

What you'll find in this **Social Contract update**



Our strategy and evaluation process



An overview of what our Social Contract is and how it's been developed



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

This year's Social Contract update marks another important step in our ongoing journey to deliver meaningful, measurable impact for the communities we serve.

As the energy landscape continues to evolve, so too does our commitment to doing business in a way that is fair, inclusive, and sustainable.

Over the past year, we've deepened our engagement with stakeholders, expanded our support for grassroots initiatives, and sharpened our focus on the issues that matter most — energy affordability, skills and employability, and community resilience.

From reaching over 85,000 young people with electrical safety education to volunteering more than 10,000 hours and supporting hundreds of local organisations through our Community Matters Fund, our actions reflect the values we stand for.

We've also made strides in improving access to careers in energy, removing barriers through inclusive traineeships and internships, and investing in the wellbeing and development of our people.

Our environmental leadership continues to grow, with solar installations in schools, biodiversity gains across our estate, and a pioneering role in tackling digital exclusion.

This progress is only possible because of the insight, challenge and collaboration of our customers, colleagues and partners.

Their voices shape our priorities and hold us to account.

As we look ahead, we remain focused on delivering a clean, fair and affordable energy future—one that empowers every community we serve.

Cordi O'Hara OBE

President, National Grid Electricity Distribution



This year on a page

Our customers and communities





Awarded £1 million of grants, benefitting more than 40,000 people, through our Community Matters Fund.



Our people



Hired 9 new Power Network Craft Assistant trainees

- a scheme designed to remove educational barriers to a career in the energy industry.



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



Hosted 31 students from socio-economically disadvantaged backgrounds for a site visit and taster day at NGED's Control Centre.



Our environment



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



Supported the planting of 44,000 tree saplings in the Heart of England Forest.

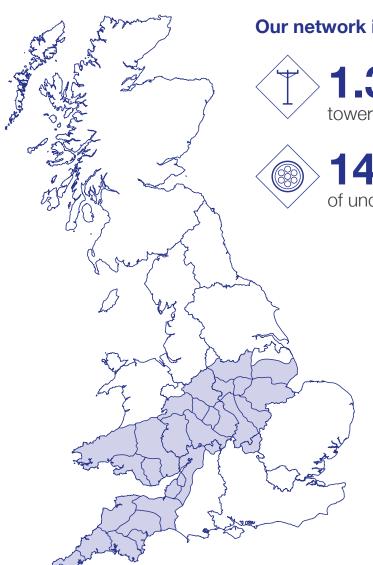


Donated 2,400 used devices to digitally excluded people and helped shape the UK Government's first IT Reuse for Good Charter.



Who we are and what we do

Every day National **Grid Electricity** Distribution brings energy to life for 20 million customers across eight million connections in the South West. the Midlands and South Wales.



Our network in numbers





7,200 colleagues

142,000km

of underground cables



88,000km 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 communities. It's enshrined in our purpose - Bring Energy to Life - and aligned to our values.

Our Social Contract outlines our commitment to doing business in a way that actively benefits our region and the communities we serve, both now and in the future. It is a pledge to engage with our communities and colleagues, acting with integrity and providing positive solutions to local challenges.

This document includes an update on our progress this year, along with an action plan for the upcoming year, focused on three interconnected themes:



Our customers and communities



Our people



Our environment

While the Social Contract offers a framework for driving local impact, our alignment with the United Nations Sustainable Development Goals highlights the essential role our communities play in shaping a better global society.

Customer engagement continues to reveal a strong appetite for initiatives that not only address urgent local needs but also promote long-term, sustainable progress.

That's why it remains vital for businesses to make a positive contribution to society.

Ongoing feedback, challenge, and collaboration with stakeholders help ensure we stay accountable and continue to evolve our impact.

In this annual update, we outline how we're delivering on our Social Contract commitments—guided by the voices of our customers and communities.

Our values in action



- Stand up for safety every day
- Put our customers first
- ◆ **Be inclusive**, supporting and caring for each other
- Speak up, challenge and act where something doesn't feel right.

Find a Better Way

Thing

- ◆ Embrace the power and opportunity of diversity
- ◆ Increase efficiency to help with customer affordability
- ◆ Work with others to find solutions for customers
- ◆ Commit to learning and new ideas



- Take personal ownership for delivering results
- ◆ Be bold and act with passion and purpose
- ◆ Focus on progress over perfection
- ◆ Follow the problem through to the end

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.

Although our internal and external operating environments have evolved significantly, our core mission remains unchanged: empowering the local communities we serve and delivering a clean, fair, and affordable energy transition. To stay aligned with the changing needs of our customers, we actively engage a broad range of stakeholders—gathering insights to shape our strategy and collaborating on initiatives that deliver meaningful local impact.

Consumer Insights Forum

In 2023, we established our Consumer Insights Forum; a long-standing research community of domestic, business and future customers who represent a range of ages, locations and demographics.

The forum comprises 90 members who undertake research and focus group exercises, enabling them to provide informed, but candid, feedback on our approach.

In early 2025, we consulted the forum on our approach to community investment, to ensure that funding focus areas align with the most pressing needs and concerns of the communities we serve.

Through online exercises, 'homework' tasks and focus groups, the forum was first asked to offer spontaneous views on the key issues that exist in their communities, before reviewing previous funding focus areas in detail to provide informed feedback.

Finally, they suggested new and enhanced topics for future investment, shaping the ongoing delivery of our Community Matters Fund (see page 15).

Customer Panel

Social Contract

Our Customer Panel, an enduring group of 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 our winter communications campaign, for example.

Internal stakeholders

Senior managers play a key role in overseeing and championing the Social Contract's development and delivery throughout the organisation. Working collaboratively provides opportunities to identify new, collaborative approaches and synergies.



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 9), 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
- 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 in 2024, 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 are assessed annually for our Environmental, Social and Governance (ESG) performance.

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 provides external recognition of our ambitious targets relating to sustainability and social impact.



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.

*Based on the composition of NGED's four Ofgem-regulated operating companies *Replaced by the Risk and Audit Committee in 2025/26

The composition of our Board¹ is 62.5% 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 and 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-committee² facilitates the most effective Board leadership and ensures the highest standards of governance and transparency are upheld.

Commitment at a senior level

Commitment to our Social Contract principles begins at the highest level of the company.

Our President leads by example and is an industry champion for diversity, equity and inclusion. She chairs our Employee Resource Group, Women in National Grid, is a Network Champion of the ENA DEI group, is a strong supporter of POWERful Women Leaders Coalition, and was a speaker at the Employers' Initiative on Domestic Abuse conference, championing inclusive culture in the energy industry.



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	UN Definition	Aligned activities	SDG	UN Definition	Aligned activities
1 NO POVERTY	End poverty in all its forms everywhere.	 Community Matters Fund. Sponsorship and charitable giving. Employee volunteering. Energy affordability and customer vulnerability support services. 	8 DECENT WORK AND ECONOMIC GROWTH	Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all.	 Apprentice programme. Internships in partnership with 10,000 Interns Foundation. Power Network Craft Assistant scheme.
3 GOOD HEALTH AND WELL-BEING	Ensure healthy lives and promote wellbeing for all at all ages.	Mental health first aid training.Employee Assistance Programme.	9 INDUSTRY, INNOVATION AND INFRASTRUCTURE	Build resilient infrastructure, promote inclusive and sustainable industrialisation and foster innovation.	 Greenhouse gas emission reduction targets and action plans. Community energy support. Stakeholder and policy engagement.
4 QUALITY EDUCATION	Ensure inclusive and equitable quality education and promote lifelong learning opportunities for all.	 Science, Technology, Engineering and Maths (STEM) outreach. Electrical safety education. Internal traineeships and employee development. 	11 SUSTAINABLE CITIES AND COMMUNITIES	Make cities and human settlements inclusive, safe, resilient and sustainable.	 Solar panels on schools. Collaboration with local communities on net zero ambitions, education and awareness. Minimise pollution, protect local habitats and increase biodiversity.
5 GENDER EQUALITY	Achieve gender equality and empower all women and girls.	 Gender pay gap report and associated action plan. Flexible working policy. Employee Resource Groups. 	12 RESPONSIBLE CONSUMPTION AND PRODUCTION	Ensure sustainable consumption and production patterns.	 Reduce waste across the supply chain. Colleague engagement, training and awareness. Certification to environmental management systems.
7 AFFORDABLE AND CLEAN ENERGY	Ensure access to affordable, reliable, sustainable and modern energy for all.	Community energy support.Solar panels on schools.Low carbon transition support for customers.	13 CLIMATE ACTION	Take urgent action to combat climate change and its impacts.	Climate change adaptation plan.Environmental Action Plan.Community energy support.

Social value

Maximising impact

Our Social Contract is designed to deliver meaningful benefits to society and the environment, beyond 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.

To measure this, we've co-developed a social value framework with industry partners. It blends Social Return on Investment (SROI) methodology with tailored research, customer insights, and stakeholder feedback, offering a holistic view of our impact.

Driving decisions through social value

Beyond evaluating completed programmes, social value is used to inform decision-making. Before scaling initiatives, we assess

their potential impact alongside feedback from customers, stakeholders, and employees. When refining focus areas for the Community Matters Fund, for example, the high social value generated by helping people into employment was a key factor in the decision to award grants to skills and employability projects.

Our model evolves as data quality improves, helping us refine delivery and maximise benefits. For instance, improved reporting on the outcomes delivered by recipients of our Community Matters Fund this year provided more granular data on the benefits delivered by our funding. This, combined with more impactful focus areas, improved the average SROI from $\mathfrak{L}2.56$ in 2024 to $\mathfrak{L}5.87$ in 2025. This means that for every $\mathfrak{L}1$ invested, we were able to demonstrate more than double the amount of value created for customers, the environment and society - insights that will help shape how future funding is targeted.

Measuring value over time

Some initiatives deliver immediate benefits; others, like installing solar panels, generate long-term impact which continues to grow long after our initial investment. That's why we assess SROI over several years where appropriate—to ensure fair comparisons and capture the full value of our work.

Across the Social Contract initiatives measured this year, $\mathfrak{L}5.34m$ of net value was created, with an SROI of $\mathfrak{L}2.91$ over and above every $\mathfrak{L}1$ invested. The table below showcases these initiatives, which have delivered both short- and long-term benefits, reflecting our commitment to creating lasting social value.

	Social return on investment		Net present value	
Initiative	1 year	5 year	1 year	Where to read more
iPad donations	£1.85	£1.85	£160,825	Page 37
Solar on schools	£0.11	£0.55	£19,059	Page 38
Community Matters Fund: skills and employability	£9.49	£9.49	£2,359,716	Page 15
Community Matters Fund: STEM outreach	£4.16	£4.16	£1,022,361	Page 15
Community Matters Fund: fuel poverty	£2.93	£3.95	£1,462,695	Page 15
Employee volunteering	£0.55	£0.58	£181,118	Page 17
Power Network Craft Assistant traineeship	£0.31	£0.31	£57,634	Page 26
10,000 Interns Foundation	£1.20	£1.20	£79,037	Page 28

Our customers and communities

We are deeply committed to supporting the communities we serve - our colleagues are integral members of these communities. We are dedicated to providing broader benefits through our support for grassroots organisations, employee volunteering, and outreach in STEM (Science, Technology, Engineering, and Mathematics).

Our ambitions



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



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

Stakeholder insights:

"Community investment. Encouraging local people to take pride in our area and to want to keep it looking like a community rather than just a collection of properties." "There are not enough initiatives out there to help and support young people, often leading to anti-social behaviour."

Aligned Sustainable Development Goals









Social Contract

Supporting local initiatives

Wherever we operate, our engagement with communities and local initiatives reflects our commitment to being a responsible business. This engagement not only empowers communities to voice their priorities, but also enables us to align our investment efforts with those who will benefit most from our actions.

Community investment

Stakeholders expect us to deliver community investment that is data-driven and focused on local issues, leveraging our expertise and partnerships to achieve the greatest impact.

This year, we have reassessed our Social Impact focus areas, aligning our investments with the key pillars of **Energy Affordability, Jobs and Skills, and Community Resilience**. These focus areas have been shaped through collaboration with stakeholders and are aligned to the strategic goals outlined in the **National Grid Responsible Business Charter**.

- Energy Affordability We are working to bring more affordable and clean energy to everyone, and we help address fuel poverty and emergency energy needs.
- Skills and Jobs The energy sector continues to create new jobs. We help
 to develop the energy workforce of today and tomorrow by ensuring equitable
 access to Science, Technology, Engineering and Maths (STEM) education,
 skills training, career pathways and employment resources.
- Community Resilience Supporting local communities is a vital part
 of our commitment to delivering the future of energy. We focus our efforts
 on employee volunteerism, disaster response, and community strength
 and stability.



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 £11.3m to nearly 1,900 organisations, supporting an estimated 830,000 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 active communities.



In 2024/25, the Community Matters Fund offered grants across three key focus areas



Fuel poverty

£500,000 was awarded to 117 organisations providing warm packs, energy efficiency advice, and warm, welcoming spaces for people struggling with energy affordability.

Impact*

- 3,991 warm packs were distributed, saving recipients an estimated £120,000 each month over the winter.
- Warm spaces who received funding were open for 417,000 hours over the winter.
- Those who made energy efficiency improvements to their spaces saved an average of £211.50 on energy bills each month as a result.

*Based on survey responses returned by 50% of fundees in this phase



Inspiring young people in STEM

£250,000 was awarded to 67 organisations offering hands-on STEM workshops, afterschool clubs, and interactive activities to introduce young people to careers in science, technology, engineering, and maths.

Impact*

- 530 workshops/classes delivered more than 33,000 hours of STEM upskilling.
- 19% of surveyed beneficiaries displayed improved performance in STEM subjects, and 48% reported an increased interest in studying STEM subjects at a higher level.
- 40% of surveyed beneficiaries expressed an interest in a career involving STEM.

Based on survey responses returned by 65% of fundees in this phase



Skills and employability

£250,000 was awarded to 62 groups helping people with the development of key professional skills, networking and placements, including CV masterclasses and interview coaching.

Impact*

- 1,130 employability events, workshops or training sessions delivered more than 27,000 hours of support and upskilling.
- 167 beneficiaries (12%) secured full time employment and 238 (17%) entered full time training or education.

Based on survey responses returned by 53% of fundees in this phase



Case study: Dallaglio RugbyWorks

In July 2024, NGED made £250,000 available for practical, focussed programs to boost skills and improve employability for those furthest from the job market.

One funding recipient was Dallaglio RugbyWorks, who were awarded £1,780 for their project in Birmingham. Between August and November, Dallaglio RugbyWorks ran 18 employability sessions at the Lighthouse Community Centre, working with a total of 35 local young people to help them develop skills and raise their aspirations.

18-year-old Thomas in Birmingham was one beneficiary of this support. He always struggled with traditional education, leaving school at 15 without any GCSEs.

Thomas lives in the B19 postcode of Birmingham, an area that suffers significant challenges and high levels of deprivation. With only 19.4% of residents having NVQ4+ qualifications, and an employment rate of just 43.3% (compared to the national average of 75%), many young people here struggle with school attendance and finding job opportunities.

Over the 16 weeks, Dallaglio RugbyWorks' evening sessions focused on teamwork and communication, a natural fit with the physical and mental benefits of sport. All young people who attended had access to mentoring from accredited coaches, covering employability, career guidance, and mental well-being.

To further broaden their career horizons, they organised three taster days at the ICC Birmingham, NEC Birmingham, and Billesley Fire Station.

For Thomas, when he first came to the evening sessions, he was quiet but over the course of the weeks, he grew more comfortable, joining in with group activities and engaging with both peers and coaches. As his confidence grew, he became more involved and started opening up.

Over time, he built a strong relationship with his coach, Julius, who is now helping him explore opportunities for a sports leadership qualification, the certification needed to pursue a coaching career.

It's been brilliant working with Tom and the other young people in our 3-7pm sessions this year. Seeing them choose to spend their time with us, outside of school, has helped us build strong, trusted relationships. Hopefully, we're making a real difference in their personal growth. I'm looking forward to helping Thomas find the right career or training path that matches his skills and ambitions.

Julius, Coach Dallaglio RugbyWorks



Supporting local initiatives

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 Responsible Business Charter 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.



10,033 volunteering hours delivered in 2024/25 (+63% on the previous year).

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 Royal Bath and West Show, and Welsh Language cultural events.



£148,595 in sponsorships and donations awarded in 2024/25 (+98% on the previous year).

Matched funding

Our organisation is made up of 7,200 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.



£32,477 in matched funding donations in 2024/25 (+21% on the previous year).









Case study: St John Ambulance Cymru

In Spring 2024, volunteers from National Grid Electricity Distribution gave up their time to support first aid charity for Wales, St John Ambulance Cymru.

The partnership began last year, when National Grid sponsored 20 of St John Ambulance Cymru's first aid demonstration sessions in schools across South Wales.

These sessions taught young people the basics of first aid and also highlighted electrical safety - invaluable knowledge that could help to save a life.

Recently, we increased our support of the first aid charity, sponsoring 30 first aid sessions for young people and providing employee volunteer support with vehicle cleaning, equipment checks and re-stocking at St John Ambulance Cymru's Ambulance Operations HQ at Norbury Road in Cardiff.

National Grid's safety messages help people avoid potential electrical dangers, while with St John Ambulance Cymru's activities teach the people of Wales lifesaving skills that can be used in an emergency, making a well-aligned partnership between the organisations.

We were delighted to have members of National Grid's workforce volunteer with us recently, it was great to see them so eager to help.

National Grid have been a huge support to our charity this year, supporting our free first aid demonstrations in schools and now helping out with our Ambulance Operations department which supports the NHS and members of the community who need our care.

A huge thanks to everyone at National Grid for your ongoing help, enabling us to further support communities in Wales and ultimately save more lives.

We're looking forward to continuing our work together in the future!

James Cordell, Relationship and Partnership Manager, St John Ambulance Cymru



Education and outreach



Education

Electricity is dangerous - 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.
- Electrical safety resources at permanent safety centres across our region.





Case study:

Summer engagement events

Throughout the summer, we engage thousands of people with vital electrical safety education and STEM outreach at agricultural shows and science festivals across our region.

This year, we attended five shows: the Royal Bath and West Show, the Royal Welsh Show, the Royal Three Counties Show, Cheltenham Science Festival and the National Eisteddfod.

143 colleagues volunteered more than 1,400 hours to support these events - which feature an educational puppet show, VR helicopter experience and electricity-generating bikes - reaching nearly 27,000 people with a 97.5% enjoyment rating.



I have to say it's been wonderful talking to you. I didn't know about 105 so that is certainly something I will look into when I get home and I shall say that I spoke to a man from National Grid and he informed me of this (105) number.

I didn't know that about that (Priority Services Register). I have 2 under the age of 5 so that's something that would be useful for me. Thank you.

It's really good what you have here I have to say, it's definitely the best stand. I thought they (children) would be miserable but they've really enjoyed and been learning so much.



Education and outreach

Our STEM programme supports a range of exciting projects, designed to engage and inspire young people in the possibilities of science, technology, engineering and maths

Our colleagues play a vital role in this, by sharing their passion for STEM careers with the next generation and building relationships with local schools and communities.

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.

Examples of our STEM outreach are shown opposite:





Earth Cubs

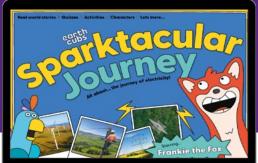
Earth Cubs create accessible, exciting and free content for teachers and students about the environment, sustainability and climate change.

In collaboration with Earth Cubs, we created two brand new collections of resources for primary schools:

- The 'Sparktacular Journey' gets kids excited about where the electricity they use comes from, bringing to life the journey of energy from creation, to the Grid, to your home.
- The 'Sun Powered School' teaches students about how solar panels work and the benefits of homes and schools generating electricity from the sun.

Since launching, this content has reached more than 90,000 views across YouTube and TikTok, with more than 2,700 hours watched.







Engineering Education Scheme Wales (EESW) Sixth Form Project

The EESW Sixth Form project aims to inspire young people to pursue careers in engineering by challenging them to tackle a real-world engineering problem set by sponsoring organisations.

This year, we sponsored two teams, with challenges set by an NGED STEM ambassador in Swansea. Students were tasked with researching, designing, and building a prototype for a renewable energy storage solution and an efficient system for utilising waste heat from substations.

The project provides an excellent opportunity for our colleagues to collaborate with the engineers of tomorrow, helping them develop their skills while sharing insights about working at National Grid and their pathways into the industry.

During the project awards day, over 50 teams from across South Wales, all passionate about STEM, gathered to present their ideas. This event also allowed our recruitment team to engage with students and discuss potential career paths within National Grid.

Progress report and action plan

Our customers and communities

	Key actions/outputs	Progress 2024/25	Next steps 2025/26	Over and above	Long term	Action orientated	Local and Scalable
1	Shareholder-funded Community Matters Fund for local organisations.	Our Community Matters Fund awarded £1m across three phases (STEM, Skills and Employability and Fuel Poverty), funding nearly 250 groups and supporting an estimated 40,000 beneficiaries.	We will invest a further £1 million across three phases, using stakeholder feedback to determine focus areas.	•		•	♦
2	Volunteering days for employees to dedicate to charities and good causes that are important to them.	10,033 volunteering hours (1,356 days) were completed by colleagues this year. From April 2024 - March 2025, 900 employees signed up to the volunteering platform, with 200 activities completed over the year.	Our now-established employee volunteering programme will continue to provide opportunities for colleagues to give their time in the community, aiming to deliver 14,000 service hours.	•			♦
3	Recruit STEM ambassadors to deliver outreach with schools and community groups across our region.	29 STEM ambassadors supported our outreach activities this year, across a suite of different events, challenges and competitions.	We will offer further training, support and networking for STEM ambassadors, ensuring colleagues feel empowered to deliver school outreach.	•			♦
4	Deliver outreach at schools, colleges and universities, targeting socio-economically disadvantaged areas and increasing the STEM pipeline.	We reached 6,814 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.	•	♦	•	•
5	Reach 80,000 children each year with our electrical safety messages.	We engaged more than 85,000 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 introduced new partnerships to expand our school outreach this year. We were a main sponsor of the Cheltenham Science Festival and working with Earth Cubs, we developed two exciting new education resource collections for schools.	We continue to identify new partnership opportunities, with a particular focus on inspiring primary school students.	•	♦	•	•

Our people

To deliver the energy transition, it is crucial that we continue to attract new, diverse talent to the energy sector. We are committed to being a stand-out employer, prioritising health, safety and wellbeing and continuing to attract individuals with diverse perspectives and experiences, who bring this breadth of thought to the energy sector.

Our ambitions



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



Foster a work environment founded on mutual respect and inclusiveness, where all colleagues have equal opportunities to succeed.



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

Colleague insight:

"The team I've been in have been brilliant, looking after me and taking me under their wing. They have shown me the safest way to do things and how to do the job to the proper standard. The training school gave me a drive to better myself and understand that there was something I could get from the scheme."

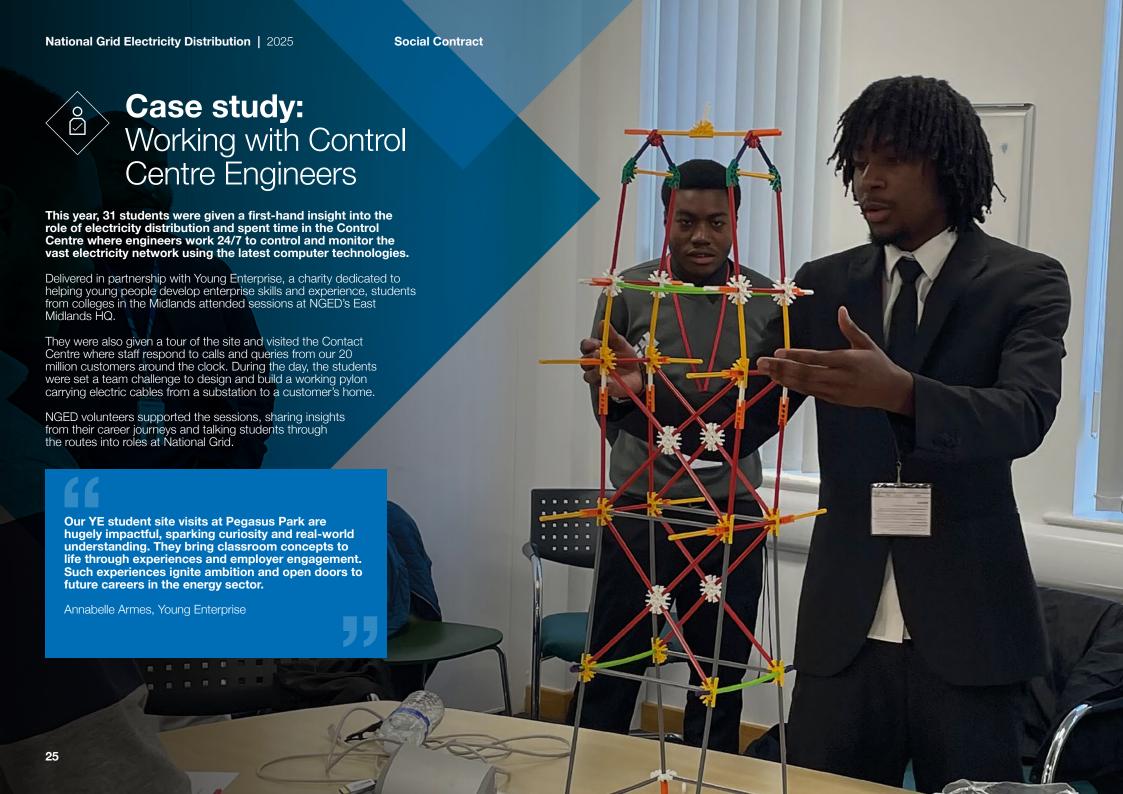
Aligned Sustainable Development Goals











Social mobility



Case study:

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 2024, NGED hired nine new trainees through the PNCA programme.

Max Hunter joined the PNCA scheme in September 2024 as a jointer's mate and since then has been involved in countless field operations across both England and Wales.



The scheme has honestly been life changing for me. It's a really good chance for people that haven't had the best opportunities school-wise and in terms of upbringing.

What drew me to this role was the career aspect. I had worked on refineries and construction sites and felt you could only get so far with it, I felt you couldn't really progress. By then I had a family of my own and I felt it was time for me to take that step and make something better of my life, for them. And I knew with National Grid there were endless opportunities and possibilities.

I applied to be a PNCA jointer's mate. We went to Taunton for training and the role mainly entailed helping the actual trades/craftspeople to do the job. It was a lot of getting stuff ready for them like tools, kit and equipment.

Since then, I've done a little bit of everything. In terms of current projects, I am working on a three-phase cut-out. Some other projects I'm working on include a crucifix and a jointing shelter.

The team I've been in have been brilliant, looking after me and taking me under their wing.

They have shown me the safest way to do things and how to do the job to the proper standard. The training school gave me a drive to better myself and understand that there was something I could get from the scheme.

Prior to this, a lot of the experience that I had was working all over the country and only getting home every so often. It just wasn't for me in the end. The expectation that I had was that this would be a lifetime job but it has become more of a career for myself.

I currently want to understand and be more confident in the role I am in now. But in the future, I am aspiring to becoming an actual jointer and be someone that the company can rely and depend on.

The people I've been around have been very welcoming, they give you the time and space to learn about the job.

You sort of get anxious when you go into a new job and worry you could let someone down or make a mistake, but the culture here is very understanding. I would say that's the best thing about it.

Max Hunter, Power Network Craft Assistant



Supporting colleagues to thrive at work

Employee Resource Groups (ERGs)

National Grid has 16 Global ERGs, with nine UK-specific groups, 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 all colleagues, regardless of background 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 disabilities, health challenges or neurodivergence
- **NewNet:** Supporting colleagues new to the business
- Balance: Fostering positive work/life balance.

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 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.

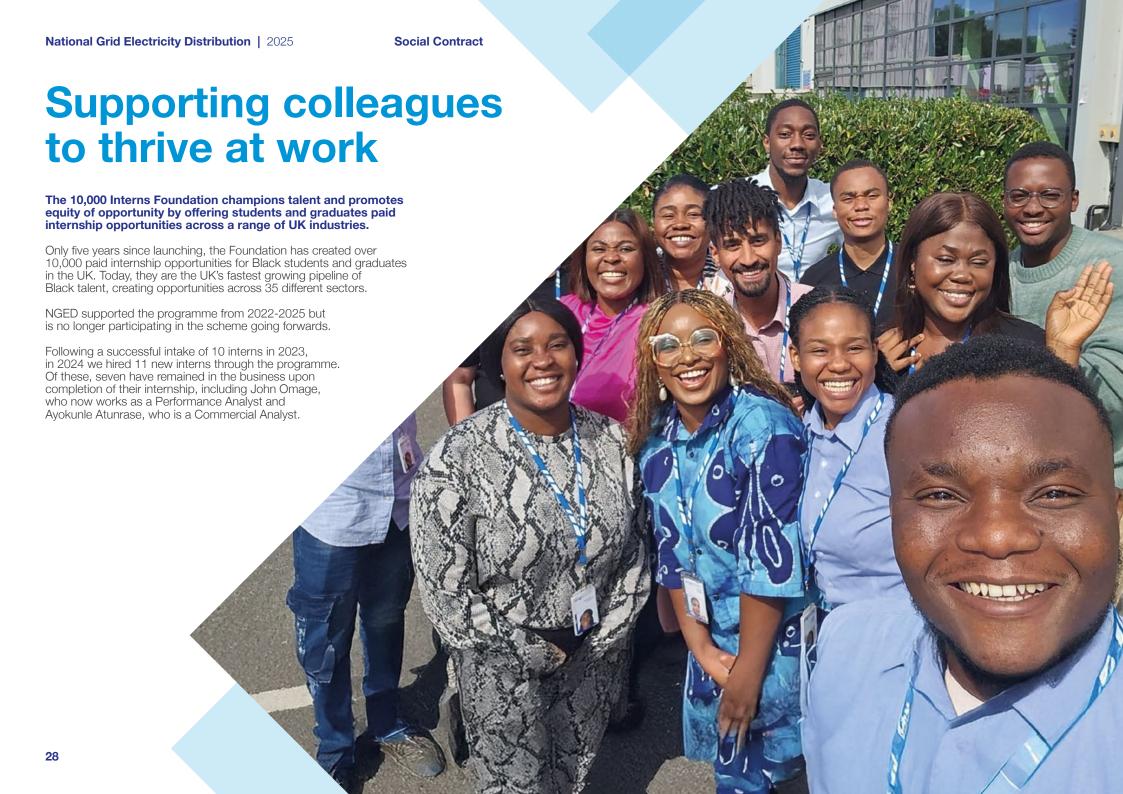
Mentoring

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 across the company to empower colleagues with the tools and guidance to be effective mentors.











Case study

John Omage grew up in Nigeria where he completed a BSc in Electrical Engineering. In 2023, he graduated with an MSc in Data Science from the University of Greenwich in London.

A friend introduced me to the programme. I was in the midst of completing my final project with no time to focus on seeking out anything else.

So, when my friend sent the application link for the programme, I quickly applied and then more quickly forgot about it.

Eventually, I went back and researched more into the programme. Looking through their website I was impressed at how they provide tools to help you succeed regardless of the role you apply for. They have their own community and the opportunity to read people's testimonies was encouraging.

About three months later I got a call from someone in National Grid letting me know they had a place for me as a Data Science intern. I had two days to think about it.

I think that was my first impression of NGED, as a company that doesn't put you under pressure or push you into things. The role seemed like a bridge between my engineering background and my data science Master's.

My role entailed the use of data to make decisions in the electricity distribution network. I worked on many tasks with results that are still in use even today! For example, I used machine learning technology to categorise more than 60,000 customer responses into 20 buckets.

I worked on asset risk management, using geospatial analysis to map the locations of substations and transformers and determine which ones would be most affected in a disaster event. For my projects, I had a great team with people that were always ready to help and check up on you.

I initially had mixed expectations of the role. I knew I was coming for data science and as time went on, I pivoted to focusing on things like bonding with team members and understanding how each team contributes to the vision of the company. This was the foundational work that's taken me to where I am today. You can come in with expectations but the things that matter to the company are what to focus on so it's good to ask questions. And the business was always open – whatever you want to do is up to you here!

The internship was definitely helpful in making decisions about my future career. My current role within NGED as a performance analyst is still based in data and utilities. My long-term career decisions will still focus on how data is used in business decision making such as how excel, python etc. are used to generate revenue for the company. Once my knowledge on that is installed, I may focus on other areas like engineering – going back to my roots.

John Omage, Performance Analyst and former intern





Case study

Initially hailing from Lagos, Ayokunle Atunrase later graduated from Manchester Metropolitan University with a Master's degree in Business Analytics in 2023.

I had done a lot of coursework and a lot of personal development and projects and I felt like I just needed an opportunity for some real-life work experience. So, when NGED reached out to me, I was ready and it's been good so far.

The culture at NGED is great. I remember my very first week; you just feel like you've known everyone for so long! Everyone is so receptive and proactive, showing you around answering your questions. Even if you think it's a stupid question, I promise someone has an answer for you. I can tell it's not team specific either because in my time at NGED I've worked across two teams and had similar experiences with both. It's just great people all around.

I worked with the data engineering process (DEP) team, and our primary role was providing data for the rest of the business. This could be asset management data, contract and communications data, inquiries, etc. I was also involved with dashboard development and report building.

One of the interesting projects I worked on was a reporting tool. There was a pre-existing process where everything was written in Python code and it almost became obsolete. The whole point of the project was to translate the Python code into SQL code so it wouldn't have to be constantly rewritten.

It was hard at first but eventually we got there and it was really good, a standout project for me.

Honestly, my current career ambition is to have a leadership role someday, where I could help people under me or within my team. It all circles back to my internship experience. Looking back, my manager was great as well, always reassuring us and giving us the space to operate. He trusted us to get the job done.

You don't necessarily have to be a manager or director to be a leader. It's about being present for people, being receptive – these are all teamwork and leadership traits I have tried to emulate in my current role.

We have a lot of grads and new recruits coming in and I take it upon myself to show them around and answer any questions they might have.

I really enjoy that, so leadership is definitely a career ambition of mine.

Of course, I would still like to do technical things as well but also put myself in the position as someone suitable for a managerial role.

Ayokunle Atunrase, Commercial Analyst and former intern



Supporting the mental and physical wellbeing of our colleagues

We offer a range of programmes that actively promote the mental and physical wellbeing of our colleagues and ensure support is available when it's needed. Examples include:

- Enhanced mental health support services: Beyond our standard Employee Assistance Programme (EAP), we provide a suite of mental health support pathways, including Thrive our 24/7 mental health app that gives colleagues direct access to counsellors and other wellbeing resources.
- Integrated Occupational Health provision: Our internal Occupational Health team provides tailored support when health and work intersect, helping to ensure reasonable adjustments are in place for colleagues.
- Flexible working policies: We support eligible colleagues to incorporate home-working or flexible working into their roles to suit individual needs and circumstances.
- Mental Health First Aider network: A trained network of Mental Health
 First Aiders operates across the business to provide guidance and support
 to colleagues in times of need.
- Support for colleagues approaching retirement: We offer in-house retirement planning courses, pension guidance, and up to 35 days of pre-retirement leave to support a smooth transition from the workplace.
- Period Dignity at Work scheme: Free sanitary products are available in all depots and offices as part of our commitment to supporting women in the workplace.

Advancing a Proactive Approach to Mental Health

At NGED, we are shifting the focus from reactive to proactive mental health support. We've introduced the Thrive Mental Health app to enable colleagues to access wellbeing resources, including 24/7 access to qualified counsellors, at any time via their smartphones. Thrive complements our broader approach to proactive mental health care, which includes a refreshed Mental Health First Aider programme and a responsive EAP service — all informed by employee feedback and health insights.



Progress report and action plan

Our people

	Key actions/outputs	Progress 2024/25	Next steps 2025/26	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, Employee Resource Groups and DEI resources.	We continue to embed inclusion into the recruitment, interview and induction processes to ensure all new starters understand National Grid's approach to DEI from the outset of their career here.			♦	
8	Deliver leadership training and engage with external organisations to deliver workshops to colleagues and improve our approach.	Our online 'Manager Zone' enables all leaders to access resources and toolkits that aid their leadership development. Leadership labs - a series of bitsized virtual leadership training sessions - featured topics such as effective delegation, difficult conversations, driving change and developing others. Through Linkedin Learning, all colleagues are able to access over 8,000 courses, including Al-Powered Coaching and Al-Powered Role Play.	All people leaders are invited to attend leadership coaching sessions to drive continual improvement. Regular in-person leadership conferences and virtual resources will continue to prioritise personal development, giving managers the tools and skills to effectively support their teams. Working with external training partner, MindGym, we offer interactive instructor-led courses for people managers, with seven sessions on leading through change scheduled for 2025/26.		•	•	•
9	Recruit interns through the 10,000 Interns Foundation.	11 interns joined NGED through the programme.	Nine interns are joining NGED through the scheme in 2025, but the company is no longer participating in the programme going forwards.				
10	Continue to recruit trainees through our Power Network Craft Assistant scheme, with no formal educational requirements, reducing barriers to careers in the energy industry.	Nine trainees were hired to the scheme in 2024 (see case study).	We have recruited 12 new trainees who will join NGED in September 2025.	♦	♦	♦	•
11	Explain the gender pay gap reporting outputs, implementing an associated action plan.	In addition to publishing gender pay gap statistics for each of our UK legal entities that employ more than 250 people, we also publish an overall figure for all our employees in the UK, along with specific actions being taken to close the gap.	We will continue to report our Gender Pay Gap annually, and implement associated improvement actions.		♦	♦	

Our people continued

	Key actions/outputs	Progress 2024/25	Next steps 2025/26	Over and above	Long term	Action orientated	Local and Scalable
12	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 and Electrical Engineering. This year we had 17 Internal Apprentices, and 64 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.			•	
13	Provide mental health training to managers and colleagues.	Alongside our network of trained mental health first aiders, the Thrive Mental Health app has enabled colleagues to access wellbeing resources at any time via their smartphones. In the past 12 months, this support has been expanded to include 24/7 access to qualified counsellors through the app.	We recognise that a one-size-fits-all approach does not work when it comes to health and wellbeing. In 2025/26, we are strengthening our focus on providing tailored support for different roles and needs across our organisation. For example, during storm season, our Control Room teams experience a significant increase in customer interaction and operational pressure. In response, we provide pre-, during-, and postevent mental health support to ensure colleagues are equipped and cared for through these peak periods.	•	•	•	
14	Encourage colleagues to get involved with Employee Resource Groups.	A 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. 1,137 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.	♦	♦	♦	•
15	Undertake an annual Grid:voice survey to understand employee sentiment and identify areas for improvement.	Our Grid:voice survey is undertaken annually and offers all employees the chance to share their views. This year we saw an increase in engagement, with 72% of employees responding.	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.	•			
16	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 a clean, fair and affordable energy transition. 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 sustainability ambitions.

Our ambitions



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



Demonstrate leadership in the energy transition.

Stakeholder insights:

"[Providing] access to solar panels/funding for them would lower the local carbon footprint" "Recycling and environmental issues... green spaces is a big thing for my area"

Aligned Sustainable Development Goals











Improved environment

Woodland restoration and tree planting

In 2023, NGED and Heart of England Forest charity (HoEF) joined forces with the aim of boosting woodland biodiversity through a long-term partnership.

As part of this ongoing collaboration agreement, in 24/25 NGED completed six volunteering days, supporting projects such as:

- Woodland management on 700 acres of growing habitat rich with interesting and diverse species.
- Vegetation management to increase sunlight penetration and reduce leaf litter in ponds.
- Clearing dense bramble to create open spaces crucial for supporting diverse insect populations.
- Brown hairstreak butterfly egg surveys and vegetation surveys.
- Installation of new stock fencing and gates to support conservation grazing.

Through our volunteering and sponsorship programmes, we support a number of other conservation charities in tree planting and habitat restoration activities, including The Conservation Volunteers, Groundwork Wales, Your Park Bristol and Bath and various wildlife trusts.

Biodiversity net gain

We're taking action to protect and enhance biodiversity—both through our construction projects and across our operational estate.

In England, Biodiversity Net Gain (BNG) is now a legal requirement for new developments, ensuring habitats are left in a better state than before.

We use the Government's Biodiversity Metric Tool to assess baseline conditions, understand project impacts, and design tailored enhancement plans with our ecological consultants.

In 2024/25, nine projects met BNG requirements, each delivering at least a 10% net gain.

To achieve this, we've used a mix of on-site and off-site solutions to secure biodiversity units and meet our commitments.







Case study:

The Conservation Volunteers

Members of National Grid Electricity Distribution teams in the Midlands dedicated their time and efforts to volunteer with The Conservation Volunteers (TCV), making a positive impact on local green spaces, environmental conservation and community engagement.

Across 14 volunteering days, totalling 763 hours, 130 NGED colleagues undertook tasks including conservation, community support, and tree planting.

TCV does great work across the country, supporting thousands of green spaces by providing volunteer input. National Grid's efforts have been appreciated massively by us and those who enjoy these spaces, and we're looking forward to welcoming their hardworking and enthusiastic staff members back to help with more projects in the near future.

Kay Thompson, The Conservation Volunteers

In Leicestershire, thirteen volunteers worked at the Evington Hilltop Allotments, supporting a local group of elderly people being introduced to food growing. The group had faced challenges in establishing the site, and the National Grid volunteers provided essential help with path and stone laying, building a shed for tool storage, and mulching work to support growing at the site.

Wow, what a transformation Where do you start to thank the National Grid team? Without them, I dread to think how long it would have taken us all to get close to what was achieved in a day. I'm truly grateful and indebted to them all.

Pravin, allotment holder



Improved environment

Supply chain

At NGED, we're committed to being a responsible business throughout RIIO-ED2. We're working closely with our suppliers, partners, and manufacturers to drive improvements in environmental and sustainability performance across our supply chain.

Our Responsible Business Charter (RBC) defines what responsibility means to us – and we expect our suppliers to align with these values, especially when it comes to environmental impact.

To support this, we're targeting 80% of our UK suppliers to commit to setting formal Science Based Targets (SBTs) by 2030, focusing on those responsible for the highest emissions.

We're also actively contributing to the National Grid Sustainable Procurement Working Group, developing a coordinated strategy to cut carbon emissions and promote sustainability across key areas like waste, biodiversity, and human rights.

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 year³.

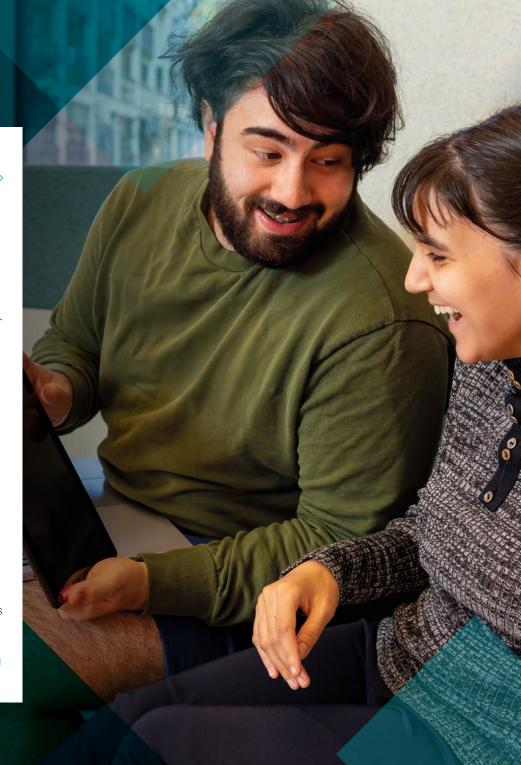
At the same time, digital exclusion remains a key barrier for communities in the UK: 1 in 20 households have no home internet access⁴ and eight million households struggle to afford communications services⁵.

Since 2022, NGED has donated 3,300 devices in partnership with Good Things Foundation, a social change charity working to tackle the digital divide in the UK.

They operate the **National Device Bank**, who securely collect, wipe and refurbish donated devices, before redistributing them to charities in the **Digital Inclusion Network**. For each device that is donated and rehomed, a digitally excluded person also benefits from digital skills training, ensuring a holistic approach to tackling digital exclusion – addressing accessibility, affordability and usability.

In early 2025, NGED joined the Department of Science, Innovation and Technology as an advisory group member for the development of the UK's first 'IT Reuse for Good Charter'. The Charter aims to support and encourage private, public and third sector organisations to take a 'donation first' approach to IT asset disposal to reduce digital exclusion and e-waste.

In 24/25, NGED donated 2,459 devices: preventing 1,941 kg of e-waste from going to landfill.



³goodthingsfoundation.org/national-device-bank/ ⁴Ofcom, Adults' Media Use and Attitudes, 2022

⁵Ofcom Communications Affordability Tracker, 2023

Net zero communities

Solar on schools and community energy

We have a long track record of support for community and local energy, delivering a sector-leading programme of engagement for over ten years. We have recently revised our strategy, further strengthening our commitment to support communities by using our position and scale to advocate for their requirements with local and national government bodies.

Our dedicated Community Energy Manager leads this programme, providing a centralised point of contact and expertise for groups and working in partnership with Regen, an independent centre of energy expertise.

In addition, we are investing £2.7m by 2028 in solar panels for schools and community buildings in areas of high economic deprivation in our region, along with education and outreach to engage students with STEM subjects.



Case study: Shireland Collegiate

In October 2024, Shireland Collegiate in Sandwell received a grant of £25,000 towards their solar panel installation. The system is forecasted to save the school £314,541 over 25 years, as well as 597 tonnes of CO2.

Alongside the solar panel installation, Sixth Form students at Shireland Collegiate received renewable energy education sessions, covering the environmental impact of the solar panels, a drone workshop to see the installation process and an interview with the installers. Politics students also attended an event at Westminster to meet their local MP, Jess Phillips.



The Solar for Schools project was a really positive experience for our school. It made me feel proud to be part of a school that cares about making a difference to the environment as this project has encouraged the use of more sustainable energy with reduced costs. Something that made this project particularly memorable was the opportunity that we had to visit Parliament to speak about the project and its impact on our school.

Year 12 student



Case study: Solar for Schools Parliamentary Showcase

In November 2024, policymakers, industry experts, teachers, and pupils from across the country gathered in the Attlee Suite in Westminster for the 'Solar for Schools Parliamentary Showcase', hosted by NGED, Solar for Schools and Chamber UK.

The event highlighted the crucial role schools play in advancing sustainability and the UK's journey to net zero, along with discussions on the importance of renewable energy and future careers in sustainability.

Our partnership with Solar for Schools shows the incredible impact of combining education and decarbonisation. Together, we're reducing energy costs and emissions while inspiring the next generation of engineers and innovators.

Cordi O'Hara OBE, President of National Grid Electricity Distribution

This initiative doesn't just deliver environmental and economic benefits; it provides incredible learning opportunities. Our young people are the driving force for a sustainable future.

Feryal Clark MP, Parliamentary Under-Secretary of State at the Department for Science, Innovation and Technology

Projects like these demonstrate how sustainability can be seamlessly integrated into education. From reducing carbon emissions to fostering biodiversity, these initiatives are shaping the leaders of tomorrow.

Joe Billington, Deputy Director for Sustainability at the Department for Education



Progress report and action plan

Our environment

	Key actions/outputs	Progress 2024/25	Next steps 2025/26	Over and above	Long term	Action orientated	Local and Scalable
17	Become a net zero organisation by 2043 in line with our validated 1.5°C science based target (SBT).	We have continued to embed actions to reduce our business carbon footprint in areas such as building energy use and fleet electrification. Despite this activity we have observed an increase in emissions across all sources, except combustion. Our performance on emissions reductions is reported in our Annual Environment Report 2024/25.	We will deliver the final phase of an energy efficiency programme focusing on LED lighting retrofit and will continue with the adoption of EV vehicles into the fleet. We will be working across the business to ensure action plans are in place to support our SBT.		\	•	•
18	Achieve a 10% net gain in biodiversity (in line with nationally recognised assessment tools) for new major projects and for selected primary and grid substation sites.	We have achieved a minimum 10% net gain through a combination of onsite and offsite biodiversity delivery for projects which fell under the statutory requirement. In addition, biodiversity baseline surveys have been undertaken at 22 substation sites across our four licence areas. A further 20 sites have been identified for appraisal by Summer 2025.	The biodiversity survey data we have gathered will support targeted net gain delivery on selected operational land for the remainder of RIIO-ED2.	•	\	•	•
19	Donate decommissioned company devices.	In 24/25, NGED donated 2,459 devices: preventing 1,941 kg of e-waste from going to landfill. A National Grid representative sat on the Department of Science, Innovation and Technology's advisory group for the development of the UK's first IT Reuse for Good Charter.	National Grid is the first energy company to become a signatory to the IT Reuse for Good Charter, embedding the company's commitment to a reuse first approach to disposal of devices.		\	•	•
20	Support our supply chain to improve environmental performance.	We are working with our supply chain to support the adoption of the National Grid Supplier Code of Conduct which includes our expectations in relation to people, customers and communities, environment and responsible business fundamentals.	We will be working with colleagues via the National Grid Sustainable Procurement Working Group to support supplier engagement and tracking sustainability performance.		•	•	•
21	Collaborate with landowners, local authorities and specialists.	We have worked with a number of external organisations, including The Conservation Volunteers, Groundwork Wales, various wildlife trusts and the Heart of England Forest to restore woodland and plant trees across our region. We supported the forestry team at the Heart of England Forest to deliver woodland creation and maintenance at 'The Lenches', which covers 700 acres. This included planting 44,000 saplings at Naunton Beauchamp.	We continue to collaborate with conservation specialists, providing both funding and support 'in kind' through our employee volunteering programme.	♦	♦	•	♦
22	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.	This year, five schools had solar panels installed through the project, with more added to the pipeline for future installations. The underspend from the first two years of RIIO-ED2 has been reprofiled across the remaining years of the price control.	Working with Solar for Schools we continue to make funding available to any school in our region who meets our grant criteria, and promote the scheme through a variety of channels and stakeholders to increase take-up.	•	♦	•	•

Our environment continued

	Key actions/outputs	Progress 2024/25	Next steps 2025/26	Over and above	Long term	Action orientated	Local and Scalable
23	Hold community energy surgeries for local groups, providing a dedicated community energy engineer to support the development of new schemes and connections. Work collaboratively with, and provide tailored support for, community energy stakeholders.	Our dedicated Community Energy Manager provides a central point of contact for community energy groups' queries and facilitates surgeries to provide in-depth support. This year, we held five events for community energy groups to network, share best practice and hear updates from NGED - attended by 196 stakeholders - as well as a number of community energy surgeries.	Alongside NGED's own Community Energy Forums, we are sponsors of the annual Community Energy Wales and Community Energy England events in summer 2025.	•	\	♦	•
24	Facilitate access to funding streams by providing support to community energy groups when making submissions to our calls for ideas.	Our website is regularly updated to signpost groups to available funding streams for community energy groups.	Our new innovation project will explore fairer, smarter ways for community energy groups to connect to the network. The project aims to unlock long-term benefits for communities, particularly those in fuel poverty, by enabling local balancing, lower bills, and a scalable, regulatorily viable connection framework for community-led energy models.	•	♦	♦	•

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