

# Modern slavery

Our statement on slavery  
and human trafficking 2022



nationalgrid

# Introduction

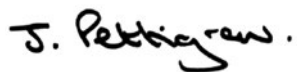
**At National Grid, we share the belief that we need to stand for something beyond profit and we have a responsibility to demonstrate our contribution to society more broadly.**

**As CEO, it is important to me that everyone working for us, or on our behalf, can expect decent working conditions, to work freely, and to receive fair pay in return. Modern slavery is a serious global issue, and we recognise the important role we can play in helping to eradicate it. Respect for human rights is incorporated into our employment practices and our values and underpins our vision of being at the heart of a clean, fair, and affordable energy future.**

Over the last 12 months, there have been some significant changes to our business, with the acquisition of Western Power Distribution (WPD) in the UK, the sale of our Rhode Island business in the US, and the proposed sale of a majority stake in our UK Gas Transmission and Metering business. Following approval in September 2021 from the Competition and Markets Authority on our acquisition of WPD, we are reviewing the modern slavery controls that WPD have in place and will be transitioning them to adopt and embed the modern slavery controls detailed in our 2022 Statement throughout 2022/23.

Our approach to delivering the commitments made in our 2022 Statement has continued to be one of engagement and collaboration with our stakeholders and suppliers. We have embedded modern slavery risk assessment into our strategic sourcing process through a sustainability assessment tool, which we implemented during 2020 and which our suppliers can utilise through their own supply chains. Over the last 12 months, we have been especially focused on industry areas which have been highlighted as potentially high risk, such as solar panel manufacturing, and are working with our supply chain partners to understand what is happening and how we can collaborate to drive improvements. We have also been helping our people develop knowledge and understanding of modern slavery so that we can spot the signs in our everyday lives and feel confident to take action if necessary.

Recognising that this has been another challenging year for everyone, I'm proud of the progress we have made so far. In this statement, for the financial year ending 31 March 2022, we describe what we have been doing to prevent modern slavery and our plans for continuous improvement over the coming year, as required by the UK Modern Slavery Act 2015. The statement applies to National Grid plc and each of the specifically named subsidiaries (see page 18). 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 on 12 July 2022.



**John Pettigrew**  
Chief Executive

Contact us about this statement [here](#)

See National Grid's statements for previous years [here](#)



This statement was approved  
by the Board of Directors of

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on:

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and is signed on behalf of the Board  
by:

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# 1. Our progress summarised

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## 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:

To extend the supply chain deep dive approach to other major projects and to directly supplied goods that fall into the high-risk category, for example, personal protective equipment.

We have extended the Hinkley Point deep dive approach to look at Cables and T Pylons and are engaging with our key suppliers to understand the broader supply chain. We have also carried out a deep dive on our Solar Panels supply chain following industry wide human rights risks that have been reported in the media. Details of our approach can be found in the Due Diligence section of this Statement on page 10.

Embed the process for the background checking of suppliers.

This has been included in the contractual Terms and Conditions for any new tenders and onsite assurance processes. We have developed guidance to support this requirement.

Refresh our supplier modern slavery risk assessment tool to align with Supply Chain Sustainability School (SCSS) guidance and recommendations from the Utilities Sector Modern Slavery Working Group, facilitated by Slave Free Alliance.

We have updated our risk assessment tool and supplier engagement framework to align with these recommendations and have provided these to Achilles UVDB (who provide our vendor registration system) at an industry level to support more robust questions as part of the tendering process.

Development of a Responsible Procurement Strategy to align with the Responsible Business Charter, formalising the reporting and strengthening the governance and ownership of the Statement.

The Global Procurement function's strategic priorities are Value, Risk and Responsible Business because procurement plays a key role in managing risk and ensuring responsible business is embedded into all supply chain considerations.

Continue to look for opportunities to utilise existing site visits to incorporate visual modern slavery checks focusing on construction sites where there is the potential for low skilled labour, for example, demolition work and ground clearance.

The ability to incorporate these checks into regular site visits has been impacted by Covid and associated restrictions. A structured plan is being developed to utilise existing site visits and we are looking at best practice approaches from other organisations to ensure we utilise any information that is gathered, effectively.

Review the Operation Fort report produced by the Independent Anti-Slavery Commissioner, consider the learnings and any action points and share these through our supply chain.

A review of this report has been carried out and the key takeaways have been shared with the relevant departments. They included the use of Ethical Trade Platforms to help identify areas of risk, and supply chain mapping high risk items.

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## 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 company headquarters are in London.



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### 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.

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### Our vision

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

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### 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

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

**6,072** miles (9,768 km)  
of electricity transmission  
cable and overhead lines

#### ◆ UK Electricity Distribution

We own and operate the electricity distribution networks for the Midlands, the South West and South Wales. The combined network of Western Power Distribution (WPD), which became part of National Grid in June 2021, makes it the largest distribution network operator (DNO) group in the UK.

**141,261** miles (227,337km)  
of electricity distribution circuits

#### ◆ UK Gas Transmission\*

On 27 March 2022 we announced the agreement for sale of a 60% stake in this business, which owns and operates the gas transmission network across Great Britain (including our UK metering business which previously formed part of NGV). The sale is subject to certain conditions.

**141,261** miles (7,630 km)  
of high-pressure gas pipe

#### ◆ UK Electricity System Operators

We operate as the electricity system operator (ESO) across Great Britain.

\*Discontinued operations.

### 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. We sold our Rhode Island electricity transmission and gas and electricity distribution business (NECO) to PPL. The NECO sale is expected to complete by the end of the first quarter of 2022/23.

**22,359** miles (35,975 km)  
of gas pipeline

**2,939** miles (4,729 km)  
of electricity transmission  
cable and overhead lines

#### ◆ 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.

**14,397** miles (35,975 km)  
of gas pipeline

**24,755** miles (39,831 km)  
of electricity distribution circuits

**6,001** miles (9,655 km)  
of electricity transmission  
cable and overhead lines

### National Grid Ventures

#### ◆ National Grid Ventures and other activities

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

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.

**6.4GW** capacity of  
interconnectors in operation

**44,536** miles (71,658 km)  
of electricity distribution circuits

**63** ships unloaded at the Grain  
LNG terminal



## Our people

**We recognise the value of our people. We employ a diverse workforce consisting of over 30,000 people globally, mainly in the UK and the US and operate policies and procedures (see page 08) to ensure the highest standards of ethical conduct. Equality and fairness are very 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 modern slavery awareness is part of their agenda.



Our employees are at the heart of what we do which is why we're proud to be one of 173 companies and one of 50 FTSE100 companies who participated in the 2022 Workforce Disclosure Initiative.

The initiative, hosted by responsible investment NGO ShareAction, provides investors with in-depth disclosures of companies' treatment of workers on topics ranging from pay and job security, to diversity and harassment practices and encourages transparency from companies on how they manage workers with the goal of improving the quality of jobs in company operations and supply chains. This year we improved our Scorecard again rating 86% overall, from 82% last year, and received a special mention in the “Supply chain data” category.

## 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.

**30,756**

employees across the UK and US.

**43\***

years is the average age of our employees.

**72%\***

of our workforce is based in the US.

**20.2%\***

of our workforce are from “minority” racial or ethnic heritage.

**28%\***

of our workforce is based in the UK.

**80%**

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

**23%**

of our workforce are female.

\*Data does not currently include WPD colleagues



We work hard to promote diversity with programmes in place to ensure we are attracting talent from young and ethnically diverse groups.

## Our supply chains

We work with around **8,000** suppliers across our global organisation and spend over **£6bn** with them. Our Spend Profile details the top 10 countries where our Tier 1 suppliers are located.

We spend 39 per cent\* of our total annual budget with these 25 organisations.

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 (see page 08).

\*WPD spend not currently included



## 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, that 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're doing to our executive and audit committees.



Policy	Scope	Relevance to modern slavery
<u>Code of Ethics</u>	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.
<u>Supplier Code of Conduct</u>	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.
<u>Anti-Financial Crimes 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

In October 2020 we launched our [Responsible Business Charter](#) which articulates what 'responsibility' means to National Grid. We have identified five areas where we can make the most impact on society: The environment, the communities we serve, our people, our economy and our governance. For each area we have set out our commitments and ambitions and how we will achieve them, and we produce an annual report detailing our progress, the latest report can be found [here](#).

### Grid for Good

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

We continue to work closely with our charity partners to access a diverse range of talented young people who continue to support our ongoing goals to reach net zero. By collaborating with EIP's, the programme is empowered to deliver not only broader, more inclusive opportunities across the energy sector but also expand the initiative to inspire even younger age groups.

Grid for Good has partnered with a wide range of specialist organisations and powered by volunteers we can engage with young people across a broad age spectrum.

### Our Grid for Good programme includes:

**Grid for Good Engage**, for ages 3–15 and is designed to inspire young minds about STEM, engineering and the energy sector.

**Grid for Good Access**, for ages 16–25 and provides upskilling and employability opportunities across our industry

**Grid for Good Excel**, also for ages 16–25 and provides mentoring as well as inspiring the brightest young minds from our programme to help curate their life in energy after graduation

**Grid for Good Accelerate** for the 25+ age group and provides upskilling and re-training people to support slot and match roles across the industry.

Our charity partners are responsible for seeking out the young people who can benefit most from Grid for Good and so far, we have helped over 3,000 young people and have over 1,000 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

Catch 22  
Young Enterprise  
Generating Genius  
On Point 4 College  
Mission SAFE  
New York Edge

## 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 most of our UK procurement activities using a vendor registration system operated by Achilles called the Utilities Vendor Database (UVDB). During 2021 we continued to work with the 'Utilities Against Slavery' Working Group, to propose improvements to the Achilles UVDB questions asked in relation to modern slavery, so that they go beyond basic compliance. Through the Achilles UVDB consultation process these questions have now been finalised and will be included in the updated pre-qualification and supplier onboarding question set.

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. During 2021 there were a number of media reports relating to the risk of forced labour being used in the manufacturing of solar panels.

From 2022 our US subsidiary, National Grid Renewables, (previously known as Geronimo) is included within our Modern Slavery Statement. National Grid Renewables develops, owns and operates renewable energy assets across the United States – including solar, onshore wind and battery energy storage.

National Grid Renewables is acutely aware of the industry wide concerns related to the potential use of forced labour in the supply chain for polysilicon based solar modules. As well as being a signatory of the Solar Energy Industries Associated Forced Labour Prevention Pledge, it is an active participant in external working groups to understand what we can do collectively to help address these industry wide issues.

National Grid Renewables is contracting with suppliers using alternative technologies to polysilicon based modules, which are not exposed to the risks associated with polysilicon procured from the Xinjiang region of China. Any future procurement of polysilicon based solar modules will be subject to careful supplier selection, in depth assessment of the relevant supply chains and verifiable traceability. Prior to the industry wide concerns becoming public, National Grid Renewables had purchased polysilicon based solar modules. It has not been possible to retrospectively determine full traceability for these modules due to the complexity of the supply chain and the time that has passed since manufacture. Having sought guidance from various advisory bodies, a decision has been made to continue to use these modules given the environmental impacts and resource wastage implications associated with disposal. A donation will also be made to a Modern Slavery/Human Rights related charity to support ensuring further awareness of these issues and further positive action to address.



We recognise the importance of having responsible and sustainable procurement processes in place and as part of our RIIO 2 regulatory plans for 2021–26, we have included our [responsible procurement action plan](#), which has been agreed by Ofgem.

To better inform our approach to site assessment and due diligence we completed a pilot Labour Practice Audit (now named Ethical Business Audits) with Achilles at one of our main infrastructure sites in the UK. This included worker interviews covering labour related issues – working hours, wages, safety on site, recruitment practices etc. This did not flag any concerns related to modern slavery but did highlight the lack of consistency around right to work checks at a site level. We had already been working on this agenda within National Grid and we have now introduced a background checking requirement for our contractors and have embedded this into our procurement processes and contractor guidance. These requirements include, as a minimum, checking that contracted employees have the appropriate Identification documents and rights to work in the territories where we operate. Additional checks include address history, previous employment and basic criminal background checks. An assurance process has been implemented, where National Grid will conduct random checks on our suppliers to ensure that these requirements are being adhered to.

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### Collaborating to improve industry standards

We know we don't 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 including BT, Network Rail, SSE, United Utilities, PGE, Sellafield, Balfour Beatty, Murphy Group, Mace, Costain, Siemens, Transpower and Electricity North West to discuss key areas for action.

We have used the Ethical Trade Initiative (ETI) modern slavery statements evaluation framework to review the structure and content of our Statement and identify strengths and weaknesses to work on over the coming years.



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 recently delivered a podcast as part of the National Grid Investor Relations "Grid Guide To..." series of short, virtual sessions covering our ambitions and progress across a range of ESG themes. This focuses on how we're making our supply chain more sustainable outlining the importance of fostering a sustainable supply chain and the key actions National Grid are taking to meet some of our Responsible Business Charter commitments.



We are members of a number of 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 Modern Slavery Working Group –

We share knowledge and best practice approaches to addressing the risks of modern slavery. We are involved in a peer review process to improve the quality and content of Modern Slavery Statements.

#### Gangmasters Labour Abuse Authority – Construction Protocol

We continue to promote the Construction Protocol within our supply chains and use of the tools and materials developed.

#### Supply Chain Sustainability School (SCSS)

We are collaborating with industry partners and are promoting the use of the SCSS resources and tools including those focused on modern slavery. We have worked with the School in partnership with Slave Free Alliance and 'Utilities Against Slavery' to deliver modern slavery sessions to build awareness and knowledge of the topic as illustrated on the right.

We have been actively involved in the SCSS Labour working group that has resulted in the People Matter Charter 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.

#### Slave Free Alliance

We are a leading member of the 'Utilities Against Slavery' Working Group established to:

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

An [annual report](#) was published outlining the achievement of this Group.





## 5. Risk assessment

### Risk assessment and management

We have embedded our sustainability assessment tool to consider potential risks at the initial stages of sourcing activity and as part of ongoing risk assessment when projects are delivered.

We have developed a sustainability assessment tool using our modern slavery risk assessment criteria, 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.

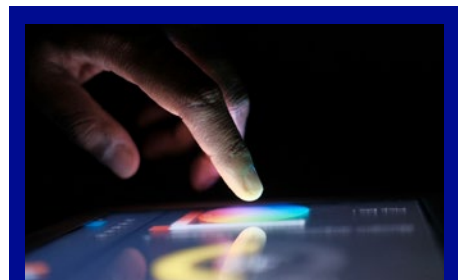
This approach is referenced in our strategic sourcing process training and has been integrated into sourcing events.

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 and any potential risks identified are reviewed and managed through the vendor management processes as part of regular quarterly review meetings. 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.



The Global Procurement function has implemented a new organisational design model with 3 strategic priorities: Value, Risk and Responsible Business. This recognises the pivotal role procurement plays in managing risk and ensuring responsible business is embedded into all supply chain considerations.



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 [suppliers webpage](#).

## 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 and Risk Committee 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 **78%** 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 all 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 including our approach to combating modern slavery.

During 2019 we assessed the training needs associated with managing supplier engagement around sustainable procurement and decent working practices. Our global procurement professionals will receive updated training including human rights and decent work in the supply chain, modern slavery awareness, embedding our sustainability assessment tool and understanding the process for raising concerns.

We have also raised awareness of our Supplier Code of Conduct within our contract management community and, as a key stakeholder, will be providing additional training to help them understand the processes that are in place and how to frame conversations with their suppliers around the human rights agenda, including modern slavery. This is already included in the RIIO-2 contracts as part of ongoing contract management.

We are encouraging our suppliers to utilise the free training and resources that are available through the SCSS. We are promoting the use of modern slavery learning pathways available in the School and re working with other partners of the School to agree how this could be delivered at an industry level.

We have provided specific targeted training over the last 12 months that has included lunch and learn sessions, targeted training for our London Power Tunnels project and our Asia Office. We have also promoted the training provided by the Supply Chain Sustainability school across our Procurement employees and continue to promote broader Modern Slavery awareness within our organisation.



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	2018 -2019	2019 -2020	2020 -2021	2021 -2022
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 including those relating to modern slavery enabling actions and controls to be put in place.	0	1	1	1*
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	0	1*
Number of non-supplier organisations we have engaged with.	We continue to engage with NGO's, peers and subject matter experts to review our approach and share best practice.	15	31	30	33
Number of our suppliers that have signed up to the initiatives that we are supporting and promoting.	Number of our Tier 1 supplies who have signed up to:				
	Construction protocol	–	12	14	19
	People Matter Charter	–	5	8	10

\*both instances related to the concerns around the industry wide heightened risk of forced labour in the solar panel manufacturing processes. Our response to this is detailed on page 10 of this Statement

# 8. Focus areas for 2022

**We are fully committed to continual improvement and tackling the risk of modern slavery and each year we review our approach and set our commitments for the next 12 months. Detailed below are our key commitments for 2022/23.**

- Fully integrate WPD to align with processes, policies and procedures that formulate our Modern Slavery Statement
- Embed and test the controls for NG Renewables
- Implement a structured process for including modern slavery checks into existing site visits and assessments.



### **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 [here](#).





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.

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## UK

National Grid Holding One Plc  
Lattice Group Ltd  
National Grid Holdings Ltd  
National Grid Gas Plc\*  
National Grid Metering Ltd\*  
National Grid Grain LNG Ltd  
National Grid Gas Holdings Ltd\*  
National Grid Electricity Transmission Plc  
National Grid Electricity System Operator Ltd  
National Grid Interconnectors Ltd  
Western Power Distribution PLC  
Western Power Distribution (East Midlands) Plc  
Western Power Distribution (West Midlands) Plc  
Western Power Distribution (South West) Plc  
Western Power Distribution (South Wales) Plc  
WPD Smart Metering Limited  
South Western Helicopters Limited  
WPD Property Investments Limited  
WPD Telecoms Limited

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## US

National Grid USA  
Boston Gas  
The Brooklyn Union Gas Company  
Keyspan Gas East Corporation  
Massachusetts Electric Company  
Nantucket Electric Company  
Transgas Inc  
Niagra Mohawk Power Corporation  
National Grid Generation LLC  
New England Power Company  
National Grid LNG LLC  
The Narragansett Electric Company\*  
National Grid Port Jefferson Energy Centre  
National Grid Glenwood Energy Centre  
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

\*Subject to sale during FY23

National Grid plc  
National Grid House  
Warwick Technology Park  
Gallows Hill  
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United Kingdom

**[nationalgrid.com](https://www.nationalgrid.com)**