



## Caring for our environment and our communities



### Our commitments

- We will deliver on the 18 commitments outlined in our five-year Environmental Action Plan (EAP) to decarbonise our network and reduce the environmental impact of our activities, continually stretching us to improve our environmental performance. These commitments will deliver a 21 percent reduction in our Scope 1 and 2 emissions from FY2022/23 baseline by the end of RIIO-GT3. [LO/CO]
- We will provide community grants of up to £10,000 in areas affected by our operations, and £20,000 in areas affected by our construction projects, for projects delivering social, economic and environmental benefits. [CO]
- We will provide educational initiatives to at least 900 young people in areas local to our activities, to encourage young people into STEM (Science, Technology, Engineering and Mathematics) roles. [CO]
- We will right-size and structure our market intelligence and engagements to help remove barriers to entry for Small and Medium Enterprises (SMEs), leveraging the legislative changes embedded in the 2023 Procurement Act. [CO]
- We will implement 28 day payment terms across our contracts, meeting the requirements for undisputed invoices required by the Procurement Act and PPC. [CO]

### How we will deliver

- Commitments in our EAP are assigned to one of five areas: climate, circular economy, nature, supply chain or stakeholder engagement, and have been determined by reviewing our environmental aspects and impacts against an accredited audit process to identify where we should focus our efforts. Each EAP commitment has an associated measurable metric, against which we will report on progress in our Annual Environmental Report (AER).
- Our social and educational activities will be delivered in line with the National Gas social impact strategy<sup>20</sup> and framework, with activities delivered in three of the five social impact framework pillars – ‘Charitable Giving’, ‘Community Engagement’, and ‘Future Skills and Education’. Delivery risks are considered within this framework and activities are reviewed on a bi-monthly basis. We will also report on utilisation of the fund via our Annual Report and Accounts.
- In line with our Workforce and Supply Chain Resilience Strategy, we will improve our engagement and procurement strategies to remove barriers to entry for SMEs, raising awareness on the types of goods and services they could provide, reducing the administrative burden and levelling the playing field to allow them to compete with larger businesses.

### Collaboration

- Our community grants drive collaboration between National Gas Transmission and communities effected by our works.
- Our EAP commitments around ‘supply chain’ demonstrate how we will work with our collaborators to reduce emissions.

### Stakeholder engagement

- We held a roundtable session with various external stakeholders to seek agreement on both the scope of our commitments and how we could make each as stretching as possible. We have summarised feedback received on each of our commitments in Annex A of our EAP.

### Consumer value and additionality

- By setting a baseline of FY2022/23, we are ensuring our emissions reductions targets exceed what we have done so far in RIIO-T2.
- We will minimise disruption to local communities and focus on social, economic and environmental benefits delivered by charities and community groups that meet local needs.
- Building on our RIIO-T2 performance, we will improve our environmental performance during RIIO-GT3, aligning to anticipated future legislative requirements, such as mandatory reporting for the Task Force for Nature-Related Financial Disclosure (TNFD). Our RIIO-GT3 EAP commitments are aligned to driving down the impacts from significant activity areas whilst ensuring we maintain consumer value.

### Guide to our plan

- NGT\_A03\_Environmental Action Plan\_RIIO\_GT3
- NGT\_A13\_Workforce and Supply Chain Resilience Strategy\_RIIO\_GT3

<sup>20</sup> National Gas Social Impact (<https://www.nationalgas.com/responsibility/social>)