

Annex A16.02
Environmental Management System
December 2019

We have an Environmental Management System (EMS) that is certified to ISO14001:2015, covering all our operational and non-operational businesses in the UK. The EMS gives National Grid a clear, systematic process to manage environmental risks and opportunities. The centralised Safety, Health and Sustainability team (SHS), are accountable for the ‘tier 1’ Environmental management systems that sets the mandatory requirements for our UK businesses, including Gas Transmission, supporting and advising the wider business on Environmental Sustainability matters and providing a second -line assurance function.

Our EMS ensures that we have taken all necessary steps (as far as is reasonably practicable) to be compliant with all relevant environmental legislation. It also sets out the steps to meet our own environmental performance targets. To achieve this, our EMS has stringent operational control procedures to manage our risks, identify opportunities, and underpin our approach to managing the environment. The EMS links into National Grid’s internal Business Management System (BMS), with our Environmental Sustainability standard one of the standards in the BMS. This standard is our Environmental Sustainability policy, setting out our commitment to Environmental Sustainability and the requirements we expect of our business.

Our EMS has two tiers. Tier1 is the centrally held system which sets our strategic direction in terms of environmental sustainability, keeps abreast of changing legislation and emerging trends, sets out what is expected of the business, and provides operational controls where multiple entities are involved. (see figure 1)

Tier 2 is specific to lines of business, in this case Gas Transmission, and describes how we will deliver the requirements set out in our Tier 1 EMS. This allows for business specific issues to be managed, while ensuring clear strategic direction is given to Gas Transmission.

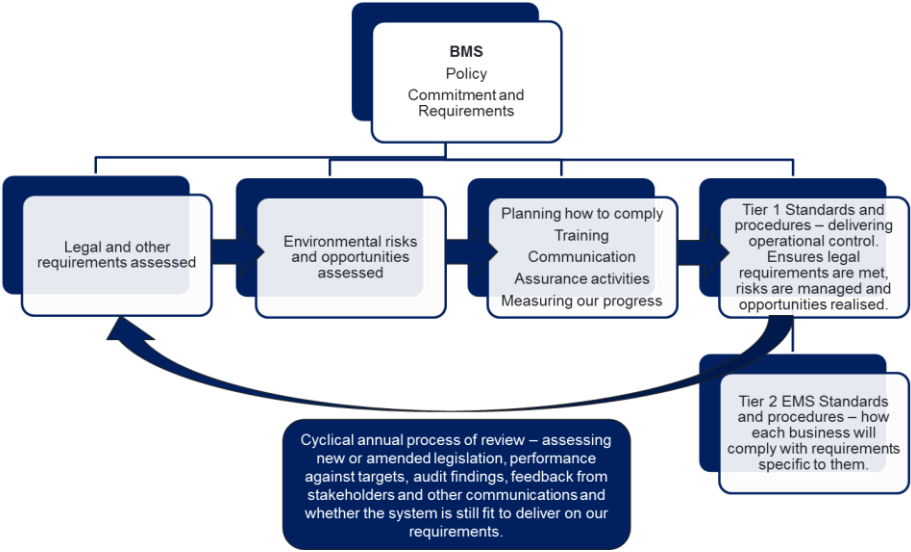


Figure 1 – overview of EMS structure