



nationalgrid

Social Contract

July 2024

▶ Electricity
Distribution

What you'll find in this Social Contract update



An overview of what our Social Contract is, how it's been developed and what's new for this year



Our strategy and evaluation process



Our approach to Environmental, Social and Governance (ESG) reporting, and links to the United Nations Sustainable Development Goals



How we're championing our customers and communities, including:

- Supporting local initiatives
- Education and outreach
- Our progress report and action plan



How we're enabling our people to flourish, including:

- Supporting colleagues to thrive at work
- Social mobility
- Our progress report and action plan



How we're protecting and enhancing our environment, including:

- Environmental improvements
- Enabling net zero communities
- Our progress report and action plan



Introduction

The energy sector is undergoing a period of exciting but significant change. The way we deliver this transformation in our region matters, and it's clear to me that it has never been more important to act as a responsible business, rising to meet the changing expectations of our customers. Our Social Contract demonstrates how we turn this into action, finding better ways to deliver a positive impact for our people, communities and environment.

In my first year as President of National Grid Electricity Distribution (NGED), I have seen the dedication our people have for their customers and communities - that's not something I take for granted. I recognise how unique it is to lead a business where doing the right thing for customers is actually 'in the DNA'.

I'm also heartened to see the progress that has been made in recent years. It's evident just how much our focus on supporting our communities has grown and developed since our first Social Contract in 2021. In challenging times – a cost-of-living crisis and rising energy bills, pushing many of our customers into difficult circumstances – we have continued to make a positive difference.

Since its launch, our Community Matters Fund has granted more than £10 million to support 800,000 individuals across our region, with £6 million awarded last year alone. We're helping communities to harness renewable energy by investing £2.7 million in solar panels for schools and community buildings, with the first two installations in Birmingham already generating savings in carbon and energy bills. We are strengthening local relationships; our people are getting out and spending time volunteering in their communities - more than 6,000 hours in total last year!

A diverse and inclusive workforce is central to the future of our energy system, and I'm proud of the advances we have made in the last 12 months. Through STEM outreach, engineering competitions and skills booster workshops, we have upskilled 680 people. This includes internship programmes aimed at unlocking diverse talent.

In the pages of this document, you'll see a summary of some of the fantastic work delivered across NGED this year, and our ambitions for 2025. There's still more to do, and I'm excited by the challenge and opportunity of the year ahead.

Cordi O'Hara

President,
National Grid Electricity Distribution



This year on a page

Our customers and communities



Upskilled **680 young people** and reached more than **94,000 with electrical safety education.**



Volunteered more than 6,000 hours to support local good causes.



Awarded £6 million of grants, benefitting more than 300,000 people, through our Community Matters Fund.



Our people



Hired 11 new Power Network Craft Assistant trainees - a scheme designed to remove educational barriers to a career in the energy industry.



Launched a new mental wellbeing app for colleagues.



Hired 11 interns in partnership with the 10,000 Interns Foundation and Change 100.



Our environment



Delivered the **first school solar installations**, part of a commitment to **invest £2.7m** by 2028.



Created 59 acres of native broadleaf woodland, planting 32,105 saplings in the Heart of England Forest.



Embedded our commitment to donate decommissioned company tech to reduce electronic waste and tackle digital exclusion.



Who we are and what we do

Every day National Grid Electricity Distribution brings energy to life for eight million customers in the South West, the Midlands and South Wales.

Our network in numbers:






 **1.4 million**
towers and poles

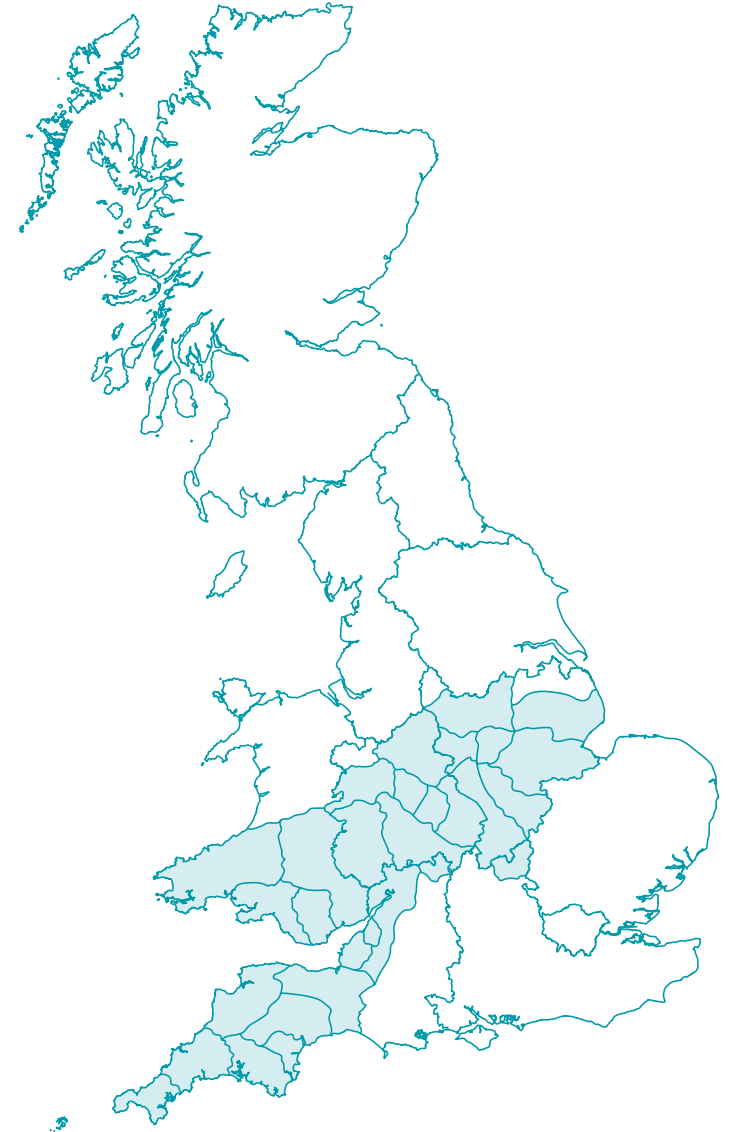
 **225,000km**
of underground cables

 **188,000**
substations

 **90,000km**
of overhead lines

Our main responsibilities to our customers

-  **Keep the power flowing**
by operating and protecting our assets
-  **Maintain equipment**
to ensure our network remains reliable
-  **Fix the network**
if equipment becomes faulty or damaged
-  **Connect customers**
by using existing capacity, upgrading or building new networks
-  **Operate a smart system**
by managing two-way power flows and flexibility services



What is a Social Contract, and why is it important?

At National Grid, we are committed to doing the right thing, delivering social and environmental value for our colleagues, customers and wider society. It's enshrined in our purpose - Bring Energy to Life - and aligned to our values.

Our Social Contract sets out how we do business in a way that actively benefits our region and the people we serve, both now and well into the future. It's a promise to listen actively to our communities and colleagues and act with integrity, contributing positive solutions to local challenges.

In this document, you'll also find an update on our progress this year and an action plan for the year ahead, centred around three interconnected themes:

- **our customers and communities**
- **our people**
- **our environment.**

In practice, we're identifying opportunities for collaboration, ways to generate additional benefits from our activities and entirely new initiatives.

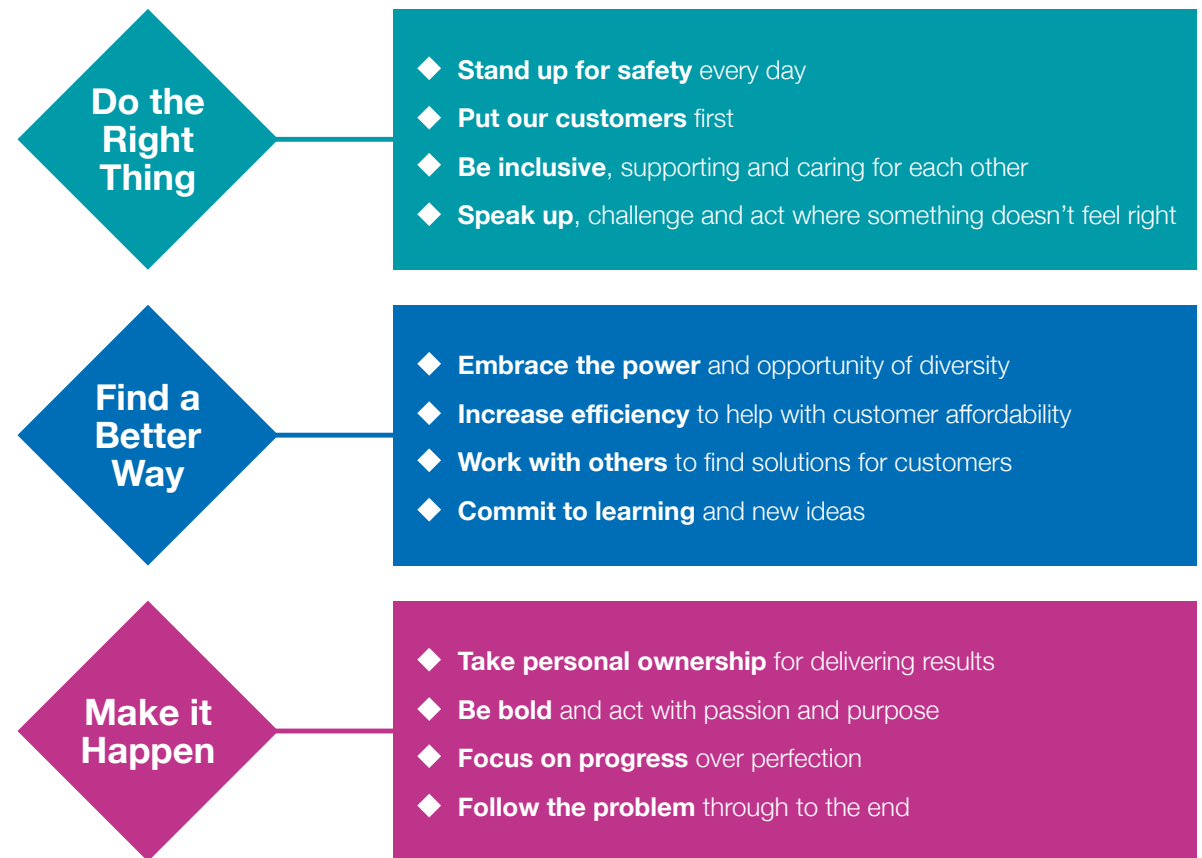
While the Social Contract provides a framework for us to make a local impact, our alignment with the United Nations Sustainable Development Goals reflects the crucial role our communities play in global society.

In the face of macro-challenges: global instability; post-Brexit life in the UK; enduring impacts of the Covid-19 pandemic; social inequality; inflation; extreme weather and social unrest, the need for large companies to make a positive contribution in society has intensified.

Ongoing engagement, review and improvement ensures customers and stakeholders continue to play a critical role in shaping that positive contribution, and ultimately holding us to account.

In this annual update, we summarise our approach to delivering our Social Contract commitment and how this has been shaped by customer feedback.

Our values in action



The development of the Social Contract

Our Social Contract continues to be co-created with stakeholders - just as it has been since it was first published in 2021.

Since then, there have been significant changes in our internal and external operating environment, but our absolute focus remains the same - to bring power to the local communities we serve and lead a clean, fair and affordable energy transition.

To keep pace with the evolving needs of our customers, we have engaged with a range of stakeholders, seeking their insights to inform our approach and collaborating on initiatives that serve their local communities.

Consumer Insights Forum

We established our Consumer Insights Forum; a qualitative research community of bill-paying, future and business customers who provide candid feedback on our approach, to ensure the customer voice remains central to the development and implementation of our Social Contract.

The forum comprises 90 members from a range of socio-economic backgrounds, ages and locations to ensure different views are represented.

This year, we asked the forum to help us understand how their priorities have changed since our last Social Contract update, to seek feedback on our current strategy and identify any areas for improvement.

Through online exercises, 'homework' tasks and focus groups, the forum was first asked to offer spontaneous views on what National Grid's Social Contract should include, before reviewing the key areas in detail to provide informed feedback.

These customer insights have been key to shaping this update of the Social Contract, and examples of how we are turning their feedback into action can be found throughout this document.

Customer Panel

Our Customer Panel, an enduring group of 30 expert members, representing all stakeholder segments, continues to provide challenge and steer on key issues.

Topic-specific surgeries enable the group to 'deep dive' into business challenges and inform decision-making at critical points. This year, the group held surgeries to review and inform proposals for fuel poverty winter funding and new digital channels to support customers in vulnerable situations, for example.

Social Contract working group

Senior managers play a key role in overseeing and championing the Social Contract's development and delivery throughout the organisation. Quarterly working group meetings provide an opportunity to identify new, collaborative approaches and synergies.



What has changed since our last update?

Reviewing and updating the Social Contract annually ensures that it remains fit for purpose, addressing the evolving needs of our communities and collaborating with stakeholders to identify new ways to deliver positive social impact.

To ensure the development of our approach remains transparent, we have summarised key changes made since the 2023 update below.

Customers wanted to see greater emphasis on activities that go ‘over and above’ our business-as-usual activities. As a result, we are no longer including narrative around our ‘core purpose’ activities in the Social Contract – these are areas where customers rightly expect excellent performance as a minimum – such as health and safety, diversity, equity and inclusion, and supporting our customers in vulnerable situations. We will continue to call out any initiatives within these areas that are considered innovative or ‘over and above’, and will signpost other reporting on these areas.

In line with our mission to continually review and improve the Social Contract, we have streamlined the action plan in each key area. The definition of ‘over and above’ continues to shift over time, as new schemes, once considered innovative, are embedded and become part of our day-to-day operations. We will therefore continue to review and refresh these actions to ensure they remain stretching and meet customers’ expectations of a socially-conscious business. See appendix for further information.

Customer engagement highlighted four overlapping criteria customers felt should be used to evaluate the delivery of Social Contract initiatives. These have been embedded in our evaluation approach (see page 10), and each initiative has been reviewed against the criteria to provide a transparent, customer-oriented view of our delivery this year. This evaluation criteria supersedes the delivery principles against which we previously assessed each initiative.

We have continued to align the Social Contract with National Grid’s Responsible Business Charter (RBC). Examples of how the Social Contract is delivering against the RBC commitments are signposted throughout this document.



Our approach and strategy

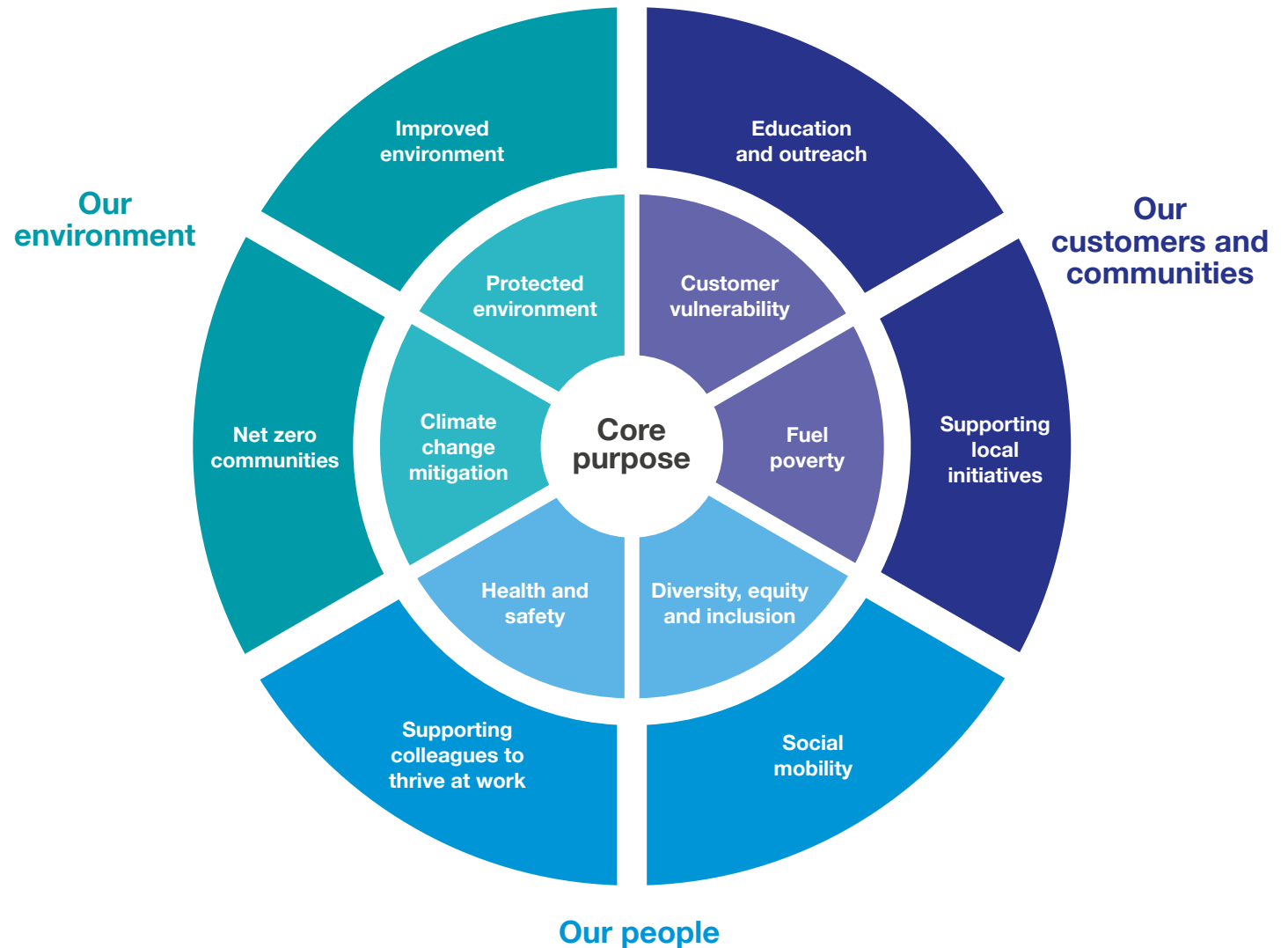
The Social Contract gives strategic direction to our promise to do the right thing for customers, helping us deliver greater social and environmental benefits.

Our stakeholders want us to be ambitious, which is why we've made commitments that go above and beyond our traditional activities, while still fulfilling our core purpose.

Our Social Contract Strategy therefore builds on key 'core purpose' areas - where stakeholders expect us to demonstrate excellent performance as a minimum - to benefit our communities, colleagues and the environment.

This framework, along with the **evaluation criteria (see page 10)**, is helping our teams to identify better ways of working and collaborative approaches to create a positive impact in everything we do.

Social Contract Strategy



Evaluation and reporting

Transparency is key to the Social Contract. Stakeholders have asked us to remain honest and open about our performance, even when things don't go to plan.

To remain accountable, we provide regular reporting on our progress via:

- evaluation with targets/metrics for each key action, developed with, and measured by, senior managers and stakeholders
- recognised external accreditations in line with the aims of the Social Contract
- annual assessment of our Environmental, Social and Governance (ESG) activities by an external organisation, with the aim of maintaining or improving our prime rating
- expert scrutiny by our Customer Panel
- social value research to capture the full impact delivered and identify opportunities for greater efficiency and benefits for customers
- updates on our website and social media channels
- annual reporting and an updated action plan, highlighting progress, new actions and improvements each year
- commitments monitored on the performance dashboard of our Executive Leadership Team.



Evaluation criteria



Through engagement with the Consumer Insights Forum, we identified four key criteria needed to determine the Social Contract's effectiveness - delivering tangible outcomes for communities. They therefore wanted to see:

1. Activities that go over and above 'business as usual'
2. The Social Contract used to create long term change and address industry-specific issues
3. Action-oriented, meaningful initiatives that make a lasting difference
4. Projects that support people and places across our region.

Using these criteria, we have assessed each initiative to identify where we are meeting our customers' expectations and where further work may be needed.

Environmental, Social and Governance (ESG) assessment.

To give customers and stakeholders assurance that we are delivering on our promises, we undertake an annual Environmental, Social and Governance (ESG) assessment.

We've been awarded prime status for our outstanding performance in this area every year since our first rating in 2020. The rating is determined by the Institutional Shareholder Services Inc. (ISS) using the three pillars below.

The award recognises our achievement of ambitious performance targets relating to sustainability and social impact, and places us significantly above the majority of ISS-rated Gas and Electricity Network Operators.



Environment

Climate change strategy, eco-efficiency, energy management, environmental impact of product portfolio, environmental management, water risk and impact.



Social

Equal opportunities, freedom of association, health and safety, human rights, product responsibility, social impact of product portfolio, supply chain management, taxes.



Governance

Business ethics, compliance, independence of the board, remuneration, shareholder democracy, shareholder structure.

The composition of our Board is now 50% female.

We fully comply with five of the six principles of the Financial Reporting Council Wates Corporate Governance Principles for Large Private Companies covering: purpose and leadership; board composition; director responsibilities; opportunity and risk; and stakeholder relationships and engagement.

The company leverages the resources and structures of its ultimate parent company, National Grid plc, for the principle covering remuneration for its President, executive and non-executive directors. Further details are published within National Grid plc's Annual Report and Accounts.

The pay of the majority of NGED's workforce is negotiated and agreed with the recognised trade unions, and benchmarked against industry standards.

A governance sub-committee facilitates the most effective Board leadership and ensures the highest standards of governance and transparency are upheld.



Commitment at a senior level

With delivery of our Social Contract now well underway, commitment to these principles begins at the highest level of the company.


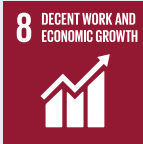








Our President leads by example and is an industry champion for diversity, equity and inclusion.

As a sponsor for DEI in the Energy Networks Association, she spoke at the Tackling Inclusion and Diversity in Energy (TIDE) annual conference, has represented the company at POWERful Women events and hosted NGED's first Women in Operations Conference for 200 female field employees.



Sustainable Development Goals

Our Social Contract actions and core focus areas are aligned to a number of United Nations Sustainable Development Goals. The Sustainable Development Goals provide a global framework for delivering positive change, helping to shape our focus on key issues and situate NGED's activities in the wider context we operate in.

SDG	Definition	Key actions	SDG	Definition	Key actions
	End poverty in all its forms everywhere.	<ul style="list-style-type: none"> Community Matters Fund. Sponsorship and charitable giving. Employee volunteering. Energy affordability and customer vulnerability support services. 		Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all.	<ul style="list-style-type: none"> Apprentice programme. Internships in partnership with Change 100 and 10,000 Interns Foundation. Power Network Craft Assistant scheme.
	Ensure healthy lives and promote wellbeing for all at all ages.	<ul style="list-style-type: none"> Mental health first aid training. Employee Assistance Programme. Community investment in health, wellbeing and diversity, equity and inclusion (DEI). 		Build resilient infrastructure, promote inclusive and sustainable industrialisation and foster innovation.	<ul style="list-style-type: none"> Greenhouse gas emission reduction targets and action plans. Community energy support. Stakeholder and policy engagement.
	Ensure inclusive and equitable quality education and promote lifelong learning opportunities for all.	<ul style="list-style-type: none"> Science, Technology, Engineering and Maths (STEM) outreach. Safety education & Power Discovery Zone. Internal traineeships and employee development. 		Make cities and human settlements inclusive, safe, resilient and sustainable.	<ul style="list-style-type: none"> Solar panels on schools. Collaboration with local communities on net zero ambitions, education and awareness. Minimise pollution, protect local habitats and increase biodiversity.
	Achieve gender equality and empower all women and girls.	<ul style="list-style-type: none"> Gender pay gap report and associated action plan. Flexible working policy. Employee Resource Groups. 		Ensure sustainable consumption and production patterns.	<ul style="list-style-type: none"> Reduce waste across the supply chain. Colleague engagement, training and awareness. Certification to ISO 14001: environmental management systems.
	Ensure access to affordable, reliable, sustainable and modern energy for all.	<ul style="list-style-type: none"> Community energy support. Solar panels on schools. Low carbon transition support for customers. 		Take urgent action to combat climate change and its impacts.	<ul style="list-style-type: none"> Climate change adaptation plan. Environmental Action Plan. Community energy support.

Social value

Our Social Contract aims to maximise the value of the work we do, delivering benefits to society and the environment over and above every pound we invest.

To measure this, we aim to take the broadest meaning of 'value', to consider the wide spectrum of impact our activities deliver. We have collaborated with the industry to develop a social value framework, which combines social return on investment (SROI) methodology and bespoke research to enable organisations to measure the value they deliver to society. Used alongside outcomes data, customer research and stakeholder feedback, it provides a comprehensive view of the value our activities have delivered.

How social value influences our decision making

As well as measuring the actual impact delivered, we use social value measurement to inform decision making, by evaluating initiatives before we undertake them.

For example, when deciding whether to scale up a pilot initiative, social value is a key factor in our assessment. However, we don't take these values in isolation. Instead, customer, stakeholder and employee feedback are also key factors in the final decision.

Our social value model is continually evolving; as the data we capture increases in quality, depth and breadth, our modelling becomes more robust and therefore better reflects the true value of delivery. In some cases, the benefits we are currently able to model and measure do not outweigh the costs, and therefore generate a negative SROI, but still create a gross benefit for society.

This demonstrates that, although there is clear value in delivering the activity, more data or further enhancements may be required to ensure the maximum benefit is realised. In these cases, SROI modelling helps us to refine our approach. For example, our Power Network Craft Assistant (PNCA) scheme, launched in 2022, generated a negative SROI of -£0.03 over 10 years when first modelled. Now in its third year, the scheme is producing more data around the long-term benefits generated, including where trainees have secured permanent roles.

This means that when modelling the PNCA scheme in 2024, although the 1-year SROI is -£0.56 (due to initial training development costs), over 10 years the programme delivers a positive social return of £0.62 over and above every £1 invested. This, alongside clear customer and stakeholder support for improving diversity and social mobility, illustrates the benefits of the scheme.

Measuring social value over time

Where activities deliver immediate, one-off benefits within the time period of delivery, the social value is only measured for the year in which the initiative took place. However, some activities deliver ongoing benefits which take a number of years to be wholly realised.

For example, planting a tree today will reduce carbon emissions for years to come, and therefore calculating an SROI ratio that only includes the emissions captured for one year doesn't accurately represent the benefits that will be delivered. In these cases, it's important to take a long-term view, measuring the SROI over an extended time period of 5-10 years to capture the impact of our activities fully. This enables us to compare initiatives on an even basis considering all the benefits they will deliver.

In the table below, we present a combination of activities with both long- and short-term benefits.

Social return on investment

Initiative	1 year	5 year	10 year	25 year	Where to read more
iPad donations	£3.23	£3.23			Page 34
Solar on schools	£0.11	£0.50	£0.91	£1.80	Page 35
Community Matters Fund: green spaces	£2.13	£2.14	£2.15		Page 17
Community Matters Fund: active communities	£2.89	£2.89			Page 17
Community Matters Fund: fuel poverty	£1.37	£1.38			Page 17
Employee volunteering	£0.34	£0.34			Page 18
Power Network Craft Assistant traineeship	-£0.56	£0.15	£0.62		Page 24
10,000 Black interns programme	-£0.10	-£0.10			Page 26
Change 100 programme	-£0.31	-£0.31			Page 28

Our customers and communities

We take our commitment to support the diverse communities we serve very seriously - our colleagues are part of these communities. We are determined to deliver wider benefits, with support for grassroots organisations, employee volunteering and STEM (Science, Technology, Engineering and Maths) outreach.

Our ambitions



Play a meaningful role in improving social mobility and building STEM skills and interest among young people in our region.



Support communities by focusing on local, grassroots organisations and good causes.

Stakeholder insights:

“I really like the idea of giving those an opportunity who have found education difficult, this would provide opportunities for many people and build up a stronger workforce.”

“Promoting STEM is vital as it is the next generation that will be looking after the energy network.”

Aligned Sustainable Development Goals



Supporting local initiatives

Wherever we have a presence, engaging with communities and local initiatives demonstrates our commitment to be a responsible business. Our engagement also gives communities a voice on what matters to them and helps us to tailor our investment efforts towards those who will benefit from our actions the most.

Community Investment

Stakeholders want to see us provide community investment that is data-driven and focused on local community issues, where our expertise and partnerships can help achieve the greatest impact.

Our key support areas have been developed collaboratively with stakeholders and aligned to the strategic aims of the wider **National Grid Responsible Business Charter**, contributing to the delivery of our vision: to be at the heart of a clean, fair and affordable energy future:

- **Energy Affordability & Customer Vulnerability** - Initiatives that support customers in vulnerable situations (e.g. eligible for the Priority Services Register) and/or help low-income households to benefit from energy efficiency and fuel poverty measures, including support in the low carbon transition.
- **Skills & Employability** - Initiatives that support development of work skills, especially in STEM (Science, Technology, Engineering, Maths), or those that increase employability, with a focus on low income and under-represented communities.
- **Environmental Sustainability** - Initiatives that have a positive impact on the environment and/or support our actions towards net zero.
- **Health, Wellbeing & Diversity, Equity and Inclusion** - Initiatives that have a positive impact on physical and mental health and wellbeing or support under-represented groups including racial and ethnic minorities, socio-economically disadvantaged people, women and people with disabilities.



Supporting local initiatives



Community Matters Fund

We established our Community Matters Fund to deliver far-reaching support in our communities. This annual fund is paid for by shareholders and distributes £1 million a year to local grassroots organisations.

Since its inception, the fund has awarded £10m to more than 1,700 organisations, supporting an estimated 800,000 beneficiaries.

Funding is awarded in phases and administered in partnership with Localgiving, ensuring a range of societal challenges are addressed.

Previous themes have focused on fuel poverty, mental health and social isolation, holiday hunger, green spaces and biodiversity and active communities.



Case study

In winter 2023/24, recognising the ongoing cost-of-living challenges facing our communities, National Grid made £5m available through the Community Matters Fund (in addition to our annual £1m fund) to help alleviate fuel poverty. The fund provided grants to 715 grassroots organisations helping people to save energy, keep their homes warm and access warm hubs, benefiting an estimated 272,000 people.

One of the organisations funded was the Derby Refugee Forum/Derby Refugee Advice Centre (DRAC), which received a grant to provide warm packs to asylum seekers and refugees in the Derby area.

Janet Fuller, Project Manager at DRAC shared the impact this grant has made:

“During the Covid-19 pandemic it was difficult to offer face-to-face support but at the same time an increasing number of asylum seekers were coming to Derby and Derbyshire who were vulnerable and isolated. Additionally, those with refugee status were often not able to work or eligible for the furlough scheme.

“This often left a legacy of problems with housing issues, bills, lack of understanding of contracts, limited English with no access to classes for adults and the stress of trying to home school children. Consequently, the trauma already suffered in their country of origin was compounded by lack of opportunities to integrate, socialise, learn, or access help.

“This affected people emotionally, psychologically, and physically. We are still working to help people tackle these issues, compounded since then by the cost-of-living crisis, hike in fuel bills and the expectation that everyone can access and use the internet.

“There has been a substantial increase in homelessness for those just granted refugee status. Their situation has been exacerbated by severe weather extremes.



“Obtaining accommodation for new refugees is always difficult. They don't have deposits, rent in advance, references or guarantors. With very limited finances, the accommodation they end up living in often has minimal insulation, is damp and poorly maintained, with no furniture.

“Their fuel bills are consequently very high, especially families with children or those with poor mobility or disability.

“Additionally, the after effects of torture, war or persecution can affect people's ability to cope. While we can get help with some of the bigger items needed (beds, cookers, washing machines), items that we can include in our warm pack are things that can very much help when moving into new accommodation but are often the things that come way down on the list of priorities. The warm packs from the National Grid Community Matters Fund are a godsend in these situations.

“The support received from National Grid and Localgiving is extremely important because it means we can act quickly, to provide some essential items to people who are already on the edge of society, on low incomes and with limited support networks.”

Supporting local initiatives



Sponsorship and charitable giving

In addition to the Community Matters Fund, we sponsor a number of initiatives, events and shows aligned with our key support areas. Examples of sponsorship activities include first aid and electrical safety sessions with St John Ambulance Cymru, the Bath & West agricultural show, and Welsh Language cultural events.



£75,079 in sponsorships and donations awarded in 2023/24.



Matched funding

Our organisation is made up of more than 6,500 colleagues – many of whom accomplish amazing things to raise money for charities they are passionate about.

We are pleased to be able to support colleagues in their efforts with matched funding, offering £400 per employee each financial year against funds raised for UK registered charities.



£26,753 in matched funding donated in 2023/4.



Volunteering

We have committed to deliver around 14,000 employee volunteering hours (or 1,900 days) every year until 2030.

This is part of National Grid's group target to reach 500,000 hours by 2030.

To help achieve this, we encourage our employees to share their skills, time, and expertise through volunteering in the community and participating in local community and charitable projects.

This, in turn, delivers social, educational, economic and environmental benefits across our operational areas.

Volunteering brings National Grid's values to life, providing opportunities to be active in the communities we serve, build a greater understanding of the vulnerable situations customers face and create strong relationships locally.



6,155 volunteering hours delivered in 2023/24.



Education and outreach

Promoting careers in STEM and 'green jobs' to young people within our region is crucial to ensure the energy industry can meet the challenges of decarbonisation.

Our colleagues, who are already at the heart of this transition, play a vital role by sharing their passion for STEM careers with the next generation.

We encourage colleagues from a wide range of roles and geographic areas to become STEM ambassadors, helping us to share the vast knowledge and experience that exists across the company.

Building relationships with schools and communities, they play an important part in delivering our purpose, to **Bring Energy to Life**.



Education

Electricity can kill - which is why it is critical that we ensure the safety of members of the public who may come into contact with our network. We provide safety information focussed on potential hazards and how to avoid them, so that our customers stay safe around our electrical assets.

Our comprehensive education programme uses a range of activities to teach children about the importance of electrical safety and includes:

- Individual school visits.
- Crucial Crew and Junior Life Skills events - held in conjunction with emergency services and linked to the national curriculum.
- Resources, games and videos for students and teachers on our Power Discovery Zone website.
- Our 'education resource pack' - an interactive lesson, designed by teachers, that has been made available to all primary schools in our region.
- Educational engagement at major agricultural shows and STEM festivals during the summer.
- Electrical safety resources at permanent safety centres across our region.



Education and outreach

Our STEM programme supports a range of exciting projects, assisted by our STEM ambassadors and designed to engage and inspire young people in the possibilities of science, technology, engineering and maths. Examples of projects delivered this year are shown opposite:



Greenpower Challenge

This year, we supported four teams, comprising 75 students, to participate in the Greenpower Challenge, in which students build and race their own electric car.

For the past two years, STEM ambassadors at our Exeter depot have been working with Ivybridge College students to encourage more girls into engineering. This partnership sees an all-girls team taking part in the Greenpower challenge, supported by NGED.

Both years, the team has been successful in qualifying for the national finals, which take place at Goodwood motor circuit.

Exeter's partnership is now translating into real opportunities to attract this talent into our business, with five students undertaking work experience with NGED this summer.



Engineering Education Scheme Wales (EESW) Sixth Form Project

The EESW Sixth Form project encourages young people to consider engineering as a career by asking them to solve a real-life engineering challenge, set by sponsor organisations.

This year's brief, designed by an NGED STEM ambassador in Swansea, asked students to research, design and build a prototype surplus energy storage system. The project is an opportunity for our colleagues to work closely with the engineers of tomorrow, to develop their skills and share their experience of working for National Grid and their routes into the industry.

A project awards day sees over 50 teams from across South Wales, all with a passion for STEM, come together and share their ideas. It was also an opportunity for our recruitment team to engage with students and discuss career paths into National Grid.



F1 in Schools

F1 in Schools provides an opportunity for students aged 7-11 to develop their own Formula 1 race team; creating a team identity, and designing and building a miniature F1 car to race competitively.


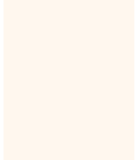



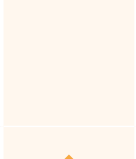


















They also produce data based on their testing and deliver presentations about their experience throughout the year.

This year, we sponsored a school in South Wales, Ysgol Cynwyd Sant. With NGED support, the team was able to collect data using wind tunnel technology and learn all about the range of STEM skills required in order to be a successful team.

To encourage more female participation in STEM activities, the six-person team had a 50/50 gender split. The team successfully qualified for the national finals, where they finished top three in the UK in multiple award categories.

Progress report and action plan

Our customers and communities

Key actions/outputs	Progress 2023/24	Next steps 2024/25	Over and above	Long term	Action orientated	Local and Scalable
1 Shareholder-funded Community Matters Fund for local organisations.	Our Community Matters Fund awarded £6m across three phases (green spaces, active communities and fuel poverty), funding more than 900 groups with an estimated 360,000 beneficiaries. £5m of this was targeted at fuel poverty support, funded by National Grid plc.	We will invest a further £1 million across three phases, including STEM education, employability for those furthest from the job market and fuel poverty.				
2 Volunteering days for employees to dedicate to charities and good causes that are important to them.	6,155 volunteering hours (832 days) were completed by colleagues this year.	Our new employee volunteering programme launched in April 2024, and through this we will aim to deliver >14,000 volunteering hours (1,900 days).				
3 Recruit STEM ambassadors to deliver outreach with schools and community groups across our region.	30 STEM ambassadors supported our outreach activities this year, across a suite of different events, challenges and competitions.	We will continue to build our network of STEM ambassadors, using our employee volunteering programme to generate new interest and opportunities.				
4 Deliver outreach at schools, colleges and universities, targeting areas of poor social mobility and increasing the STEM pipeline.	We upskilled 680 young people this year through a variety of STEM activities, engineering competitions, skills booster workshops and challenge days.	We will continue to identify and trial new skills-based initiatives, targeting under-represented groups.				
5 Reach 80,000 children each year with our electrical safety messages.	We engaged more than 94,000 children on the topic of electrical safety through a broad range of programmes and events.	We will continue to educate and engage young people on electrical safety through our permanent safety centres, school visits, Crucial Crew and summer shows.				
6 Engage with external organisations to expand our school education and outreach.	We worked with a number of external organisations to increase our engagement with school children this year, including 'The Bumbles of Honeywood' enterprise education programme.	We continue to identify new partnership opportunities. In 2024, we are a main sponsor of the Cheltenham Science Festival, hosting an interactive stand to engage and inspire young people.				

Our people

We are committed to being a stand out employer, attracting new talent to the electricity sector and driving the transition to net zero. While continuing to prioritise safety, health and wellbeing, we are focused on improving diversity, equity and inclusion, upskilling and empowering our people to thrive in their careers.

Our ambitions



Support colleagues to ensure they remain safe and healthy in the workplace and beyond.



Reflect the diversity of our communities and ensure an inclusive culture, where all colleagues have equal opportunities to succeed.



Prepare our organisation for the future by investing in the development of our colleagues.

Stakeholder insights:

“National Grid needs to represent the people that it serves.”

“Diversity should be a top priority... that’s a moral obligation.”

“I think you fail to be an employer of choice unless you provide this support.”

Aligned Sustainable Development Goals



Social mobility

National Grid has an important role to play in improving social mobility, by providing people from all backgrounds with opportunities for rewarding careers.

'Earn and learn' positions, like apprenticeships and on-the-job traineeships, are often more accessible than higher education and offer an alternative to university. These are an important tool to increase social mobility, by boosting skillsets and offering paid routes to higher education and training.

Grid for Good

Grid for Good is a National Grid Group-wide programme, which works with a number of charity partners to support skills development and employability opportunities for socio-economically disadvantaged and under-represented young people.

It runs regular masterclass and career coaching sessions in schools and colleges in social mobility 'cold spots' across the UK.

Masterclass sessions allow students to meet National Grid employees in roles they aspire to. Career coaching sessions offer specific tips, advice and mentoring to help young people with our admissions process.

NGED is supporting the Grid for Good programme to improve social mobility in our regions, with NGED colleagues volunteering to share their career journeys and experience with young people at masterclass and career coaching sessions.



Case study

In March 2024, the first group of Grid for Good students were given a first-hand insight into the role of electricity distribution and spent time in the Control Centre where engineers work 24/7 to control and monitor the vast electricity network using the latest computer technologies.

They were also given a tour of the site and visited the Contact Centre where staff respond to calls and queries from our eight million customers around the clock. During the day, the students were set a team challenge to design and build a working pylon carrying electric cables from a substation to a customer's home.

Team members took on specific roles and responsibilities to help overcome problems and deliver the brief.



Social mobility

Power Network Craft Assistant scheme

To remove additional barriers to a career in the energy industry, we developed a radical new traineeship, which launched in 2022.

The Power Network Craft Assistant (PNCA) scheme waives formal educational requirements to encourage applications from those who have the attitude, work ethic and relevant skills but lack the academic qualifications to join via other routes.

In 2023, NGED joined forces with Grid for Good as a recruitment partner, to offer 11 Grid for Good candidates a long-term career at NGED through the PNCA programme.



Case study

Willow Morrison Dawson joined the Grid for Good programme with charity partner Catch 22, and is now at the beginning of National Grid Electricity Distribution's PNCA traineeship, working on the company's 225,000km network of underground cables.

"I found out about Grid for Good at a time when I was actively looking for work and struggling to find something. Once I had joined the Grid for Good programme, Catch 22 really helped me with getting this role.

"National Grid wasn't really on my radar as an employer, but through Grid for Good I learned more about the organisation and they helped me through the process of applying. I never thought about working in engineering but I've always been good with my hands – I have zero background or qualifications in this area, so I would have never been able to do this without the support of Grid for Good.

"All my life I've known I didn't want to work in an office job or do something repetitive. I love fixing things and being outside – I'm still a child at heart! The PNCA programme seemed like it might be too technical for me, but doing a few days of work experience at National Grid completely changed my mind. Being on site with the team gave me a real insight into the role and made me think this was something I could do as a career, and really enjoy.

"Pretty much everyone you talk to at National Grid has worked there 10, 20, even 30 years, and everyone says it's a career for life. I feel like the company invests in you and wants you to have your own personal growth as well.

"I expected the culture to be very 'laddy' but it's actually one of the nicest teams I've been in – everyone is friendly and asks how you are, which is important because the training is intense. I'm away from home throughout the week so work really does take over your life. I knew the programme would be hands on, but there has also been lots of safeguarding, health and safety, wellbeing, environmental and even financial training.

"After finishing the programme, I want to stay on as a joiner's mate and take the first opportunity I can to train as a joiner. I hope that I'll work for National Grid for a very long time.

"I'd really like to emphasise how important programmes like this are for social mobility. I've been in difficult circumstances in the past; this has helped me to improve the journey I was on and change where I'm going to end up in life. Without Grid for Good I would still be in that situation – they have really helped me get from a very low point to a place where I can see an upward trajectory. I feel like I'm at the beginning of a good journey."

Supporting colleagues to thrive at work

Employee Resource Groups (ERGs)

National Grid has nine UK and Global ERGs, helping build awareness and understanding of inclusion and diversity.

Each ERG is run by a committee of employees who volunteer from across the company, and offer colleagues the chance to attend events, panels and celebrations, develop personal goals, connect with others, develop community partnerships and identify gaps and improvements in National Grid policies.

- **WiNG:** Women in National Grid
- **WiNTR:** Women in Technical Roles
- **Pride:** Supporting the LGBTQ+ community
- **ONE:** Supporting ethnic diverse communities and faith
- **Inspire:** The social equity resource group
- **VERG:** Veterans in National Grid also supporting reservists and their families
- **Enabling:** Supporting those with health conditions or disabilities
- **NewNet:** Supporting colleagues new to the business
- **Positive Allies:** A joint initiatives across Enabling and Pride ERGs to showcase inclusion for all living with HIV.

Internships and summer placements

Paid internships and summer placements offer a valuable opportunity for people early in their careers to experience life at National Grid and put their degrees into practice in an industry environment.

To ensure these experiences are as accessible as possible, we actively support a number of schemes that target under-represented groups and aim to drive equity of opportunity.

National Grid is also actively involved in the 'Power Academy', a body of employers and universities which supports the recruitment of graduates with engineering degrees.

By offering financial and professional support to scholars, the Power Academy supports the personal and career development of a diverse pool of engineering students while addressing the engineering skills shortage in the UK.

Mentoring

Mentoring can help colleagues better understand how they can progress their career, learn new skills and close gaps on their development journey.

Both mentors and mentees can benefit from this development experience, increasing confidence, growing professional networks and learning from the perspectives of different colleagues around the business.

Mentors are allocated to all colleagues on a formal training scheme within the business, and we have rolled out mentoring training to over 900 delegates to date, to empower them with the tools and guidance to be effective mentors.



Supporting colleagues to thrive at work

10,000 Interns Foundation

The 10,000 Interns Foundation champions underrepresented talent and promotes equity of opportunity.

It runs two programmes to meet this mission: the 10,000 Black Interns programme, and the 10,000 Able Interns programme, both offering students and graduates paid internship opportunities across a range of UK industries.

In just three years they have created almost 5,000 internships and provided training opportunities to 25,000 applicants.

The 10,000 Black Interns programme, which NGED has supported since 2022, partners with firms from 24 different sectors, across a wide range of internal business functions, to offer paid internships for black students and graduates.

Following a successful intake of two students in 2022, we have expanded the scheme this year to employ ten interns, with a further 11 interns joining us in 2024.

Two interns from our 2023 cohort, Seun Adedapo and Mosunoluwa Ajisafe have now secured permanent roles working in NGED.



Case study

Seun is originally from Nigeria and recently completed his MSc in Data Science at Cardiff Metropolitan University:

“I decided to take part in the 10,000 Black Interns programme because I was looking out for internships in the UK and a friend told me about the scheme. I love the fact that the organisation was able to guide us through everything. I also applied to some other internships with other companies, but the difference I saw with this programme is that they were ready to mentor us right from the beginning, that’s something I really appreciate.

“I chose NGED and NGED chose me. I have come from a health background and I saw an opportunity here to do something totally different from what I have been doing previously. I’m not the kind of person who wants to sit in my comfort zone. I read about NGED’s vision and goals, I felt interested particularly in the net zero targets.

“My role entails the use of data; data analysis and looking at data to find out about things which are not ordinarily seen – the secrets within the data. In technical terms, I clean, transform, analyse and make predictions based on that data.

We’ve worked on data transformation and I have been able to open two projects: the Helicopter Data Project and the Asset Management Project. In these, I’m exploring data and coming up with predictive models to guide future measures. It’s really interesting.

“This internship has helped me to redefine myself as an individual. With what I’ve experienced here, I’ve been able to gather knowledge about utilities and energy companies and although I know I can’t gather all the knowledge I would like within a short period of time, I’ve been reading widely and learned that I want to continue within this sector.



“I want to continue in the data space as a Data Scientist or Data Engineer. I have been able to see where my skills fit in these roles and going into the future I hope to be able to secure my niche in the data world. I want to help whatever company I get to work with, hopefully National Grid!

“The Data and Digitalisation team is the best. I’ve really been able to see what the company is about from my team because everyone is willing to help. I’ve learned to ask questions and as a result, have learned so much. The team is committed to seeing you grow and sharing their knowledge.

“Every member of the team comes from different backgrounds and has different knowledge to share – I want to share my appreciation for my team, my mentor and everyone in National Grid.”

Supporting colleagues to thrive at work



Case study

Mosunoluwa Ajisafe graduated from Ulster University in London in 2022 with a Master's degree in International Business and Data Analytics:

"I originally wanted to register for the 10,000 Black Interns programme in 2020, but unfortunately I missed the application date, so this year I was very keen not to let that happen again and to put my best foot forward. When applications opened in September last year, I applied immediately.

"The 10,000 Black Interns programme which is aimed at bridging the diversity gap has now given me this awesome opportunity. I put my application in to National Grid and here I am!

"With 10,000 Black Interns, you choose your area of specialisation. For me, this was data analysis. The scheme then gives you a list of companies to apply to. I was given about three companies to apply to but I did my research and decided to only apply to National Grid. I knew this was a risky decision, but I feel that National Grid is getting it right – they have a great track record and I wanted to be part of a purposeful organisation.

"National Grid is doing important stuff. They are a major driver towards net zero sustainability in the UK and I wanted to be part of it all. My risky decision paid off because I'm here! I'm still here, and I'm happy I made that decision.

"I'm doing a lot of data analysis here within the Connections Strategy Team and combining those skills with my customer-facing experience means I'm able to help the team make more intelligent business decisions. I'm enjoying myself and learning a lot.

"This internship is going to help my future career because it's a door-opener. National Grid is a very reputable organisation and I definitely believe having this company on your CV is a big deal. I feel like, being here, I am doing something right to pave the way for my own long term opportunities inside and outside of National Grid.

"At the start, I was scared that I wouldn't be able to adapt to being here because I can be very quiet and naturally keep to myself, but the people here are very lovely. My team members are happy to help wherever they could, so adapting was easier than I thought it would be.

"I guess it's the culture, the people are lovely, the people are welcoming, and the people are good, genuinely. It's a culture that should be preserved."



Supporting colleagues to thrive at work

Change 100

Change 100 is a programme run under the Leonard Cheshire Foundation which provides “paid summer work placements, professional development and mentoring. It aims to remove barriers experienced by disabled people in the workplace, to allow them to achieve their potential.”

The scheme partners with employers, such as National Grid Electricity Distribution, which is committed to demonstrating that disability isn't a barrier to a successful career.



Case study

In 2023, NGED employed Emma Taylor to work within the Corporate Communications Team. Emma had recently graduated from Bath Spa University with a degree in Education: Primary and Early Years and Creative Writing:

“I was diagnosed with Chronic Regional Pain Syndrome at the age of 15 and Chronic Fatigue Syndrome at the age of 21. Despite the challenge of chronic illness, I've always been motivated to pursue a full career and felt determined not to let my health conditions stand in my way.

“In the past I have instinctively hidden my health conditions from employers and colleagues in order not to allow preconceived notions of disability to put me at a professional disadvantage. However, refusing to acknowledge that I would benefit from some support, led to experiencing the workplace as extremely difficult to manage and left me feeling discouraged; even fearing that I would never be able to maintain any kind of career.

“The Change 100 programme seemed to present an opportunity for me to take a different approach, allowing me to head into the workplace in the knowledge that I could speak openly about any challenges I'm facing without the need to retroactively disclose my medical information.

“NGED as an organisation was so welcoming and willing to show me the ropes that I instantly felt at home here. Within my role, I have assisted with both internal and external communications, promoted DEI engagement, helped set up and advertise events, become a point of contact for Employee Resource Group (ERG) leaders throughout the company, worked to help launch a company-wide pilot volunteering scheme and written for social media channels.



“Whilst I have been supported to manage my role in the forms of flexible hybrid working, specialised office equipment and an open dialogue with my seniors, I have never once felt like an inconvenience for the organisation. I have never felt as though I have been here to fill a quota or that I am any less valuable than any permanent employee.

“I have developed valuable skills and transferable knowledge, but I have also developed confidence in my own capabilities. Hopes for my own professional future have been hugely positively impacted by my time at NGED and for this, I am incredibly grateful.”

Supporting colleagues to thrive at work

We are driven to enable our teams to do their best, by feeling their best.

We have several schemes that actively promote the mental and physical wellbeing of our colleagues and offer support when they need it, for example:

- ‘Switched on to Health’ intranet, providing a wide range of resources for the health and wellbeing of our colleagues and managers
- access to our in-house occupational health team and Employee Assistance Programmes. Our Employee Assistance Programme is a 24/7, confidential service providing free access to support and counselling across a range of issues, including family, legal, financial or work-related difficulties
- monthly health communications which raise awareness and provide advice around different physical and mental health topics, based upon colleagues’ feedback and health monitoring programmes
- flexible working policies, providing support to eligible colleagues who wish to incorporate homeworking or flexible working
- for team members who are nearing retirement, we offer in-house retirement courses, pension support and 35 days pre-retirement leave to help individuals adapt to being out of the workplace
- depots and offices all now provide free sanitary products as part of the Period Dignity at Work Scheme, which provides free sanitary protection to support women at work.

Mental health




















Mental health conditions can affect anyone, in any situation. We have partnered with Thrive Mental Wellbeing to help colleagues maintain good mental health and access help, including Thrive Mental Wellbeing’s in-app therapy service for one-to-one sessions with qualified therapists.

Our partnership with Thrive is part of a wider, proactive mental health provision including a mental health first aider programme and Employee Assistance Programme aligned to colleagues’ feedback and health monitoring.














Progress report and action plan

Our people

	Key actions/outputs	Progress 2023/24	Next steps 2024/25	Over and above	Long term	Action orientated	Local and Scalable
7	Deliver DEI awareness training during the induction process.	Every new starter undertakes a group induction covering ethics and our diversity and inclusion policies.	Our DEI team have developed content for new starters explaining the ERGs, DEI contacts and 'Inclusion for Beginners' to be used during the induction process.				
8	Deliver leadership training and engage with external organisations to deliver workshops to colleagues and improve our approach.	All leaders have been offered a range of new training sessions across the year, including a number of DEI focused courses: <ul style="list-style-type: none"> • Leading Inclusive Conversations around Race and Racial Equity • How to have Difficult Conversations around DEI at Work • Advancing Gender Equity to the Next Level • Understanding DEI at National Grid for People Managers • Igniting Inclusion for People Managers • Speaking inclusively and authentically for LGBTQ+ equity. 	All people leaders are invited to attend leadership coaching sessions to drive continual improvement. Working with MindGym, we offer colleagues online and in-person coaching, including sessions at our extended leadership conferences, to engage all leaders in DEI best practice. Throughout the year, we also run 'Leadership Labs' - bitesize virtual sessions which are designed to help leaders focus on their own leadership skills, aligned to our Manager Essentials.				
9	Recruit interns through the 10,000 Black Interns programme.	10 interns joined NGED through the 10,000 Black Interns programme.	11 interns have accepted an offer to join NGED in 2024.				
10	Work with Change 100 to offer students & graduates with disabilities a paid summer placement.	One intern joined NGED through the Change 100 programme.	We continue to partner with Change 100, however we were unable to secure a placement for 2024/25.				
11	Continue to recruit trainees through our Power Network Craft Assistant scheme, with no formal educational requirements, reducing barriers to careers in the energy industry.	11 trainees were hired to the scheme in 2023 (see case study).	Working with Grid for Good as a recruitment partner, we plan to take on 10 trainees in September 2024.				
12	Explain the gender pay gap reporting outputs, implementing an associated action plan.	Our Gender Pay Gap reporting outputs and key actions are published as part of our DEI Strategy, and statistics are included in National Grid's Responsible Business Report .	We will continue to report our Gender Pay Gap annually, and implement associated improvement actions.				

Our people

	Key actions/outputs	Progress 2023/24	Next steps 2024/25	Over and above	Long term	Action orientated	Local and Scalable
13	Annually update our DEI action plan.	We have produced a two-year DEI strategy for NGED, centred around three pillars; Speak Boldly, Enhance Diversity & Equity and Model Inclusion.	The strategy contains a number of key actions and KPIs to be delivered across 2023-2025. We will continue to identify areas for improvement over the coming year.				
14	Annually measure and report progress in colleague diversity across under-represented sectors.	Diversity figures published as part of our DEI Strategy and included in National Grid's Responsible Business Report .	We will continue to improve the data we have on colleague diversity.				
15	Continue to promote and expand internal traineeships for colleagues.	We have a number of trainee programmes that support the development of our colleagues including Internal Craft Apprenticeships (Jointing, Fitting and OHL), Planning and Design & Electrical Engineering. This year, we had 15 internal Craft Apprentices and 55 designate Adult Trainees.	We continue to take on internal trainees on a rolling basis and to identify further opportunities to upskill our workforce through internal programmes.				
16	Provide mental health training to managers and colleagues.	We have mental health first aiders at every office and depot, with 290 certified across the business. Each mental health first aider must attend a two-day training course, delivered by MHFA England. Mental health resources, webinars and videos are available on our SharePoint site and through the Thrive mental wellbeing app, and mental health frequently features as a topic in our all-colleague 'safety moments'.	We will continue to provide mental health training and flexible resources that colleagues can access at any time through online learning and our mental wellbeing app.				
17	Encourage colleagues to get involved with Employee Resource Groups.	A new Sharepoint page and dedicated DEI team regularly promote opportunities for colleagues to get involved in the ERGs, from attending sessions to playing a leadership role in the group committees. 675 NGED employees are part of ERGs.	We will continue to promote and support ERGs across the business and find further opportunities to support ERGs within NGED business activities.				
18	Undertake an annual Grid:voice survey to understand employee sentiment and identify areas for improvement.	70% engagement in the 2024 Grid:voice survey.	We will continue to use the outcomes and feedback of the Grid:voice survey to identify and implement improvements aligned to colleagues needs and expectations.				
19	Demonstrate exceptional and embedded employment practices by the end of RIIO-ED2.	We delivered a range of training and development opportunities (detailed within this report) and continued to test employee opinions and expectations via mechanisms such as Grid:voice.	We will continue to use employee engagement in order to ensure that we deliver exceptional employment practices.				

Our environment

We are committed to leading in the net zero transition, setting an example for others to follow. While rapidly reducing emissions in our own operations, demonstrating excellent environmental performance and improving biodiversity at our sites, we are helping our communities to achieve their own net zero ambitions.

Our ambitions



Improve our impact on the environment, and support our supply chains to do the same.



Demonstrate leadership in the transition to net zero.



Ensure the benefits of decarbonisation are shared by all, by supporting local community energy groups.



Promote environmental understanding in communities through education and outreach.

Stakeholder insights:

“I think it’s great that [NGED is] both helping the environment and under-privileged communities to access green energy. Everyone wins in this scenario. It can often be hard to be eco-friendly if you’re not making enough money to choose the greener option.”

“With the world changing so much with climate change, adapting new ways of thinking is the way forwards.”

Aligned Sustainable Development Goals



Improved environment

Biodiversity net gain

Working with a number of local organisations we seek to find opportunities to achieve a net gain in biodiversity by improving and restoring habitats that exist around our operational sites. Key sites in Cheltenham and Cambridge, Stroud are being monitored and surveyed, with adaptations made to the grounds maintenance regime to suit the best possible biodiversity outcome.

We aim to roll out successful changes to site maintenance across our region to provide even greater benefits.

We have performed desktop feasibility studies at 40 proposed Biodiversity Net Gain sites at primary substation locations. We have recently recruited an Environment Advisor with specific responsibility and expertise in biodiversity and work has now begun to carry out baseline surveys of the sites and produce site management plans.

Woodland restoration and tree planting

NGED and Heart of England Forest charity (HoEF) have joined forces with the aim of boosting woodland biodiversity through a long-term partnership.

The partnership is supporting: woodland habitat creation via tree planting which will lead to multiple improvements to associated biodiversity; enhancements to community amenity value such as habitat creation, enhancement and maintenance, provision of footpaths and accessibility measures; and volunteering opportunities for NGED employees and community groups to engage more people with nature and its protection.

We sponsor a number of conservation charities, including Groundwork Wales and The Conservation Volunteers to support tree planting efforts and woodland restoration across our region. Through our new volunteering programme, we encourage colleagues to sign up to tree planting activities.



Case study

Among the first teams to participate in our employee volunteering programme was a group of field and office staff from Bristol who did woodland conservation work with The Conservation Volunteers. Bristol Operations Director Steve Blackwell, said:

“I really enjoyed being out in the open, surrounded by fantastic scenery and working with colleagues that I don’t work closely with day to day. Planting a new hedgerow gave everyone a feeling of doing the right thing for the environment but volunteering our time made us feel like we were giving something back to the local community which many other people could enjoy. I would highly recommend getting involved with the volunteering scheme.”

Improved environment

Supply chain

As members of the wider National Grid Supply Chain Sustainability Working Group, NGED is actively working towards three sustainable procurement goals:

- Improve understanding and reporting of Scope 3 carbon emissions
- Reduction of material for landfill
- Reduction/removal of single use plastics.

Our procurement team is now implementing sustainability measures throughout the tender process and across a range of contracts to ensure that we procure as many sustainable products and services as possible whilst meeting our sustainable procurement goals.

As a member of the Energy Networks Association we are collaborating with other UK Distribution Network Operators, as well as our common supply chain, to develop an industry-wide carbon calculator tool. This will help us understand and measure the embodied carbon associated with our network activities and with the products and services we procure. The tool builds on the NGED innovation project ALPACA (Approach for Long-term Planning Accounting for Carbon Assessment) which developed a process to estimate the emissions associated with products by using information about their raw materials, manufacture, energy use, transport and 'in use' emissions.

The collaborative nature of the new tool means that it also involves suppliers and manufacturers. This will ensure a more consistent and efficient approach when calculating our embodied carbon emissions - both across our supply chain and the life cycle of the products we procure.



Reducing electronic waste and tackling digital exclusion

The UK is the second largest emitter of electronic waste per capita in the world with an estimated 1.5 million tonnes of tech discarded every year.

At the same time, digital exclusion remains a key barrier for communities in the UK: 1 in 20 households have no home internet access¹ and eight million households struggle to afford communications services².

Working with social change charity, Good Things Foundation, we launched a pilot in 2022/23 to donate NGED's decommissioned iPads to people facing digital exclusion.

Every recipient of an NGED iPad also benefits from free mobile data, donated through the National Databank, and digital skills training.

Through the pilot, 465 devices were donated via 42 charity partners, helping people with overcoming social exclusion, finding work and accessing services.

A further 3,000 iPads are on track to be donated this year.

¹ Ofcom, Adults' Media Use and Attitudes, 2022

² Ofcom Communications Affordability Tracker, 2023



Net zero communities

Solar on schools and community buildings

We're committed to bringing customers and communities along with us on the journey to net zero, through renewable energy and education.

We are doing this by directly investing £2.7m by 2028 in solar panels for schools and community buildings in our operating region, along with education and outreach to engage students in areas of high economic deprivation with STEM subjects and build National Grid's talent pipeline.



Case study

The first two solar installations and educational outreach sessions were recently completed at Ark Kings Academy and Ark Victoria Academy in Birmingham, with the schools projected to collectively save £1.2 million over the lifetime of the solar panels.

The solar panels are also expected to save more than 1,153 tonnes of CO₂; equivalent to taking 260 fossil-fuelled cars off the road for a year.

The savings made by the schools will be reinvested back into education or vital school infrastructure.

As part of the project with the two Ark Schools - part of the wider Ark School network - around 2,000 students benefitted from hands-on educational workshops, assemblies and a library of STEM-related resources, covering energy, efficiency, sustainability and economics.

"Our education programme links the solar on the roof with the curriculum in the classroom," explained Solar for Schools UK Director, Ann Flaherty.

Bryan Knope, Head of Estates for Ark Schools said: "We're delighted to have received this National Grid funding and to be working with Solar for Schools to install photo voltaic panels at our schools in Birmingham, London and Hastings. Reducing Co₂ emissions is a top priority for Ark.

"We've set ourselves a tough target to cut consumption by 20% this year, and solar is one of the tools Ark is using to improve sustainability. The live energy-savings dashboard is also helping us to form a more detailed picture of consumption.

"Together with smart metering, we're now able to report in more meaningful ways and use this data to shift behaviour."

Community Energy

We have a long track record of support for community and local energy groups, delivering a sector-leading programme of engagement for over nine years.

At its core, this programme centres around our commitment to listen to the needs of trusted local and grassroots organisations, who we recognise are uniquely-placed to engage people in the decarbonisation of our energy system and support those in vulnerable circumstances.













Our dedicated Community Energy Engineer leads this programme, providing a centralized point of contact and expertise for groups and working in partnership with Regen, an independent centre of energy expertise with a mission to accelerate the transition to a zero-carbon energy system.

Progress report and action plan

Our environment

	Key actions/outputs	Progress 2023/24	Next steps 2024/25	Over and above	Long term	Action orientated	Local and Scalable
20	Become a net zero organisation by 2043 in line with our validated 1.5°C science based target (SBT).	We are on track to meet our net zero target, with electrification of company vehicles playing a key part in reducing our transport emissions.	200 new Electric Vehicle (EV) charging bays are being installed at select Primary Substations, meaning that National Grid will own one of the largest private charging networks in the UK. We are also delivering biodiversity net gain with the EV charge-point roll-out, with new vegetation planted at each substation where a charger is installed.				
21	Select and implement a natural capital assessment tool to measure and improve biodiversity and amenity value by at least 10%.	Biodiversity Net Gain (BNG) desktop surveys are complete for 40 primary sites across our network.	On-site assessment at each of the 40 sites using the DEFRA BNG tool and establishing bespoke biodiversity management plans for each site where appropriate.				
22	Donate decommissioned company devices.	We completed a successful pilot, donating 465 iPads to 42 charities in February 2023. We have now embedded the process to ensure all decommissioned company iPads are repurposed this way.	We aim to donate approximately 3,000 iPads this year – reducing electronic waste by extending the lifespan of these devices through refurbishment and donation.				
23	Support our supply chain to improve environmental performance.	Our procurement team is now implementing sustainability measures throughout the tender process and across a range of contracts to ensure that we procure as many sustainable products and services as possible whilst meeting our sustainable procurement goals.	We will monitor progress via key performance indicators and management information of contracts specifying key sustainability measures. We will further roll out of key sustainability requirements across more contracts as they come up for tender				
24	Collaborate with landowners, local authorities and specialists.	We have worked with a number of external organisations, including The Conservation Volunteers, Groundwork Wales and the Heart of England Forest to restore woodland and plant trees across our region. We created 59 acres of new native broadleaf woodland, planting 32,105 saplings, at the Heart of England Forest this year.	We continue to collaborate with conservation specialists, providing both funding and support 'in kind' through our employee volunteering programme.				
25	Build decarbonised communities and local energy schemes by providing £540,000 shareholder funded support per year to install solar PV on schools in areas of high economic deprivation.	We committed £257,000 towards 12 school projects this year, with two installed so far. The underspend from 2023/24 has been re-profiled across the remaining four years of RIIO-ED2 to deliver the commitment.	We have partnered with Solar for Schools to provide the solar PV grants, with a complementary educational programme and 25-year maintenance to ensure funding is provided responsibly. We will seek to increase the number of school grants given this year, in line with our target.				

Our environment

Key actions/outputs	Progress 2023/24	Next steps 2024/25	Over and above	Long term	Action orientated	Local and Scalable
<p>26 Hold community energy surgeries for local groups, providing a dedicated community energy engineer to support the development of new schemes and connections.</p>	<p>We delivered six forums over the course of the last year, two online and four in person - attendees rated all in-person forums 8.4/10 or above.</p> <p>As part of our programme of support for local and community energy groups, we are supporting Regen to provide briefings on key developments that groups may want to have a say in. This year, NGED sponsored key briefing documents for local energy stakeholders:</p> <ul style="list-style-type: none"> • Briefing note: Developing local partnerships for onshore wind in England • Briefing note: Community benefits for transmission infrastructure. 	<p>A further six community energy forums are scheduled for 2024/25, with four in person to maximise engagement, networking and best practice sharing between groups.</p>				
<p>27 Work collaboratively with community and local energy stakeholders to develop tailored connection and flexibility offers.</p>	<p>Our Community Energy Engineer has provided a 1-2-1 community energy surgery with all groups who requested one, undertaking 35 surgeries with community representatives and attending seven external community energy events.</p>	<p>We continue to offer community energy surgeries to any group wishing to have a 1-2-1 conversation about their scheme.</p>				
<p>28 Facilitate access to funding streams by providing support to community energy groups when making submissions to our calls for ideas.</p>	<p>Our new innovation project, REACH (Rural Energy and Community Heat) is working with rural community energy groups to develop a modular rural energy centre that will help communities make cost effective decarbonisation plans. The solution will offer shared low carbon heating, rapid EV charging, and renewable generation in areas not served by commercial markets, and where there is limited electricity network capacity.</p>	<p>REACH is scheduled to continue into 2024/25, with further phases anticipated.</p>				

Appendix

In response to customer engagement, and aligned to our mission to continually review and improve the Social Contract, we have streamlined the action plan in each key area. As a result, a number of actions, listed below, will no longer be reported in the Social Contract. Some of these are actions are being discontinued or amalgamated with other areas of delivery, while others remain embedded within the business, but no longer meet the definition of ‘over and above’ in the evaluation criteria set out by our stakeholders.

Key actions/outputs	Reason for not including in the Social Contract
Support the New Model Institute for Technology and Engineering (NMITE) through industry insights to enrich the curriculum, mentorship and careers fairs.	This year we were unable to support the NMITE curriculum, however we will continue to seek ways to support NMITE's mission.
Facilitate skills-building and lifelong learning at a local level through a partnership with the Skills Hub.	Development of the Skills Hub is underway and we will seek opportunities to support the hub's activities.
Continue to promote and update our Respect Charter.	Our Respect Charter has now been superseded by our Code of Ethics, which sets out the rules and behavioural expectations for all colleagues across the organisation.
Attend national events on best practice to recruit, support and retain diverse talent.	We take a leading role in supporting increased diversity in engineering and the energy industry. For example, our President is a sponsor for DEI in the Energy Networks Association and has represented the business this year at events such as the POWERful Women conference. We recently hosted our first Women in Operations conference for over 200 female field colleagues.
Continue to support the ‘Big Energy Saving Week’ campaign.	We no longer support the ‘Big Energy Saving Week’ specifically, however we actively promote energy efficiency through external campaigns and partnerships.
Continue to run ‘The Big Switch Off’ internal campaign.	Sensors, low energy lighting, energy and water saving devices and renewable energy generation at our offices and depots ensure we operate in an energy-efficient way. We no longer run ‘The Big Switch Off’ campaign as these systems have been largely automated.
Continue to carry out and promote office recycling, reduction and reuse schemes.	We continue to promote office recycling schemes and reduce single use plastics across our sites. This approach is now well-embedded and core to our business as usual activities. It has therefore been removed from the Social Contract reporting.
Segregate and recycle site waste, dispose of wooden poles at a waste-to-energy plant.	We continue to dispose of the poles via a waste to energy plant in the north of England, avoiding expensive and prohibitive landfill costs whilst ensuring that we comply with the waste hierarchy. This approach is now well-embedded and core to our business as usual activities. It has therefore been removed from the Social Contract reporting.

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