

# Corporate Citizenship

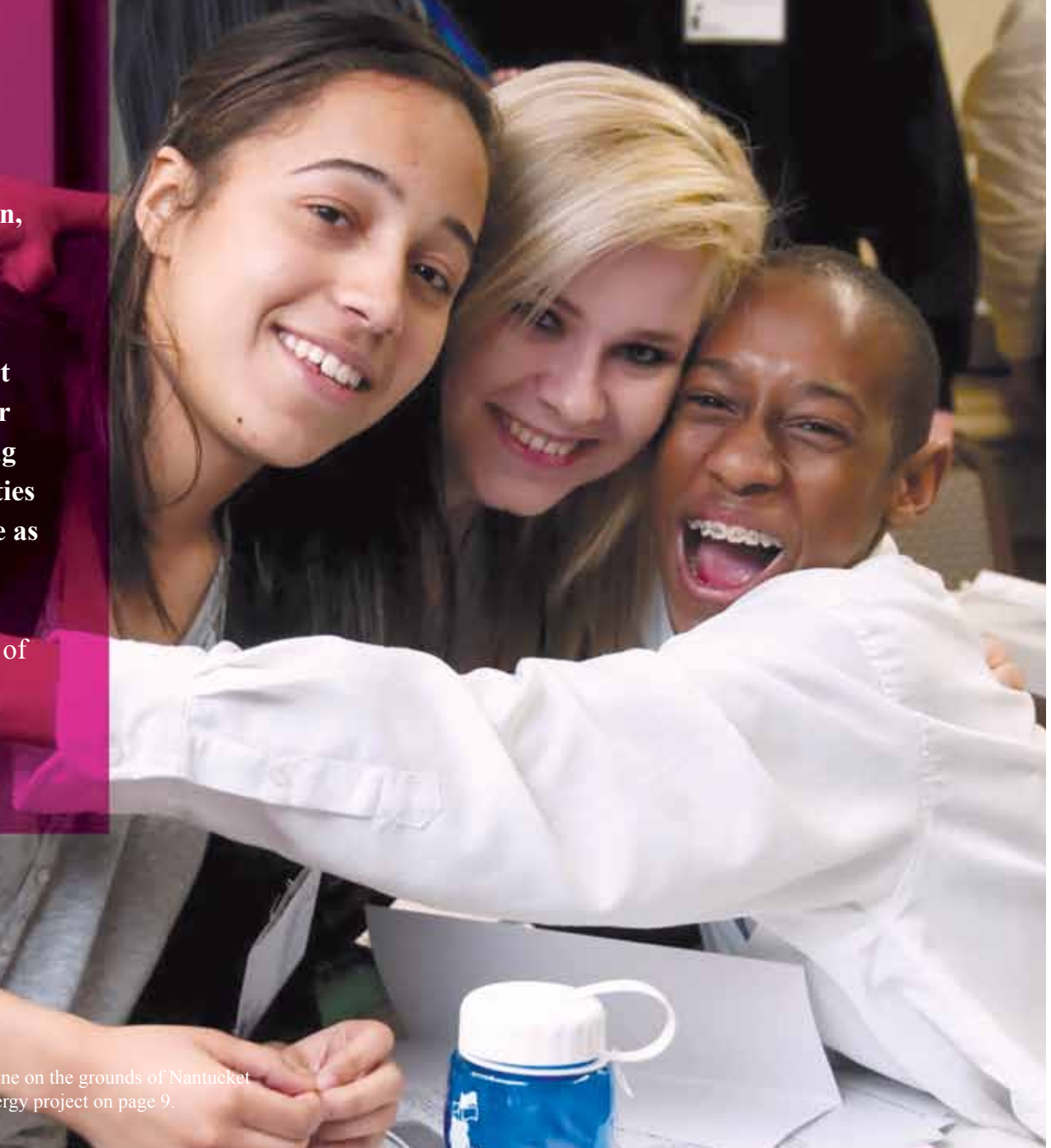
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Annual Report – FY 2010



**“We recognize National Grid for its commitment to issues at the core of the United Nations mission, including human rights, the UN Global Compact, sustainability and climate change. In addition, we honor National Grid’s support for global education programs for youth, which foster understanding of human rights and responsibilities for a successful participatory role as global citizens.”**

**- Richard Golob, President of the Board, United Nations Association of Greater Boston**



The cover depicts a 120-foot land-based wind turbine on the grounds of Nantucket High School. Read more about this educational energy project on page 9.

# Welcome

We are pleased and honored to share with you our second annual Corporate Citizenship Report, which reviews National Grid's philanthropic and volunteer activities from April 1, 2009 to March 31, 2010.

In early 2010 National Grid renamed its corporate giving business unit Corporate Citizenship to better reflect the company's commitment to partner with nonprofits and community leaders to create educated, vibrant and engaged citizenry.

It is our belief that as corporate citizens, we have a responsibility to be engaged, active members of the communities where we do business. You are probably familiar with our tagline, the "power of action." As a company, we believe that power comes from being an innovative leader in energy management, safeguarding our global environment for future generations and providing all our customers with highest standards of service through investment in our systems and our talented, diverse workforce.

We also apply the "power of action" in how we approach our community investment and philanthropic activities. Balancing our business strengths with the needs of the communities, we focus on the areas of energy, education and the environment. Furthermore, we invest in programs that directly support our employees and their initiatives in the community and also encompass safety and inclusion & diversity initiatives. Our efforts are already receiving notice, with recognition such as the United Nations Association of Greater Boston's prestigious 2010 Leadership Award that acknowledges our company's efforts in global education programs, climate and sustainability.

We take our role as a community citizen seriously. We are proud to provide needed support to the nonprofit organizations and initiatives that create safer, healthier, and more vibrant communities. Put simply, it's the right thing to do.

Finally, this report is dedicated to the 17,000 National Grid employees that bring their enthusiasm and dedication to work every day, inspiring new ideas in community citizenship and demonstrating that the "power of action" is simply a way of life. Our robust corporate citizenship outreach wouldn't be possible without employees' contributions of time, talent and resources and we look forward to what the next year brings.



Tom King  
President, National Grid US



Loretta Smith  
Director, US Corporate Citizenship



- **\$5.64 million** from National Grid to 1150 nonprofit organizations through Corporate Citizenship Programs
- **\$3.4 million** and 43% participation in the 2009 United Way Campaign
- **\$820,000** in heating fund relief to individuals throughout the Northeastern United States
- **\$750,000** grant to City Year's Whole School, Whole Child program
- **\$280,000** to Haiti relief efforts from National Grid and its employees

# Grants Overview



## PARTNERSHIPS

National Grid believes that people and organizations have the will and commitment to create positive change within their communities. We are honored to provide grants, in-kind and volunteer support to encourage, create and enhance needed programs that improve the lives of our customers and employees. Special attention is paid to programs that provide support of multiple areas of interest simultaneously. Our areas of interest include:

### Education

**39.6%**

Today there is a shortage of technically trained talent; National Grid invests in programs that focus on building science, technology, engineering and math (STEM) skills among our nation's next generation.

Like other utilities across the country, National Grid is facing a looming shortage of engineers to build the next generation of its energy delivery system, including smart grids and other emerging high-tech systems. National Grid is taking action to address this challenge with its innovative and comprehensive "Engineering Our Future" initiative to inspire youth, and attract and develop engineers. National Grid already has invested more than \$3 million in this program to target students of all ages and backgrounds to encourage them to study STEM subjects.

### Energy & Environment

**25.7%**

The quality of our environment impacts our lives and how National Grid can operate its business. Interests include projects that promote sustainable, pro-green practices; assist those living with fuel poverty; and reviving damaged green spaces.

National Grid's two-year signature partnership with the New England Aquarium (NEAQ) provides students and teachers across the region with access to a variety of education programs and resources. The company's funding provides free admission to the Aquarium and access to its educational programs for more than 7000 students from low-income schools. Teachers can take advantage of NEAQ's Teacher Resource Center, one of the largest collections of teaching materials in New England. And through the sponsorship of the Teen Ocean Summit and Educator Appreciation Night, students and teachers alike are inspired to discover and explore the world of water.

### Community Investment

**34.7%**

Recognizing that communities have unique needs and challenges, National Grid celebrates programs that respond to local community issues. Of particular importance are those programs that support safety, inclusion and diversity.

As the Northeast Regional Sponsor of Whole School, Whole Child (WSWC), National Grid provides crucial funding to help City Year reverse the high school dropout trend. The company's three year, \$750,000 sponsorship allows City Year Corps Members to work with schools to provide structured academic support, create in-school and after-school programs, and generate a positive school environment. This partnership also provides opportunities for National Grid employee volunteers to engage in our communities along with City Year Corps Members to improve education.

# Matching Gifts & United Way

## MATCHING GIFTS

Beyond our partnerships and community grantmaking, National Grid established the Matching Gifts Program to increase our community impact while also honoring our employees for their own acts of giving. The Matching Gifts Program matches the charitable gift of any employee to any 501(c)(3) organization within National Grid's U.S. service area, up to \$500 annually. More than \$250,000 from National Grid was donated to 651 organizations in honor and recognition of the generosity of our 17,000 employees for fiscal year 2010.

## UNITED WAY

National Grid's partnership with the United Way continues to thrive, as we both believe that communities are improved through creative problem solving and the need for all within a community to work together to create a brighter future.

Each year, employees give generously of their time and their money to more than 40 local United Way chapters in New York and New England through the United Way Campaign. In 2009, National Grid and 43% of its employees contributed more than \$3 million to the United Ways within the company's service area.

In addition, each September employees from Long Island to New Hampshire participate in Days of Caring, volunteering alongside other community members to beautify and improve organizations that make our communities strong.



43 percent of National Grid's employees pledged to the 2010 United Way campaign

Total company and employee contributions are more than **\$3.4 million**

As a company, National Grid will donate more than **\$1.3 million**

Retirees also donated more than **\$30,000**



"National Grid is an outstanding partner to United Way in so many ways. Not only do National Grid and its employees contribute generously to United Way and regularly volunteer with us, they actively engage with us in making a substantial impact on community issues of mutual concern – the quality of education, the financial stability of low-income families, and the elimination of preventable diseases."

- Gordon J. Campbell, President & CEO, United Way of New York City

# City Year



Every 26 seconds a student gives up on school, resulting in more than one million American high school students who drop out every year. To combat this alarming statistic, National Grid looked to its longtime partner, City Year, and provided crucial funding to support programs that are reversing this trend. City Year is a nonprofit organization that engages young people for a year of full-time service as tutors, mentors and role models at locations across the country. National Grid has partnered with City Year for more than 10 years in various programs that remove barriers to achievement for young people in New York, Massachusetts, New Hampshire and Rhode Island, with Corps Members working directly with students to improve attendance, behavior and coursework.



In 2010 National Grid announced that it has become the Northeast sponsor of City Year's Whole School, Whole Child program, which focuses on positive interventions for underserved elementary students most at risk for dropping out. Corps Members forge meaningful relationships with students while providing academic support; attendance monitoring and incentives; positive behavioral support; after school programming and in-school programs and activities such as assemblies and celebrations that improve the overall school environment.



This \$750,000, three-year grant to City Year is the largest nonprofit partnership in the company's history and provides:

- Sponsorship of more than 200 volunteer corps members in Massachusetts, Rhode Island, New Hampshire and New York
- Volunteer opportunities for National Grid employees where they can work with Corps Members to improve education; and
- Sponsorships for several special events focused on community service.

This relationship is just another way we support the local communities that we operate in, removing barriers to achievement and shaping our future workforce.

"City Year is honored to have National Grid as a partner, and grateful that they are helping us power our effort to keep students in New England and New York on track to graduation and life success."

- City Year CEO and Co-Founder Michael Brown



"I know that I'm making a difference because the youth I work with know that I care about them and believe in their potential."

- Lisa Sampson, Age 23,  
City Year Rhode Island Corps  
Member serving at Roger  
Williams Middle School

**“City Year is making a big difference and helping me a lot. I raised my math scores a whole grade and a half because of their help.”**

- Destinie, 6th grade student, Roger Williams Middle School, Providence, Rhode Island



# Project Highlights



## ENGINEERING OUR FUTURE

Research shows that young people and the public at large have negative perceptions about engineering, partially because individuals don't understand what engineers actually do. Engineering Our Future is the company's long-term, global initiative to inspire, attract and develop future engineers through a range of grants, employee volunteer efforts and other leadership programs. To date, National Grid has invested more than \$3 million in this program to target students of all ages and backgrounds to encourage them to study science, technology, engineering and math.

In the United States, two leadership programs addressing this effort have emerged:



The **Energy Explorer Program** provides needed educational materials, teaching tools and an interactive website free for students, teachers and parents to learn about electricity, natural gas, energy conservation, and safety through interactive games, experiments and stories. Teachers can obtain e-books, supplemental teaching guides and printable activities for younger students. Energy Explorer information can be found at [www.ngridenergyworld.com](http://www.ngridenergyworld.com).

The **Engineering Pipeline Program** is an intensive, six-year initiative that creates a recruitment pathway, beginning after junior year in high school, for promising students who want to become engineers. Sixty high school juniors who have strong grades and interest in engineering will be accepted into the Pipeline each year. If they study engineering in college, keep their grades up, and participate in ongoing activities – including a paid internship at National Grid, job shadowing and mentoring activities – they will be fast-tracked for full-time employment at National Grid upon graduation.



## GREEN EDUCATION FOUNDATION'S POWER OF ACTION T-SHIRT DESIGN CONTEST

National Grid employees embody the “power of action”, down to the clothing that they wear when volunteering. To find the right t-shirt design for National Grid's 2010 Earth Day celebration, the company partnered with the Green Education Foundation to develop a t-shirt contest. Students from grades K-12 were challenged to consider the positive impact they can make on their planet through artwork that combined the themes of volunteering and Earth Day. More than 1,000 employees voted to select the two winning designs from the Beechwood Knoll Elementary School in Quincy, MA and the Roxboro Road Elementary School in Syracuse, NY. The designs were then turned into t-shirts worn by employees volunteering on and around Earth Day.

### MCAULIFFE-SHEPARD DISCOVERY CENTER

The McAuliffe-Shepard Discovery Center, located in Concord, New Hampshire, dedicated the National Grid Education Center in early 2010. It serves as a resource center for teachers and parents to secure exciting math and science-related content, as well as hosting monthly educator workshops on astronomy, Earth and space science and aviation, and an in-depth Summer Solar Science Symposium. In addition, activity guides for key exhibits at the Discovery Center and spectroscopy kits that will be used by teachers and students alike in studying the nature of light and composition of stars are provided as part of the program partnership.

“The Discovery Center is the premiere air and space museum in New England, giving New Hampshire children the opportunity to learn and dream about the stars and beyond. I want to thank National Grid for making this investment in the Discovery Center and in the education of our children.”

- New Hampshire Governor John H. Lynch



### UNITED NATIONS ASSOCIATION OF GREATER BOSTON

National Grid’s support to the United Nations Association of Greater Boston’s **Global Classrooms Program** funds a unique educational program designed to bring the Model UN experience into the classroom. National Grid’s partnership supports three Model UN Conferences for middle and high schools students, including one that was held at the company’s headquarters in Waltham, MA. National Grid CEO Steve Holliday accepted the organization’s prestigious 2010 Leadership Award.



### WIND TURBINE PROJECT AT NANTUCKET PUBLIC SCHOOLS

Students and educators in the Nantucket Public Schools system began an initiative in 2009 to erect a 120-foot, land-based wind turbine on the high school grounds to lower energy costs and teach students about alternative energy solutions. National Grid is now working on site with the school district to provide both funding and employee expertise. This project, expected to produce more than 300,000 kilowatt hours a year and cover 20 percent of the high school’s annual electric use, demonstrates to Nantucket school children that their advocacy and leadership creates real, positive results in their own community.

“Our goals of bringing alternative energy solutions to Nantucket Public Schools will be greatly facilitated by your generous financial assistance and leadership.”

- Robert Pellicone, Superintendent of Nantucket Public Schools



# Project Highlights



## ROSAMOND GIFFORD ZOO

At Syracuse's Rosamond Gifford Zoo, National Grid has partnered with the "Zoo to You" program, a traveling educational program that visits schools, libraries, community centers, and scout troops with the goal of increasing awareness of the animal kingdom and environmental consciousness. Zoo to You covers a wide variety of topics, including adaptations, habitats and endangered species, designed for specific age groups starting at age three through adults. In addition, each program includes live animals such as birds, reptiles, and invertebrates to create a hands-on for the participants.

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## COLLEGE OF STATEN ISLAND

As part of National Grid's Engineering Fall 2009 Workshop series, 12 students from Staten Island's Curtis High School visited the College of Staten Island campus, working on electronic circuits engineering projects, touring research laboratories, and attending lectures about engineering design in order to see first-hand what engineering is all about. Students learned practical electronic circuits concepts by doing real-laboratory experimentation that involved performing some basic wiring, building of simple microelectronic circuits, and working as a team. A National Grid engineer also spoke to the students about career choices in the engineering field.

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## NYU-POLY EARTH DAY GREEN EXPO

In 2009, National Grid brought nearly 100 female middle-school students to spend the day with professors from the Polytechnic Institute of New York University (NYU-Poly) and experts in sustainable engineering with the hopes of inspiring a new generation of green engineers. Known as the Green Expo at the Urban Assembly Institute of Math and Science for Young Women, this program also allowed students to build models of energy-efficient houses that incorporated green technologies such as solar panels, windmills, greenhouses, and desalination systems.

"We need engineers to solve the problems we have today, like global warming. It's up to us to show students that it's important to be an engineer and carry on that legacy."

- Habeeb Shittu, President of NYU-Poly chapter of Engineers Without Borders

## UNIVERSITY OF BUFFALO

National Grid provided the University of Buffalo's (UB) School of Engineering and Applied Sciences with a \$250,000 grant to create a five-year program that introduces Buffalo Public Students in grades 6 - 12 to careers in the biomedical and green energy industries. The partnership between UB and National Grid includes active learning projects designed to increase public school students' understanding of their impact on their world climate and the advanced technologies needed to reduce impact as well as similar projects with a biomedical engineering focus.

In addition to the new partnership, National Grid's investment supports the growth of BEAM (Buffalo-area Engineering Awareness for Minorities), the cooperative educational enrichment program that prepares inner-city, minority, female and other underrepresented students for careers in science, engineering and technology through after-school and summer programs.

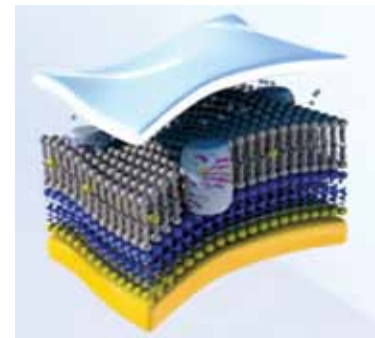
“These new outreach programs, funded generously by National Grid, will allow us to reach girls and boys early in their academic careers, to pique their curiosities and spark their interests in pursuing careers and jobs in engineering.”  
– Harvey G. Stenger, Dean of UB's School of Engineering and Applied Sciences




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## MIT'S IGNITE CLEAN ENERGY COMPETITION

National Grid is a sustaining sponsor of Massachusetts Institute of Technology's Enterprise Forum of Cambridge Ignite Clean Energy competition, a year-long training and competitive forum for entrepreneurs in the clean energy industry. The program has been instrumental to entrepreneurs winning their first venture capital funding, providing \$35,000 in cash plus office space to winners. National Grid has become a long-time supporter of ICE because it provides opportunities for students and professionals to come together to explore new technologies, offers training and mentoring to help teams improve their business plans, and encourages teams to engage early with potential customers to gain deeper knowledge of market needs and business processes. IntAct Labs, the competition's most recent winner, is dedicated to solving problems at the intersection of water and energy.



# Employee Volunteering



Volunteering by National Grid employees is not new. For years, employees have independently gathered to conduct volunteer events, raise funds for local charities and participate in community events as a team. In early 2009, National Grid formalized this already robust volunteer program, naming it National Grid Volunteers and hiring its first US Director of Employee Volunteering. This new structure will allow the company to plan and implement employee volunteering projects, as well as provide support and resources to employees who wish to implement their own initiatives.

One long-standing employee volunteering effort is anchored by a 20-year partnership with Junior Achievement (JA). Using a tailored curriculum that ties directly into National Grid's Engineering Our Future program, approximately 150 employees volunteer each year through JA to teach business courses and leadership development programs to students grades K - 12.

Recently, National Grid celebrated the 40th anniversary of Earth Day by hosting its largest Employee Volunteering event to date within the United States. During a one-month period, more than 1,200 employees channeled their enthusiasm for helping the environment and, as National Grid's vision states, "safeguarding our global environment for future generations." In all, there were more than 23 projects across our service region, ranging from cleaning debris and clearing trails to planting flowers and rebuilding gardens. For example, within the shadows of our Dorchester, MA LNG facility, National Grid partnered with Mayor Thomas Menino's Boston Shines 365 community service program to remove 11 tons of litter from Malibu Beach.



## JEFFERSON CHAMPIONS AWARDS

The Jefferson Awards are a prestigious national recognition system and have been called the "Nobel Prize" for public and community service. National Grid employees have been recognized two years in a row for this honor. In 2009, Lynn Falanga, a 17-year employee based in Hicksville, NY, accepted the Jefferson Award for Outstanding Service by an Employee on behalf of National Grid and its volunteers. In 2010, Buffalo, NY employee Miguel Santos received the Corporate Champion award for his work at National Grid and within the community. As a Consumer Advocate for National Grid, Miguel has established positive working relationships with the community while finding creative solutions for customers in need of assistance with the payment of their energy bill. Outside of work, Miguel has an extensive history of community service and volunteerism in Upstate New York as well as in disaster-stricken countries.



# Disaster Relief & Heating Fund

## HAITI EARTHQUAKE

Whether it occurs down the road or across the globe, when a disaster strikes, employees jump into action. Emails come pouring in – “What can we do? How can we help?” In January 2010, the world watched in horror as news of the devastating earthquake in Haiti reached our airwaves. Immediately our employees began planning fundraisers and supply drives.

To help in relief efforts, National Grid pledged a \$100,000 gift to the American Red Cross Haiti Relief Fund and agreed to match dollar-for-dollar any employee contributions made to this fund. In total, more than \$280,000 was donated from National Grid and its employees to aid the Red Cross’ relief efforts.

## RHODE ISLAND FLOODING

While we are always available to lend support in situations of international crisis, equally as important to us is the willingness to lend a hand in our own backyards. In March 2010 the state of Rhode Island began experiencing repeated rainstorms that left behind the worst flood levels seen in 200 years, resulting in a federal disaster area. National Grid and its employees were directly affected by the storms and flooding, with many employees working to restore power and gas to neighbors and community members while their own homes were flooded.

Although many National Grid employees and their families were without power or heat at home, they helped organize relief efforts and fundraisers for local residents. Field employees in National Grid’s Dexter Street location rallied to raise more than \$10,000, many of whom participated in the Matching Gifts Program for the first time through this effort. On a corporate level, National Grid donated \$20,000 to the Rhode Island Flood Recovery Fund managed by the United Way of Rhode Island and \$5,000 to the American Red Cross of Rhode Island.



“It’s not just about offering time and service to those who need it, it’s what you get out of it – the feeling of humility, being blessed, and the power of life and the human spirit.”

– Tulie Gay, Nurse Practitioner & Haiti Volunteer, National Grid

## National Grid Heating Fund

National Grid provides heating assistance support to organizations that help lessen the burden for those most in need. In 2009, the company provided \$820,000 in heating assistance funds to organizations throughout our U.S. footprint, including:

- **Neighborhood Heating Fund at New York City Heartshare**
- **Southern New Hampshire Services**
- **Salvation Army Good Neighbor Energy Fund**
- **Onondaga-Oswego Chapter of the American Red Cross**
- **United Way of Long Island’s Project Warmth**
- **United Way of Massachusetts Bay**
- **Catholic Charities of Albany**

All these organizations provide heating assistance funds to qualified applicants whether or not they are National Grid customers, and regardless of which fuel they use to heat their homes.

# List of Partners

Amsterdam Waterfront Foundation  
ARC of Onondaga  
Audubon NY/Montezuma Audubon Center  
Baltimore Woods Nature Center  
Bentley University  
Boston Center for Community and Justice  
Boston Children's Museum  
Bottom Line Inc.  
Brooklyn Academy of Music  
Brooklyn Botanic Garden  
Brooklyn Children's Museum  
Buffalo Philharmonic Orchestra Society  
Central New York Jazz Arts Foundation  
City Year, Inc.  
Clarkson University  
Clean Air Cool Planet, Inc.  
Coastal America Foundation  
College of Staten Island Foundation, Inc.  
Connect Us Altwheels, Inc.  
Cornell Cooperative Extension of Onondaga  
Girls Incorporated of Worcester  
Greater Boston Chamber of Commerce

Green Education Foundation  
Habitat for Humanity of Cape Cod  
Hallsville School  
Hofstra University  
Initiative for a Competitive Inner City  
Institute for Student Achievement  
InterFaith Works of CNY  
John F. Kennedy Library Foundation  
Junior Achievement of CNY  
Junior Achievement of New York, Inc.  
Junior Achievement of Rhode Island, Inc.  
Kingsborough Community College Foundation, Inc.  
Long Island Pine Barrens Society  
Martin Luther King Jr. Concert Series, Inc.  
Massachusetts Institute of Technology  
Medgar Evers College  
MIT Enterprise Forum of Cambridge  
Nantucket Public Schools  
Neighbor Helping Neighbor Fund  
New England Aquarium  
New England Council  
New York Newspapers Foundation



Old Westbury Gardens  
On Point for College, Inc.  
Onondaga Community College Foundation, Inc.  
Pelham Good Neighbor Fund  
Polytechnic Institute of New York University  
Queensborough Community College Fund, Inc.  
Rose Fitzgerald Kennedy Greenway Conservancy  
S. U. Theatre Corp.  
Sagamore Institute of the Adirondacks  
Salve Regina University  
Save the Harbor/Save the Bay  
Schenectady Museum Association  
School for the Urban Environment  
Seaside Summer Concert Series, Inc.  
Southern New Hampshire Services, Inc.  
Special Olympics Rhode Island  
St. Francis College  
Syracuse 20/20, Inc.  
Syracuse Habitat for Humanity, Inc.  
Syracuse JazzFest Productions, Inc.  
Syracuse Symphony Orchestra, Inc.  
The Boston Foundation  
The Center for Corporate Citizenship at Boston College

The City College of New York  
The Commonwealth of Massachusetts  
The Fund for Parks and Recreation in Boston  
The Nature Conservancy of Long Island  
The NorthShore Community College Foundation  
The Partnership, Inc.  
The Patriot Ledger Newspaper In Education Program  
The Salvation Army  
Touch the Future, Inc.  
Tree Fund - Tree Research & Education Endowment Fund  
Tufts University  
United Nations Association of Greater Boston  
United Negro College Fund  
University at Albany  
University at Buffalo School of Engineering and Applied Sciences  
University of Rhode Island Foundation  
WCS/New York Aquarium  
West Indian American Day Carnival Association Inc.  
Westborough Food Pantry  
Whittier Street Health Center Committee, Inc.  
Worcester Center for the Performing Arts  
Worcester Educational Development Foundation, Inc.  
Youth Opportunities Upheld, Inc.



# artists for humanity

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