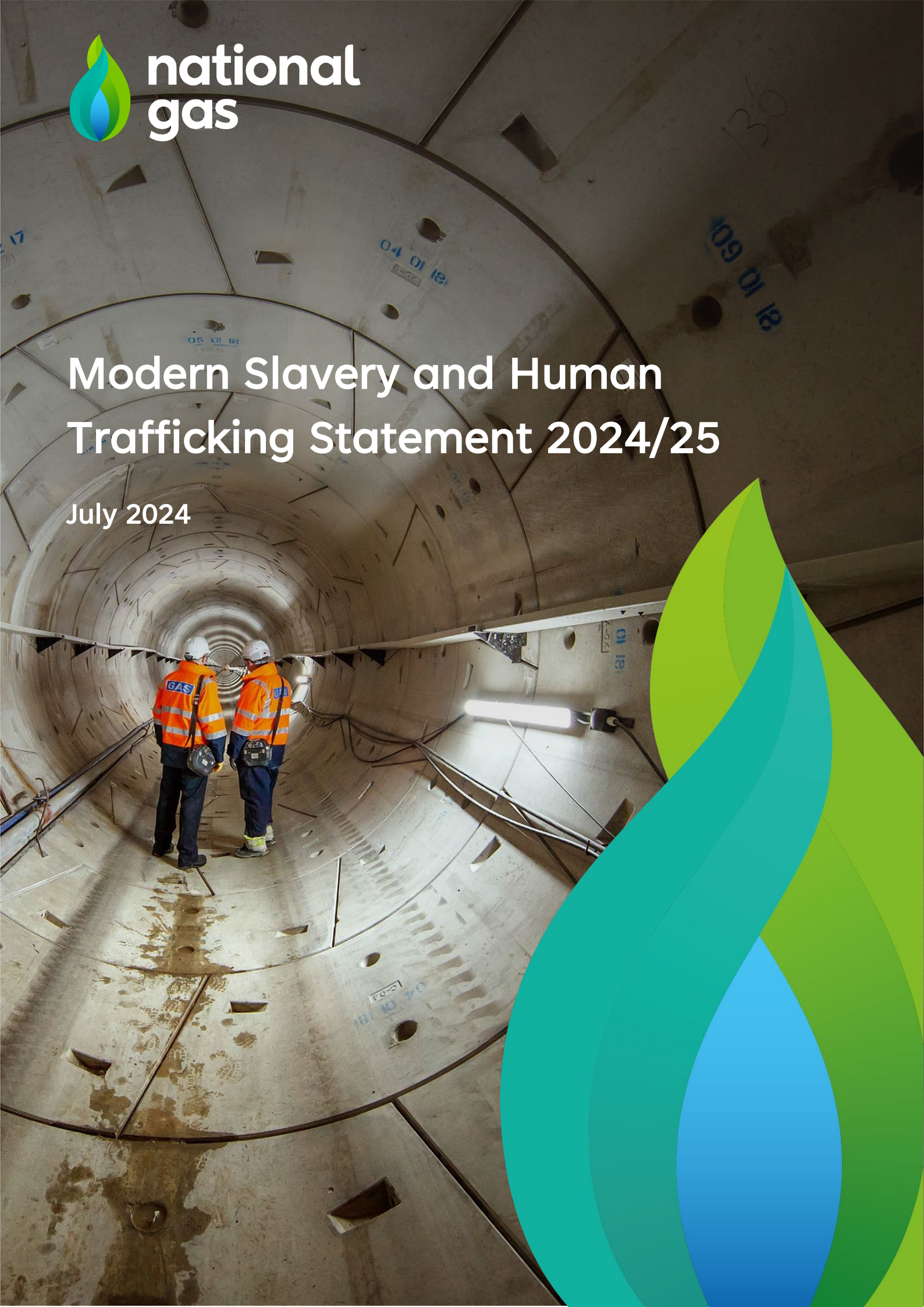




Modern Slavery and Human Trafficking Statement 2024/25

July 2024



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General Introduction

We are committed to demonstrating our progress over time. In this statement, we outline the progress made since our inaugural statement which laid out the foundational steps we would take to embed modern slavery risk assessment and due diligence across our business and supply chain in a tailored and proportionate way.

Our Business

National Gas Transmission plc

Our business operates as a regulated monopoly. We have one economic regulator for our business, the Office of Gas and Electricity Markets (Ofgem). The regulator puts in place an incentive regime that ensures our interests are aligned with those of customers and society.

As both the Transmission Owner (TO) and System Operator (SO), we own, build, and operate the high-pressure gas National Transmission System, with day-to-day responsibility for balancing supply and demand. We also facilitate the connection of assets to the transmission system.

We play a pivotal role in delivering energy to the 23 million homes and 500,000 businesses that rely on gas for heating and power across the country. Our network comprises approximately 7,630 kilometres of high-pressure pipe, 23 compressor stations connecting to 8 distribution networks along with other third-party independent systems.

National Gas Metering Limited

National Gas Metering is one of the largest meter equipment managers in Great Britain, enabling homes and industry to access the energy they need safely and reliably. Our activities broadly cover asset procurement and logistics management; meter installation, maintenance, exchange and removal; and customer service provision.

We manage approximately 6.0 million diverse and, in some cases, significantly complex gas metering installations delivering consistently high performance and outstanding levels of customer satisfaction.

Looking to the future we are supporting the development of new technologies and building our capability to deliver the hydrogen metering systems of tomorrow.

Our progress summarised In National Gas Transmission’s inaugural statement, we said we would:	This is what we have delivered since the last statement, against the commitments made:
Ensure that standalone processes, policies, and procedures are in place to build upon National Grid processes and allow us to build the foundation of our Modern Slavery Statement.	We have updated and reissued all policies to reflect our business and supply chain, including our Supplier Code of Conduct. We have become accredited as a Real Living Wage employer and have established memberships with the Supply Chain Sustainability School (SCSS) and Achilles Utilities Vendor Database.
Embed and test the controls for National Gas Transmission and National Gas Metering.	Our background checking controls have been embedded and audits are underway to ensure compliance with further improvements planned. New National Gas Transmission Purchase Order Terms were developed, including the required Human Rights legislation clauses.
Implement a structured process for including modern slavery checks into existing site visits, assessments, and contract management practices.	Working with Supply Chain Sustainability School, National Gas has identified the appropriate tools and training to be rolled out, including Site Visit Check Lists.

Our People

We recognise the value of our people and employ a diverse workforce consisting of c.1,900 direct (as of 31st March 2024) employees. Within both National Gas Transmission and National Gas Metering, we operate policies and procedures 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 inclusive environment.

c.1,900 employees	41 years (direct) is the average age of our employees
27.3% of our direct workforce are female	18.6% of our direct workforce are from ‘minority’ racial or ethnic heritage

Our recruitment processes are designed to ensure equal opportunities, compliance with local legislation and that all our people have the appropriate right to work in the UK. We use employment agency partners for attracting temporary workers who are contracted to uphold the same standards of employment that we offer our direct employees.

Where we procure resource from external sources, contract managers actively manage our employment agency partners, to ensure 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 Gas Transmission and

National Gas Metering 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 either National Gas Transmission, National Gas Metering or our employment agencies is very low.

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.

Diversity, Equity, and Inclusion

We recognise that a great place to work involves actively promoting Diversity, Equity and Inclusion (DEI) across the business, and we have been working hard to embed our strategy in National Gas Transmission and National Gas Metering.

DEI continues to be a priority, ensuring that we have an inclusive culture where our employees can thrive and that we can continue to attract and retain talent from across a diverse spectrum of backgrounds.

To demonstrate our commitment to inclusion and attract diverse talent, we have partnered with specialised organisations (including Women's Utilities Network), have family friendly policies and benefits including flexible working, and have recently received Disability Confident Committed accreditation.

We have rolled out our new leadership development programme for our talented ethnically diverse colleagues looking to move into senior leadership, and our Women's Development Programme to support women progressing into leadership roles.

Our Belonging Forum, a group of diversity, equity and inclusion champions, have been supporting the embedding of DEI into each area of the business by supporting colleague knowledge building and working with senior leaders with the local belonging action plans which set out bespoke actions to address challenges and opportunities for the directorate.

We are committed to supporting colleagues to improve their understanding of diversity, equity and inclusion. We have launched our new internal Belonging Hub, where colleagues are able to access diversity, equity and inclusion resources, inclusion moments for team meetings, and information on our strategy, and on our Belonging Forum. We have also held a number of internal events covering a range of topics from menopause, mental health, and allyship.

Our policies

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.

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 Gas Transmission and National Gas Metering. We have updated the Code of Ethics this year to include a Speak-Up Policy which sets out how we will ensure those who wish to raise concerns anonymously are protected.	It includes sections on discrimination, harassment, bullying and human rights and sets out National Gas Transmission and National Gas Metering'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, setting out the standards we expect our suppliers to work to and which they should extend into their own supply chain.	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. Suppliers are committed to its adherence through our onboarding and contracting processes.
Recruitment	Our recruitment policies ensure that employees have equal opportunities, the relevant rights to work and are employed in line with all local legislative requirements.	There are stringent background checks in place for the onboarding of direct hire employees to safeguard human rights, minimising the risk of directly recruiting someone who is being forced to work or is being trafficked.
Inclusion and Diversity	This policy sets out National Gas Transmission and National Gas Metering commitments to providing an inclusive, equal, and fair working environment for all.	Recognises and respects the importance of an inclusive and diverse workforce.
Disciplinary (internal)	This policy sets out what actions will be taken when employees breach our policies.	All employees know what is expected of them and the consequences of misconduct.
Anti-Financial Crimes Policy	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 Gas Transmission and National Gas Metering.	These requirements ensure that our contractors have the relevant rights to work and identification documents which include address history and previous employment checks. Our managed contracts are audited annually for compliance.

Supply Chain and Due Diligence

We work with around 1,200 suppliers across National Gas Transmission and National Gas Metering and spend over £662m with them. We spend approximately 52% of our annual budget with 20 organisations. Most of our Tier one suppliers are based out of the UK and Europe.

The standards we expect, relating to working conditions, pay and workers' rights for those working in our supply chain are mandated in our contracts through our Supplier Code of Conduct.

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 procurement activities using a vendor registration system operated by Achilles called the Utilities Vendor Database (UVDB). Improvements made to Achilles UVDB in the last two years go beyond basic compliance with questions included in the pre-qualification and supplier onboarding question set.

We include key questions and requirements within our procurement processes to ensure commitment to the Modern Slavery Act and ensure audit rights are within our contractual terms to evidence these commitments on a planned or ad-hoc basis.

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

Risk Management

We have embedded our sustainability assessment tool to consider potential risks at the initial stages of sourcing activity and to embed human rights considerations into our strategic sourcing process alongside other sustainability criteria. The tool maps to the UVDB's questions and requires a positive response against key questions. Most of the questions are mandatory at the pre-qualification stage of our sourcing process.

This approach is integrated into our strategic sourcing process. If a supplier is either unwilling or unable to provide the relevant evidence, we retain the ability to initiate a formal process to review the contract and the allocation of any future work for the period of the agreement.

Awareness and Training

We continually promote openness and transparency and provide avenues available to all employees and those working on our behalf to raise any ethical or compliance concerns. We have a Speak-Up Policy, published alongside our Code of Ethics, which sets out the process for raising such concerns. As part of our speak-up processes we have a confidential helpline available, operating 24/7, which our workforce can use to safely raise any concerns; details of this helpline

are available in our Code of Ethics and Speak-Up Policy (which is available on our website) and Supplier Code of Conduct.

We take all allegations of any type of unethical or illegal behaviour very seriously and we have a dedicated ethics and investigations team 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 and relevant leaders within our organisation are made aware of the investigation findings. Each year we track supporting metrics through our employee engagement survey.

Our induction programme provides training and awareness of our Code of Ethics to all new starters. In addition, we have ongoing mandatory training for all employees on topics related to our Code and understanding the process for raising concerns.

We encourage our procurement staff and suppliers to utilise the free training and resources that are available through the Supply Chain Sustainability School, including the use of the modern slavery learning pathways available.

Focus areas for Financial Year 2025/26

We fully support the need to demonstrate continual improvement and commitment to tackling the risk of modern slavery. Each year we will review our approach and set our commitments for the next 12 months.

With the current level of change across our organisation following our transition into a standalone business, we recognise the need to continue to keep our commitments realistic and achievable. We therefore commit to:

Our People

- Continuing to upskill our teams and wider stakeholders to raise awareness of risks and embed supply chain human rights considerations as part of our business-as-usual thinking and actions.

Supply Chain

- Developing and rolling out a Supplier Relationship Management framework to provide a key forum for human rights and sustainability focus within our critical suppliers, that will include evidencing adherence to the Modern Slavery Act.

Reporting

- Establishing a suite of Procurement performance metrics that include our supply chain sustainability and human rights obligations.

This statement has been published in accordance with the Modern Slavery Act 2015. It sets out the steps that National Gas Transmission and National Gas Metering have and will be taking with respect to preventing both modern slavery and human trafficking within our business and supply chains for the Financial Year 2024/25 period.

This statement applies to National Gas Transmission plc and National Gas Metering Limited and has been approved by the respective Boards.



Jon Butterworth
Chief Executive, National Gas Transmission plc
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