company, everything we do at National Grid is underpinned by our vision to be at the heart of a clean, fair and affordable energy future and we recognise that this commitment to building a sustainable future also comes with a duty to ensure that respect for human rights is incorporated across all our employment practices.

Over the last 12 months, we have continued to embed changes within our business and align our human rights controls, focusing particularly on National Grid Electricity Distribution (NGED) (formerly Western Power Distribution) who were acquired in 2021. We have introduced the National Grid Code of Ethics for all NGED employees and the Supplier Code of Conduct for their suppliers, this sets out our commitments and expectations in relation to Modern Slavery and is built into supplier contractual terms and conditions. We have ensured the key controls in our procurement processes are aligned and provided Modern Slavery training for employees who are involved in these processes.

We have continued to utilise our sustainability assessment tool as part of our strategic sourcing process which supports the identification of any human rights risks, and we also make this available to our suppliers so that they can utilise it within their own supply chains. We have developed and delivered Sustainability Foundation level training to our procurement professionals, and further sessions are planned that will focus on Human Rights.

Over the next 12 months we will be working with Action Sustainability and Slave Free Alliance to help develop our approach to human rights due diligence whilst also participating in the United Nations Global Compact (UNGC) Business and Human Rights accelerator programme to improve our knowledge and understanding of how organisations can detect, monitor, and address Human Rights concerns in their business and supply chains.

We have made good progress this year but recognise that there is always more that can be done to address the risk of human rights violations in our business and supply chains. Whilst I am pleased that no evidence of modern slavery or forced labour has been found in any of our businesses or supply chains, I also recognise that we must remain constantly vigilant.

This statement, which covers the financial year ending 31 March 2023, outlines our commitment to combatting modern slavery and describes how we are fulfilling our legal and moral obligations under the Modern Slavery Act 2015, as well as our plans for continuous improvement over the coming financial year. The statement applies to National Grid plc and each of the specifically named subsidiaries. The boards of each of these subsidiaries have reviewed, approved, and adopted this statement. I have signed this statement on behalf of the Board of Directors of National Grid plc, following its approval in July 2023.

J. Ketticaren

John Pettigrew Chief Executive

Contact us about this statement <u>here</u> See National Grid's statements for previous years <u>here</u>



This statement was approved by the Board of Directors of

on:

and is signed on behalf of the Board by:

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1. Our progress summarised

In our last statement, this is what we said we would do:	This is what we have delivered this year, against the commitments we made:
Fully integrate National Grid Electricity Distribution (NGED) formerly WPD, to align with processes, policies and procedures that formulate our Modern Slavery Statement.	We have made good progress aligning NGED with our processes, policies, and procedures by applying our Supplier Code of Conduct to their suppliers and integrating this into contractual terms and conditions. We have aligned our procurement processes so that the same key controls are applied, and we have delivered Modern Slavery training to the NGED Procurement employees.
Embed and test the controls for National Grid Renewables.	National Grid Renewables have adopted and are compliant with the National Grid procurement processes and have conducted modern slavery risk assessments in their sourcing events.
Implement a structured process for including Modern Slavery checks into existing site visits and assessments.	A specific question set has been developed using guidance from the Gang Masters and Labour Abuse Authority on spotting the signs of labour exploitation. This question set has been added to existing site visit checks and is being piloted in NGET from 1 April 2023.

2. Our business and supply chains

An introduction to our business and our values

National Grid is an international electricity and gas company at the heart of one of the greatest challenges facing our society – delivering clean energy to support our world long into the future. Based in the United Kingdom (UK) and the United States (US), we play a vital role in connecting millions of people safely, reliably, and efficiently to the energy they use.



Our purpose

is to Bring Energy to Life. We believe it is crucial to have a clear sense of what we stand for as a company.

Our vision

is to be at the heart of a clean, fair and affordable energy future.

Our values

are that every day we do the right thing, find a better way and make it happen.

2. Our business units

Our business (UK)

UK Electricity Transmission (UK ET)

We own and operate the high-voltage electricity transmission (ET) network in England and Wales.

UK Strategic Infastructure (SI)

This new business unit, effective 1 April 2023, will deliver (UK ET) projects through the Accelerated Strategic Transmission Investment (ASTI) framework to connect 50GW of offshore generation by 2030.

UK Electricity Distribution

We own and operate the electricity distribution networks for the Midlands, the South West and South Wales. The combined network, makes us the largest distribution network operator (DNO) group in the UK.

UK Electricity System Operators (ESO)

We currently operate as the electricity system operator across Great Britain. As announced in April 2022, the ESO is expected to transfer out of National Grid to become part of the newly created Future System Operator (FSO) by 2024.

Our business (US)

New England

We own and operate electricity transmission facilities and distribution networks across Massachusetts, New Hampshire and Vermont as well as gas distribution networks across Massachusetts.

New York

We own and operate electricity transmission facilities and distribution networks across upstate New York. We own and operate gas distribution networks across upstate New York, in New York City and on Long Island.

National Grid Ventures (NGV)

NGV, which operates separately from our core regulated units, is focused on competitive markets across the UK and US. Its portfolio includes electricity interconnectors, liquified natural gas (LNG) storage and regasification, large-scale renewable generation, conventional generation and competitive transmission.

Other activities

Other activities primarily relate to National Grid Partners (NGP), the venture investment and innovation arm of National Grid, as well as UK property, insurance and corporate activities.





Our people

We recognise the value of our people and employ a diverse workforce consisting of over 31,000 people globally, mainly in the UK and the US and operate policies and procedures to ensure the highest standards of ethical conduct. Equality and fairness are particularly important to us. As a responsible business we pride ourselves on treating all employees fairly, ensuring that they are provided with a respectful, safe and secure environment.

Our recruitment programme is designed to ensure equal opportunities, compliance with local legislation and that all our people have the appropriate rights to work. We use employment agency partners for attracting temporary workers and they are contracted to uphold the same standards of employment that we offer our direct employees. Contract Managers actively manage our employment agency partners, to monitor that they are meeting our employment requirements, including carrying out any relevant screening, paying the Real Living Wage and adopting the "employer pays" principle. This means that no employee of National Grid should ever have to pay to obtain access to temporary or permanent work within our organisation or supply chain.

We carefully monitor this area and believe that the policies and processes we have in place mean that the risk of forced or trafficked labour being employed directly by National Grid and its employment agencies is very low.

In the UK, we are committed to paying our employees, trainees and contractors working on our behalf, at least the Real Living Wage, as set by the Living Wage Foundation.

In the US, we pay all our employees at least the minimum wage.

All our employees and their families are supported by internal health and wellbeing programmes and have access to an employee assistance helpline, which is a confidential service that provides support across a range of areas including emotional support, debt and legal advice. Employees can also join trade unions and in the UK we have engaged with them through HR to ensure that they have awareness of the associated human rights risks.

Our employees are at the heart of what we do which is why we are proud to be one of 167 companies and one of 44 FTSE 100 companies who participated in the 2022 Workforce Disclosure Initiative.



Workforce Disclosure Initiative (WDI)

The Workforce Disclosure Initiative (WDI) aims to improve corporate transparency and accountability on workforce issues, provide companies and investors with comprehensive and comparable data and help increase the provision of good jobs worldwide. Designed with the input of investors, companies, trade unions and subject matter experts, the WDI survey has been designed to gather the information on the issues most crucial to decent work and human rights in the workplace. Run by ShareAction and part-funded by the UK Government's Foreign, Commonwealth and Development Office (FCDO), the WDI platform allows companies to demonstrate how they manage their staff and supply chain workers and show how their approach to workforce management is aligned with their business strategy.

National Grid have completed the WDI survey for the past 3 years and we continue to enhance our data year on year obtaining a Scorecard of 84% overall for our 2022 submission, above the Utilities sector average. We obtained 100% in several key sections including Supply Chain Transparency, Responsible Sourcing and Supply Chain Working Conditions and received a special mention in the "Workforce action" category at the WDI 2022 Workforce Transparency Awards in February 2023.

Diversity, Equity and Inclusion

Our aspiration is to one day be amongst the most inclusive, diverse, and equitable companies in business. We will do this by:

- empowering our people by embedding inclusion into everything we do
- building a diverse and innovative green workforce for our customers
- moving boldly and quickly to deliver organization wide equity via our processes
- using our voice, platform and influence to create dialogue and elevate issues impacting people across the world.

Our people are supported by Employee Resource Groups that help build awareness and understanding of Inclusion and Diversity, so that everyone can be their true self and reach their full potential.



employees across the UK and US.

54% of our workforce is based in the US.

46%

of our workforce is based in the UK.

23.6% of our workforce are female.

36.1%

diversity of our workforce, this includes gender, ethnicity and race.

83%

of employees would recommend National Grid as a good place to work.

Our supply chains

We work with around **17,000** suppliers across our global organisation and spend over **£8bn** with them. Our Spend Profile details the top 10 countries where our Tier 1 suppliers are located.

35% of our spend is with these <u>25 organisations</u>.



The standards we expect, relating to working conditions, pay and workers' rights for those working in our supply chain, are mandated into our contracts through our supplier code of conduct.

3. Our policies

We know that setting clear expectations is very important. Summarised below are our policies, which collectively set the standards we require, encompassing the prevention of modern slavery in the workplace and in our supply chains. Our policies are supported by an internal business management system, which outlines what we do and how we should do it, ensuring that we live up to our values. We regularly monitor compliance with our policies and report on how we are doing to our executive and audit committees.



Policy	Scope	Relevance to modern slavery
Code of Ethics	This is our company code of conduct that is applicable to employees and sets out our values and how we expect employees to behave whilst working for National Grid.	It includes sections on discrimination, harassment, bullying and human rights and sets out National Grid's commitment to zero tolerance to all forms of corruption as well as the avenues available for raising concerns and how we will protect those who "speak up" about a concern.
Supplier Code of Conduct	This is reviewed, updated and sent to all our suppliers on an annual basis and sets out the standards we expect our suppliers to work to and which they should extend into their own supply chain, whilst working for National Grid.	It includes reference to the key international labour standards including the Ethical Trade Initiative base code and the UK real living wage requirement. We encourage all suppliers to publish a modern slavery statement regardless of legal obligation.
Recruitment (internal)	Our internal recruitment policies ensure that employees have equal opportunities, the relevant rights to work and are employed in line with all local legislative requirements.	The recruitment checks in place safeguard human rights, minimising the risk of directly recruiting someone who is being forced to work or is being trafficked.
Inclusion and diversity (Internal)	This policy sets out National Grid's commitment to providing an inclusive, equal, and fair working environment for all.	Recognises and respects the importance of an inclusive and diverse workforce.
Global Supplier Diversity Policy	This policy sets out National Grid's commitment to providing equal opportunities to suppliers and the promotion of an inclusive, fair, and decent working environment for those that work for us in our supply chain.	Recognises and respects the importance of an inclusive and diverse supply chain workforce.
Disciplinary (internal)	This policy sets out what actions will be taken where employees deliberately break the requirements set out in the Code of Ethics.	All employees know what is expected of them and the consequences for misconduct.
Anti-Financial Crimes <u>Policy</u>	This policy sets out our commitment to prevent financial crime and corruption. It applies to all employees and those who work on our behalf.	References modern slavery and sets out the duty of all employees to be vigilant in guarding against and reporting unusual activity or payments.
Contracted Service provider Background Checking Policy	This policy sets out the requirements for the background checking of contractors working for or on behalf of National Grid.	These requirements ensure that our contractors have the relevant rights to work and identification documents which include address history and previous employment checks.

Our policies in action

Responsible Business Charter

Over two years ago, we launched our first <u>Responsible Business</u> <u>Charter</u> articulating what 'responsibility' means to National Grid. We identified five pillars where we can make the most impact on society: The environment, the communities we serve, our people, the economy and our governance. For each pillar we have set out our commitments and ambitions and how we will achieve them, and we produce an annual responsible business report detailing our progress, the latest report can be found here.

We are currently refreshing our Responsible Business Charter to ensure we remain focused on the correct material issues for us and our stakeholders, our commitments endeavour to keep pace with the external market and our new portfolio is aligned.

Grid for Good

Our Grid for Good programme is now in its third year and has been delivering a positive impact to under-served and socio-economically disadvantaged groups. We work in collaboration with select Energy Industry Partners (EIP's) to provide upskilling, and employment opportunities for young people.

Our charity partners provide us access to a diverse range of talented young people by looking at opportunities within National Grid as well as within our EIP's, the programme delivers a breadth of more inclusive opportunities across the energy sector. We have also expanded the initiative to inspire even younger age groups.

Partnering with a wide range of specialist organisations and powered by volunteers, Grid for Good engages with young people across a broad age spectrum.

Our Grid for Good programme includes:

Grid for Good Engage, ages 3–15, designed to inspire young minds about STEM (science, technology, engineering and mathematics), includes engineering and the energy sector.

Grid for Good Access, ages 16–25 providing upskilling, coaching and employability opportunities across our industry.

Grid for Good Excel, ages 18–22 for academic talented young people to support them into careers in the energy sector.

Grid for Good Accelerate, 25+ provides upskilling and re-training for people who need support with being matched to roles across the industry.

So far, we have helped over **4,000** young people and have over **1,800** National Grid employees registered as volunteers.



To help support and protect those members of our communities that are most at risk from exploitation, Grid for Good is privileged to work with Catch 22 (a not-for-profit business with a social mission). Recently we began embedding regular direct work visits and work taster sessions for selected cohorts of care-leavers.

These young people come from some of the most challenging backgrounds imaginable and often, when direct care ceases at 16 years old they can easily be vulnerable to exploitation.

Grid for Good believes that by providing frequent and skill-specific experiences for these young people, showing them a taste of working life within National Grid or with our EIPs, we begin to prepare them better for future opportunities. By demystifying what it takes to secure employment in large organisations and crucially giving them the beginnings of a professional network, they can receive the support, mentoring and guidance that would otherwise be severely lacking in their lives.

Our Grid for Good charity partners

Primary	Young
Engineer	Enterprise
Earth Cubs	Excel
Now Press Play	Generating
Fun Kids	Genius
Access	RAE GEEP
Catch 22	IET

4. Due diligence

We continue to collaborate across the industry and work with our suppliers to improve approaches to identify and mitigate potential risks of exploitation.

We pre-qualify our strategic UK procurement activities using a vendor registration system operated by Achilles called the Utilities Vendor Database (UVDB). During FY23 several enhancements proposed by the 'Utilities Against Slavery' Working Group were implemented into the Achilles UVDB onboarding questions asked in relation to modern slavery, ensuring that this goes beyond basic compliance.

We continually review external media and use a screening service to check for adverse media, reports, fines, or sanctions against our direct suppliers and have a process in place to act on anything that is highlighted, in a timely and appropriate way.

We have developed a Controls Framework using the <u>Modern Slavery</u> <u>Due Diligence Checklist</u> created by the Supply Chain Sustainability School, the <u>ETI Modern Slavery Statement Framework</u> and considering the wider landscape which includes a checklist against the key areas for consideration to understand and address potential modern slavery risk. We use this to engage and work with our business operations to ensure they have these key controls in place including amongst other things, policies, risk assessment, training, and procurement processes.

We have introduced human rights checks to existing site visits that take place within our Asset Operations department in our Electricity Transmission organisation. The question set was developed using guidance from the Gang Masters and Labour Abuse Authority on spotting the signs of labour exploitation and this will be tested and developed further before being rolled out to other parts of the business that carry out regular site visits. The approach has been shared with other utilities via the Utilities Against Slavery Working Group and we will also share our findings with the working group to assist with working towards a standard best practice approach.

Recognising that there is always an opportunity to better understand the potential risks in our supply chains and establish a more robust approach to due diligence we have committed to partner with Slave Free Alliance to review our approach and support the development of guidance on due diligence, risk assessment and transparency in supply chains, whilst also providing insights on how organisations can support victims of Modern Slavery. Any outputs will be shared at an industry level and will help promote the awareness of the risk of modern slavery/forced labour.

We have also partnered with Action Sustainability to fund the development of a co-branded, free, publicly available guidance document for the built environment (this refers to the human-made surroundings that provide the setting for human activity) which will provide best practice procurement and supply chain advice to help tackle the responsible sourcing of solar panels. The guidance will focus in on solar panels, but the content and advice provided will be transferable and could be used to support responsible sourcing strategies for other categories of spend.



For some of our key infrastructure projects in the UK we have adopted the BREEAM (Building **Research Establishment** Environmental Assessment Method) Infrastructure standard, an award scheme aimed at improving the sustainability of projects and supporting delivery of some of the key business priorities and commitments. This requires us to provide evidence to demonstrate compliance with various criteria including aspects around ethical labour practices, driving awareness at the project level, and raising the profile of the importance of the topic in the wider business. We plan to undertake an exercise to embed key elements of the award criteria in our processes to ensure consistent delivery for future projects.

Collaborating to improve industry standards

We know we do not have all the answers. We strongly believe that sharing best practice and learning from peers and subject matter experts is not only efficient but also essential if we are to drive up standards right across the industry. We regularly engage with best-in-class organisations through various industry groups to discuss key areas for collaboration and action. We continue to undertake benchmarking research to build best practice into our approach where relevant.

We are members of numerous working groups that are designed to drive change on a broader scale and continue to engage across the industry on best practice approaches for addressing the risk of modern slavery.

Here are some highlights:

United Nations Global Compact (UNGC) Modern Slavery Working Group

As signatory members of UNGC we participate in several working groups including one focused on modern slavery. This provides us with the opportunity to share knowledge and best practice approaches to addressing the risks of modern slavery. Annually, we participate in a peer review process to provide and receive feedback on the content of modern slavery statements in the group to identify areas of improvement and ensure we focus on the right outcomes. We are also participating in their Business and Human Rights Accelerator programme to help develop our approach.

Gangmasters Labour Abuse Authority – Construction Protocol

We are signatories to the Construction Protocol which was developed for the sector to work collaboratively to share information that will help stop or prevent the exploitation or abuse of workers. We continue to promote the Protocol within our supply chains and use of the tools and materials developed.

Supply Chain Sustainability School (SCSS)

We continue to be an active Partner member of the School and we have participated as part of a Utilities sector working group to develop learning pathways for key topics including modern slavery and promote the use of the School resources and tools internally and with our supply chain.

We have been actively involved in the SCSS Labour working group and have participated in several lunch and learn sessions to share our approach to implementation of the <u>People Matter Charter</u> of which we were the first client level signatory, alongside many of our main contractors. We continue to promote this with our supply chain to evidence their commitment to the agenda through regular vendor management meetings. The People Matter Charter was created to help organisations up and down the supply chain, address these challenges together, in one workforce strategy. The Charter has eight commitments that can apply to any organisation, of any size. This provides us with a holistic approach to addressing the labour issues in the industry.



Chartered Institute of Procurement and Supply

We are promoting chartered status within our procurement community which requires completion of the annual ethical responsible procurement training. We also promote knowledge sessions supporting this agenda.

Utilities Against Slavery

We are members of 'Utilities Against Slavery,' an industry group, facilitated by Slave Free Alliance with the objectives of:

- Raising awareness to prevent the exploitation of workers and the community.
- Sharing best practice amongst the group's members.
- Collaborating to produce a coordinated response to reducing risks in supply chains.

The latest Annual report was published in March 2023 outlining the achievement of this Group and setting out the strategy for the coming year.

We continually monitor and consider the wider landscape and evolving standards, regulations and legislation including:

- the new British Standard on Modern Slavery, BS 25700:
 Organizational responses to modern slavery Guidance, which provides organisations guidance on how to manage modern slavery risks in their operations, supply chains and wider operating environment
- the new UK Procurement Policy Notice, PPN 02/23: Tackling Modern Slavery in Government Supply Chains, which sets out how UK Government departments must take action to ensure modern slavery risks are identified and managed in government supply chains
- the **EU Directive on corporate sustainability due diligence**, which aims to foster sustainable and responsible corporate behaviour and to anchor human rights and environmental considerations in companies' operations and corporate governance.



We have engaged with Churches, Charities and Local Authorities (CCLA) Investment Management Limited who established 'Find it, Fix it Prevent it' as a collaborative investor engagement programme with the aim to use the leverage of investors to help companies 'find, fix and prevent' modern slavery in their supply chain. In 2022, we provided feedback on their approach to developing a benchmarking report of the FTSE100 companies and we welcomed the plans to publish the report to improve corporate engagement and drive positive change.

5. Risk assessment

We provide all our suppliers with access to the assessment tools we have developed for identifying and combatting exploitation in supply chains. These are made available on our supplier's webpage.

Risk assessment and management

Since the initial modern slavery risk assessment, which was conducted at a point in time, we have developed a sustainability assessment tool using the risk assessment criteria developed, to embed human rights considerations around decent working practices into our strategic sourcing process alongside other sustainability criteria. In the UK, the tool maps to the relevant Achilles Utilities Vendor Database (UVDB) questions and requires a positive response against the key questions identified. The majority of the questions are mandatory at the pre-qualification stage of our sourcing process. In the US, questions are integrated into the sourcing process and evaluated in the contract award.

This approach is referenced in our strategic sourcing process training and has been integrated into sourcing events.

In our UK RIIO-2 Framework contracts (these are the contracts which will take us through our next regulatory price control period) questions on human rights risk assessment were integrated into the sourcing process. In our vendor management meetings with the main construction framework partners, we discuss our sustainability commitments as part of a Quarterly sustainability dashboard and expect them to assess potential human rights risks for each project awarded and manage this throughout the project delivery. We require contractors to undertake a risk assessment at the start of any new project to understand the potential exploitation risk areas in relation to low skill/low wage and mitigate these risks through delivery of the project. This is closely aligned to our commitment on the real living wage and ensuring this is applied to all relevant roles.

In the instance where a supplier is either unwilling or unable to provide the relevant evidence, this could result in a formal process to review the contract and influence the allocation of any future project work over the framework period.



6. Training and awareness

Promoting an open culture

We provide training to our employees and continually promote a 'speak up culture' which we measure through our employee engagement survey.

Speaking up

We continually promote openness and transparency and provide avenues available to all employees and those working on our behalf to raise concerns. We have confidential helplines available globally, operating 24/7. Details of these helplines are available on our website, in our Code of Ethics and Supplier Code of Conduct and on posters that are displayed in our offices and at our construction sites.

We take all allegations of any type of unethical or illegal behaviour very seriously and we have dedicated ethics and business conduct teams who are trained to deal with all reported concerns sensitively and thoroughly. We carry out independent investigations and take any relevant action. Any outcomes and findings from investigations are reviewed at our Group Ethics, Risk and Compliance Committee, which is attended by senior leaders from within our organisation, whose role is to oversee the ethical standards of the company and monitor the effectiveness of our speak up programmes. Each year we track supporting metrics through our employee engagement survey.

We also provide summaries of metrics, allegations and findings to our Business Unit and Function led Ethics, Risk and Compliance Committees and our Audit & Risk Committees together with regular updates on our ethical programmes, including modern slavery.





We encourage anyone to raise concerns through our helplines which operate 24/7 by phone or email.

Through our recent employee engagement survey, we know that **79%** of our workforce believe they can safely raise an ethical or compliance concern using our helplines.

Raising awareness We provide a programme of training to our employees

Training and awareness

Our induction programme provides training and awareness of our company values and our Code of Ethics to all new starters. In addition, we have ongoing mandatory training for all employees on topics related to our Code. The key elements of our Code are incorporated into our Supplier Code of Conduct (SCoC) including our approach to combating modern slavery.

Our Procurement activities and controls are managed centrally on behalf of the National Grid Business Units and now incorporate National Grid Renewables and National Grid Electricity Distribution (NGED). We have provided additional training on our SCoC to these additional business units and to those that are new to National Grid through lunch and learn sessions and the SCoC is positioned as a living document beyond the initial tender process.

We have delivered Sustainability Foundation level training to all staff within Procurement which included an overview on modern slavery and exploitation. We are currently evolving this into a standard online training module.

There is also a commitment to follow up with specific modules on key topics including human rights. In line with the commitments made in last year's statement to integrate National Grid Electricity Distribution we have delivered specific detailed modern slavery training to the Procurement team. We have also delivered modern slavery training to the NG Renewables Procurement team to embed them into the standard ways of working.

We are encouraging our suppliers to utilise the free training and resources that are available through the SCSS. We continue to promote the use of modern slavery learning pathways, resources and tools available in the School.

As part of a collaborative working group within the SCSS utility sector clients have been working together to provide one voice and a clear direction for addressing risks of modern slavery within their value chains and have created several learning pathways for key topics including Modern Slavery. These have been promoted with our supply chain and adoption can be tracked through our priority supplier dashboard.



We promote relevant initiatives within our supply chain including the People Matter Charter and the Construction Protocol, which we believe will drive industry changes as more organisations sign up to these initiatives.

7. Measuring our effectiveness

We continually review the measures we have in place to check our progress and ensure our programmes are effective. We use this information to build our future plans.

Measure	Reason for measure	2019 -2020	2020 -2021	2021 -2022	2022 -2023
Number of potential human rights issues identified through our supplier screening process.	We continually monitor adverse media reports in our supplier population and screening tools are in place to detect these. This provides a route for identifying any concerning issue relating to modern slavery, enabling actions and controls to be put in place.	1	1	1	0
Number of modern slavery issues reported through our confidential helplines.	Details of our confidential helplines are made available to our employees, suppliers and the general public providing an avenue for reporting any ethical related concerns. We monitor all reports continually and use the information to identify potential control weaknesses and improve our processes going forward.	0	0	1	0
Number of organisations we have engaged with.	We continue to engage with Non Governmental Organisations (NGOs), peers and subject matter experts to review our approach and share best practice.	31	30	33	37
Percentage of our top 25 Supplier organisations (based on spend) that have a publicly available Modern Slavery Statement or equivalent policy in place.	This provides an additional monitor to see what actions our suppliers are taking to address the risks of Modern Slavery in their supply chains	_	_	_	48%

8. Focus areas for 2023

We recognise and fully support the need to demonstrate continual improvement and commitment to tackling the risk of modern slavery in our business and supply chains. We continue to develop realistic and achievable commitments that will make a difference and enhance our approach. Detailed below are our commitments for 2023/24.

- Expand modern slavery/human rights checks into other parts of the organisation where existing site visits regularly take place.
- Partner with Slave Free Alliance to review and enhance our approach on due diligence and risk assessment and work with Action Sustainability to improve responsible sourcing of solar panels across the industry.
- Enhance our Modern Slavery KPIs based on best practice and the outputs of the work with Slave Free Alliance.



Governance

Our Group Ethics, Risk and Compliance Committee assess our approach to modern slavery and oversee progress, they receive reports on how we are doing and guide our future focus, to review and enhance the actions we are taking to improve our approach and that of our suppliers. To find out more, or to give us feedback on our statement, contact us <u>here</u>.



The statement applies to National Grid plc and the following subsidiaries. The Boards of each of these subsidiaries have reviewed this statement and have approved it.

UK

National Grid Holding One plc Lattice Group Limited National Grid Holdings Limited National Grid Grain LNG Limited National Grid Electricity Transmission plc National Grid Electricity System Operator Limited National Grid Electricity System Operator Limited National Grid Electricity Distribution plc National Grid Electricity Distribution plc National Grid Electricity Distribution (East Midlands) plc National Grid Electricity Distribution (South West) plc National Grid Electricity Distribution (South West) plc National Grid Electricity Distribution (South Wales) plc National Grid Helicopters Limited National Grid Electricity Distribution Property Investments Limited National Grid Telecoms Limited

US

National Grid USA Boston Gas Company The Brooklyn Union Gas Company KeySpan Gas East Corporation Massachusetts Electric Company Nantucket Electric Company Transgas Inc. Niagara Mohawk Power Corporation National Grid Generation LLC New England Power Company National Grid LNG LLC National Grid Port Jefferson Energy Center LLC National Grid Glenwood Energy Center LLC New England Electric-Transmission Corporation New England Hydro-Transmission Corporation New England Hydro-Transmission Electric Company, Inc. National Grid North America Inc. National Grid Renewables Development, LLC

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