

NATIONAL GRID PLC
GROUP POLICY STATEMENT
HUMAN RESOURCES

1. Objective

- 1.1 National Grid plc's policies stem from and complement its Framework for Responsible Business and its Operational Philosophy as a group of businesses.
- 1.2 Realising the full potential of National Grid people through individual and collective development is a shared responsibility across the Group and its businesses. Our primary purpose is to:
- attract, motivate and retain the people best suited to the needs of National Grid and its businesses; and
 - develop highly competent individuals in relation to these needs, and embed a strong performance ethic throughout the Group.
- 1.3 While individual Group businesses must remain competitive within their different business environments, and this will need to be reflected in the detailed application of the Group's Human Resources policies, the overall framework of policies and standards must be:
- coherent;
 - Group-wide in scope; and
 - aligned with our business priorities and core values.

2. Scope

- 2.1 This policy statement applies to all businesses within National Grid. For Associate Companies and Joint Ventures, National Grid will seek to promote the adoption of policies and practices consistent with the principles set out in this document.

3. Policy Framework

National Grid is committed to:

- inclusion and diversity and avoiding any discrimination on the grounds of race, gender, nationality, age, disability, sexual orientation, gender identity, religion or background;
- promoting a work environment free from any harassment, intimidation or bullying;
- developing reward and recognition schemes that will allow National Grid businesses to recruit, retain and properly incentivise in a way that reflects the market in which they operate;
- relevant consultation with employees and their representatives in the Country of origin; and

- fostering a learning environment to enable employees to realise their full potential.

4. Related Group Policies and Other Documents

- Framework for Responsible Business.
- Safety and Occupational Health Policy.
- Public Position Statement on Human Rights.
- Whistleblower Protection Policy.
- Operational Human Resources Policies and Procedures.
- Inclusion and Diversity Vision.
- Code of Business Conduct.

5. Key Contacts

This policy is written and maintained by the Group Director of Human Resources, to whom questions regarding its content or application should be addressed. The Group Director of Human Resources will be responsible for facilitating communication of this policy statement throughout the organisation.

6. Monitoring and Compliance

- 6.1 The Group Director of Human Resources will review compliance with this policy statement on an annual basis. Any changes needed to ensure its effectiveness will be drawn to the Board's attention.
- 6.2 Each business within National Grid must ensure that it has the necessary arrangements in place to monitor and report compliance against this policy on an ongoing basis. Each Associate Company will be encouraged to put in place similar arrangements to enable compliance to be reported on an annual basis.
- 6.3 The Group Executive will be provided with assurance on an annual basis on performance in the key areas covered in this policy statement.
- 6.4 The Human Resources Leadership Team will receive regular reports from each business within National Grid with any issues referred to the Executive.
- 6.5 This policy may be reviewed and amended at any time. It is not contractually binding and does not guarantee a condition of employment.

Definitions

Associate Company: A company where between 20% and 50% of the equity share capital is beneficially owned by a National Grid company or companies.

Joint Venture: A commercial undertaking entered into by two or more parties (one being a National Grid company), by setting up a separate company in which all partners generally have equal shares.