

Modern Slavery and Human Trafficking Statement 2025/26

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General Introduction

We are committed to demonstrating our progress over time. In this statement, we outline the ongoing work to embed modern slavery risk assessment and due diligence across our business and supply chain in a tailored and proportionate way.

Chapter 1: Our Business

National Gas Transmission (National Gas)

Our business operates as a regulated monopoly. We have one economic regulator, the Office of Gas and Electricity Markets (Ofgem), which oversees an incentive regime to ensure our interests are aligned with those of consumers.

As both the Transmission Owner (TO) and System Operator (SO), we own, build and operate the high-pressure gas National Transmission System (NTS) that transports gas around Great Britain. We have day-to-day responsibility for balancing supply and demand on the NTS. We are responsible for transporting gas to more than 30 power stations, major industries, storage facilities, interconnectors supplying the island of Ireland and connecting with continental Europe, and to the Gas Distribution Networks (GDNs) that take gas into more than half a million businesses and around 24 million homes.

Our **National Gas Services** business is the UK's leading specialist provider of planned and emergency gas pipeline inspection, repair, maintenance and replacement services. Our network of depots provides a rapid response to gas pipeline emergencies anywhere in the UK.

National Gas Metering

National Gas Metering is one of the largest meter equipment managers in Great Britain, enabling power stations, businesses and millions of homes to access the energy they need safely and reliably.

We manage approximately 5 million diverse and, in some cases, significantly complex gas metering installations, delivering consistently high performance and outstanding levels of customer satisfaction.

To support the transition to a net-zero future, we are applying our skills and expertise to develop the essential hydrogen metering and infrastructure of tomorrow.

For the purposes of this document, the term 'National Gas' refers to both National Gas Transmission and National Gas Metering.

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 Gas Transmission processes and allow us to build the foundation of our Modern Slavery Statement.	All policies have been reviewed and updated as part of our annual review cycle, including our Supplier Code of Conduct. Accredited as a Real Living Wage employer and member of the Supply Chain Sustainability School (SCSS) and Achilles Utilities Vendor Database.
Embed and test the controls for National Gas.	Background checking controls are embedded, and audits ongoing to monitor, evaluate and track compliance. Further improvements are planned with a new Risk Assurance Manager role in the Procurement team to lead this programme of work. 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 SCSS, National Gas Transmission has agreed a training programme with five workshops for procurement team members to attend, including a ‘Using Procurement & Supply Chain Management to Combat Modern Slavery’ module.

Chapter 2: Our People

We recognise the value of our people and employ a diverse workforce consisting of c.2,260 direct employees (as of 31 March 2025). Within National Gas, 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 they are provided with a respectful, safe and inclusive environment.

c.2,260 employees	39 years is the average age of our (direct) employees
27% of our direct workforce are female	20% 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 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 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.

Chapter 3: Diversity, Equity, and Inclusion

We pride ourselves on creating an organisation where diversity, equity and inclusion (DEI) are celebrated through meaningful actions, helping us to attract and retain the best talent in our industry, and providing a workplace where all colleagues feel they belong.

To demonstrate our commitment to inclusion and attracting 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.

This year, we ran our first Belonging Survey to understand how much colleagues felt that they belonged in National Gas, and to help measure the DEI work we have undertaken in the last two years of our Belonging Strategy. National Gas scored a Belonging Index of 82%, meaning that 82% of colleagues answered favourably to all questions asked. Colleagues said that:

- They understand their role in creating an inclusive culture;
- They believe that ideas are given fair consideration, regardless of a person's background or identity;
- They feel that people respect and value each other's opinions; and
- They feel that everyone has equal access to development opportunities at National Gas regardless of their background or identity.

Colleagues also provided us with thoughts on how to improve DEI at National Gas. These ideas are being built into the 2026-2031 strategy and implementation plan.

This year, we signed the Armed Forces Covenant and gained the Bronze Award from the Employee Recognition Scheme, to show our unwavering commitment to members of the Armed Forces Community in National Gas and more widely.

Our pilot Elevate Leadership Development Programme to support colleagues from ethnically diverse backgrounds moving into leadership was very successful, with over half of the participants gaining promotions or secondment opportunities during the programme. We began our second cohort in March 2025.

We piloted our Inclusive Leadership Training with the executive team earlier this year and rolled it out to our senior leadership teams across the organisation. The programme was designed to help leaders gain confidence in DEI, looking at their role in embedding inclusive practices, and understanding concepts such as cultural competence.

Our Belonging Forum, a group of diversity, equity and inclusion champions, has been helping to embed DEI into each area of the business by supporting colleague knowledge building and

working with senior leaders. We have 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. This year, we held 12 webinars on topics such as Time to Talk Day, neurodiversity, LGBTQ+ inclusion and allyship, deaf awareness, and gender equity.

We ran a series of webinars on menopause, providing an overview of perimenopause and the menopause. We also held a dedicated session for managers, and a safe space session where people could discuss symptoms and ways to manage them through food, movement and sleep hygiene.

We have held four in-person events, including a women's networking event and a celebration for South Asian Heritage Month where over 200 colleagues enjoyed a musical performance and learned more about the countries that make up South Asia, and enjoyed food prepared in our Hydrogen Kitchen – the world's first commercial kitchen prototype fuelled purely by hydrogen.

Chapter 4: 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.	It includes sections on discrimination, harassment, bullying and human rights and sets out National Gas commitments 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 chains.	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 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 deliberately break the requirements set out in the Code of Ethics.	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.	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.

Chapter 5: Supply Chain and Due Diligence

We work with around 1,600 suppliers across National Gas, including National Gas Services, and spend over £806 million 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 our suppliers using a vendor registration system operated by Achilles called the Utilities Vendor Database (UVDB). Achilles UVDB requests suppliers to submit their responses as part of the pre-qualification and supplier onboarding process.

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

Chapter 6: Risk Management

We have embedded our sustainability assessment tool to consider potential risks at the initial stages of sourcing activity; embedding human rights considerations into our strategic sourcing process alongside other sustainability criteria. The tool maps to the UVDB's question set 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 allocation of any future work for the period of the agreement.

Chapter 7: Awareness and Training

We continuously 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 use the free training and resources that are available through the Supply Chain Sustainability School, including the use of the modern slavery learning pathways.

Chapter 8: Focus areas for Financial Year 2026/27

We fully support the need to demonstrate continuous 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, which 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 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 2025/26 period.

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



Jon Butterworth
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