

The Company announced on 4 May 2018 that Andrew Bonfield had resigned from National Grid plc and will be stepping down from the Board following the Company's Annual General Meeting on 30 July 2018. Further to this announcement the remuneration arrangements which will apply on exit are set out below.

Salary and benefits

Mr Bonfield's last day of employment will be Tuesday 31 July 2018 after which he will cease to receive salary and benefits. Mr Bonfield is not required to work his full 12 months' notice and will not be paid in lieu of notice.

2018/19 Annual Performance Plan (APP)

Mr Bonfield will not receive any APP payout in respect of his contribution during the first four months (1 April 2018 – 31 July 2018) of this financial year.

Long Term Performance Plan

Mr Bonfield will forfeit all unvested LTPP shares granted to him under the 2016 LTPP and 2017 LTPP and he will not receive a 2018 LTPP grant on the 28 June 2018, or any further share awards.

Share Incentive Plan

Mr Bonfield currently participates in the Company's Share Incentive Plan (SIP) and 1,568 shares are currently held in Trust on his behalf. The SIP shares accrued at the time of his departure will be released from Trust and transferred to him after income tax and National Insurance deductions shortly after 31 July 2018.

Sharesave

Mr Bonfield has two Sharesave contracts with an option over a total of 3,230 shares. The options granted on 18 December 2014 (over 2,022 shares) will be exercisable for a period of six months following his leave date. The options granted on 18 December 2015 will be cancelled (over 1,208 shares). Therefore he will no longer have the option to buy shares, he can, however, continue to save for the remainder of the contract or withdraw his savings.

Shareholding Requirement

Mr Bonfield has agreed to maintain a minimum shareholding in National Grid's shares equivalent to the value of twice his current annual salary throughout the three year period ending 31 July 2021. Mr Bonfield's salary is £771,285 per annum and the value of the agreed minimum shareholding is therefore £1,542,570. The actual minimum number of shares held will vary according to share price.

Remuneration Arrangements for 2017/18

Mr Bonfield's remuneration arrangements for the 2017/18 financial year, including his APP for 2017/18 and the expected vesting in July of the 2015 LTPP award are detailed in this year's Directors' Remuneration Report which can be found within the 2018 Annual Report and Accounts.