

# Notice of 2013 Annual General Meeting

National Grid plc

The 2013 Annual General Meeting of National Grid plc (the 'Company') will be held at 2pm on Monday 29 July 2013 at The ICC, Broad Street, Birmingham B1 2EA.

**This document is important and requires your immediate attention.** If you are in any doubt as to any aspect of the proposals referred to in this document or as to the action you should take, you should seek your own advice from an independent professional advisor. If you have sold or otherwise transferred all your shares, please pass this document together with the accompanying documents to the person who arranged the sale or transfer so they can pass these documents to the person who now holds the shares.

15 May 2013

# Resolutions

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The Annual General Meeting ('AGM') will consider the following resolutions, which in the case of resolutions 19, 20 and 21 will be proposed as special resolutions with the remainder being proposed as ordinary resolutions.

1. To receive the Company's accounts for the year ended 31 March 2013, the Directors' Reports and the Auditors' Report on the accounts.
2. To declare a final dividend of 26.36 pence per ordinary share (US\$2.0088 per American Depositary Share) for the year ended 31 March 2013.
3. To re-elect Sir Peter Gershon as a Director.
4. To re-elect Steve Holliday as a Director.
5. To re-elect Andrew Bonfield as a Director.
6. To re-elect Tom King as a Director.
7. To re-elect Nick Winser as a Director.
8. To re-elect Philip Aiken as a Director.
9. To re-elect Nora Mead Brownell as a Director.
10. To elect Jonathan Dawson as a Director.
11. To re-elect Paul Golby as a Director.
12. To re-elect Ruth Kelly as a Director.
13. To re-elect Maria Richter as a Director.
14. To elect Mark Williamson as a Director.
15. To reappoint PricewaterhouseCoopers LLP as the Company's auditors until the conclusion of the next general meeting at which accounts are laid before the Company.
16. To authorise the Directors to set the auditors' remuneration.
17. To approve the Directors' Remuneration Report for the year ended 31 March 2013.
18. To authorise the Directors generally and unconditionally, in accordance with Section 551 of the Companies Act 2006 (the '2006 Act'), to allot shares in the Company or to grant rights to subscribe for or convert any security into shares in the Company:
  - (i) up to an aggregate nominal amount of £139,305,599; and
  - (ii) comprising equity securities (as defined in Section 560(1) of the 2006 Act) up to a further nominal amount of £139,305,599 in connection with an offer by way of a rights issue.

This authority shall expire at the earlier of the close of the next AGM and 29 October 2014 except that the Directors shall be entitled, at any time prior to the expiry of this authority, to make an offer or enter into an agreement which would, or might, require shares to be allotted or subscription or conversion rights to be granted after such expiry and the Directors may allot shares or grant rights in accordance with such offer or agreement as if the authority conferred had not expired.

19. Subject to the passing of resolution 18 set out above, to authorise the Directors, in accordance with Section 570 of the 2006 Act, to allot equity securities wholly for cash, including a sale of treasury shares, as if Section 561 of the 2006 Act did not apply to any such allotment or sale, provided that this power shall be limited to:

- (i) any such allotment in connection with a rights issue; and
- (ii) any such allotment, otherwise than pursuant to a rights issue, of equity securities up to an aggregate nominal value of £20,895,839.

This authority shall expire at the earlier of the close of the next AGM and 29 October 2014 except that the Directors shall be entitled, at any time prior to the expiry of this authority, to make an offer or enter into an agreement which would, or might, require equity securities to be allotted wholly or partly after such expiry and the Directors may allot equity securities in accordance with such offer or agreement as if the authority conferred had not expired.

20. To authorise the Company generally and unconditionally, for the purpose of Section 701 of the 2006 Act, to make market purchases of its ordinary shares provided that:

- (i) the maximum number of ordinary shares that may be acquired is 366,743,311 being 10% of the Company's issued share capital (excluding treasury shares) as at 15 May 2013;
- (ii) the minimum price per share that may be paid for any such shares is 11<sup>17</sup>/<sub>43</sub> pence; and

- (iii) the maximum price per share that may be paid for any such shares is not more than the higher of: (a) an amount equal to 105% of the average market value for an ordinary share, as derived from the London Stock Exchange Official List, for the five business days prior to the day on which the purchase is made; and (b) an amount equal to the higher of the price of the last independent trade of an ordinary share and the highest current independent bid for an ordinary share as derived from the London Stock Exchange Trading System.

This authority shall expire at the earlier of the close of the next AGM and 29 October 2014 except that the Company shall be entitled, at any time prior to the expiry of this authority, to make a contract of purchase which would or might be executed wholly or partly after such expiry and to purchase shares in accordance with such contract as if the authority conferred had not expired.

21. To authorise the Directors, in accordance with the Company's existing Articles of Association, to call a general meeting of the Company, other than an AGM, on not less than 14 clear days' notice.

The Directors believe the proposals set out in resolutions 1 to 21 are in the best interests of shareholders as a whole and they unanimously recommend that shareholders vote in favour of each of the resolutions as they intend to do in respect of their own holdings.

On behalf of the Board

**Alison Kay,**  
Group General Counsel & Company Secretary

15 May 2013

National Grid plc  
Registered Office: 1-3 Strand, London WC2N 5EH  
Registered in England and Wales No. 4031152

# Explanation of resolutions

Resolutions 19, 20 and 21 will be proposed as special resolutions and will be passed if at least 75% of the votes cast (not counting votes withheld) are in favour.

The remaining resolutions are being proposed as ordinary resolutions and will be passed if more than 50% of the votes cast (not counting votes withheld) are in favour.

## Resolution 1: To receive the Annual Report and Accounts

The Company is required to present its report and accounts to shareholders at its AGM.

Copies of the full Annual Report and Accounts for the year ended 31 March 2013 (the 'Annual Report') and the Performance Summary will be available at the AGM. These documents are also available on the Company's website at [www.nationalgrid.com](http://www.nationalgrid.com). Paper copies can be obtained from Capita Registrars, see page 12 for contact details.

## Resolution 2: To declare a final dividend

The Company requires shareholder consent to pay a final dividend. The dividend cannot exceed the amount recommended by the Directors. If approved, the final dividend of 26.36 pence per ordinary share (US\$2.0088 per American Depositary Share ('ADS')) will be paid on 21 August 2013 to shareholders on the register at the close of business on 7 June 2013. The dividend is to be paid in respect of each ordinary share other than those shares in respect of which a valid election has been made, pursuant to the Company's scrip dividend scheme, to receive new ordinary shares instead of the final dividend in cash. Dividends are declared in both pence and US\$ to ensure that holders of both ordinary shares and ADSs are paid the declared dividend on the same day.

## Resolutions 3 – 14: Election and re-election of Directors

The Company's Articles of Association require that any Director appointed to the Board retire and seek election by shareholders at their first AGM following appointment and subsequent re-election at least once every three years. Accordingly, following the appointment of Mark Williamson on 3 September 2012 and Jonathan Dawson on 4 March 2013, they will seek election at this AGM. Additionally, in accordance with the UK Corporate Governance Code, it is proposed that all other Directors seek re-election at the AGM this year, with the exception of Ken Harvey and George Rose, who will be stepping down from the Board following the conclusion of the 2013 AGM.

When making its recommendation to the Board in respect of the election or re-election of the Directors, the Nominations Committee considers the balance of skills, experience, independence and knowledge on the Board and reviews the commitment and effectiveness of each Director.

Accordingly, the Board has resolved that the Directors continue to be effective, committed to their roles and have sufficient time available to perform their duties to the Company. Additionally, the Board has determined, other than the Chairman, each of the Non-executive Directors at year end to be independent notwithstanding that Ken Harvey, Maria Richter and George Rose have served on the Board for more than nine years.

The Board considers the independent character and judgement of the Non-executive Directors and varied and relevant experience of all the Directors combine to provide an exceptional balance of skills and knowledge which is of great benefit to the Company and, therefore, the Board recommends the re-election of all Directors, with the exception of Ken Harvey and George Rose.

### Key:

- A Audit Committee
- F Finance Committee
- N Nominations Committee
- R Remuneration Committee
- S Safety, Environment and Health Committee
- (ch) chairman of Committee

## Resolution 3: To re-elect Sir Peter Gershon CBE FREng Chairman

**Appointment to the Board:** August 2011 as Deputy Chairman, Chairman with effect from January 2012

**Committee membership:** N (ch)

**Previous appointments:** Chairman of Premier Farnell plc, Chief Executive of the Office of Government Commerce, Managing Director of Marconi Electronic Systems and member of the UK Defence Academy Advisory Board.

**External appointments:** Chairman of Tate & Lyle plc and member of the HM Government Efficiency and Reform Board and The Sutton Trust Board.

## Resolution 4: To re-elect Steve Holliday FREng Chief Executive

**Appointment to the Board:** October 2002, appointed to National Grid Group plc 2001, Chief Executive with effect from January 2007

**Committee membership:** F

**Previous appointments:** Executive Director of British Borneo Oil and Gas; he also spent 19 years within the Exxon Group, where he held senior positions in the international gas business and managed major operational areas such as refining and shipping. Most recently Chairman of the UK Business Council for Sustainable Energy and the Technician Council.

**External appointments:** Non-executive Director of Marks and Spencer Group plc, Chairman of Crisis UK, the Prince's National Ambassador, Trustee Director for Business in the Community and member of Infrastructure UK Advisory Council.

## Resolution 5: To re-elect Andrew Bonfield Finance Director

**Appointment to the Board:** November 2010

**Committee membership:** F

**Previous appointments:** Chief Financial Officer at Cadbury plc until March 2010; he also spent five years as Executive Vice President & Chief Financial Officer of Bristol-Myers Squibb Company and has previous experience in the energy sector as Finance Director of BG Group plc.

**External appointments:** Non-executive Director of Kingfisher plc.

## Resolution 6: To re-elect Tom King Executive Director, US

**Appointment to the Board:** August 2007

**Previous appointments:** President of PG&E Corporation and Chairman and CEO of Pacific Gas and Electric Company from 2003 to 2007, having held a number of senior positions within the PG&E group since joining in 1998. Senior management positions with Kinder Morgan Energy Partners and Enron Corporation.

## Resolution 7: To re-elect Nick Winser FREng Executive Director, UK

**Appointment to the Board:** April 2003

**Previous appointments:** Chief Operating Officer of the US transmission business for National Grid Transco plc having joined The National Grid Company plc in 1993, becoming Director of Engineering in 2001. Prior to this, with Powergen since 1991 as principal negotiator on commercial matters. Most recently co-Chair of the Energy Research Partnership.

**External appointments:** Non-executive Director of Kier Group plc and Chair of CIGRE UK.

## Resolution 8: To re-elect Philip Aiken Non-executive Director

**Appointment to the Board:** May 2008

**Committee membership:** A, N, S (ch)

**Previous appointments:** Group President of BHP Billiton's Energy business, Executive Director of BTR plc, held senior roles in BOC Group plc, senior advisor to Macquarie Capital (Europe) Limited, Chairman of Robert Walters plc and Non-executive Director of Miclyn Express Offshore Limited.

**External appointments:** Chairman of AVEVA Group plc, Non-executive and Senior Independent Director of Kazakhmys PLC and Essar Energy plc and Non-executive Director of Essar Oil Limited and Newcrest Mining Limited.

## Resolution 9: To re-elect Nora Mead Brownell Non-executive Director

**Appointment to the Board:** 1 June 2012

**Committee membership:** N, R, S

**Previous appointments:** Commissioner of the Pennsylvania Public Utility Commission from 1997 to 2001, Commissioner for the Federal Energy Regulatory Commission from 2001 to 2006 and former President of the National Association of Regulatory Utility Commissioners.

**External appointments:** Board member of Comverge, Inc., Spectra Energy Partners LP and ONCOR Electric Delivery Holding Company LLC and partner in ESPY Energy Solutions, LLC.

## Resolution 10: To elect Jonathan Dawson Non-executive Director

**Appointment to the Board:** 4 March 2013

**Committee membership:** F, N, R

**Previous appointments:** Various roles within the Ministry of Defence before joining Lazard where he spent over 20 years. Non-executive Director of Galliford Try plc 2004 to 2008, National Australia Group Europe Limited 2005 to 2012 and Standard Life Investments (Holdings) Limited 2010 to 2013.

**External appointments:** Non-executive and Senior Independent Director of Next plc, Non-executive Director of Jardine Lloyd Thompson Group plc and co-founding partner in Penfida Partners LLP.

## Resolution 11: To re-elect Paul Golby CBE FREng Non-executive Director

**Appointment to the Board:** February 2012

**Committee membership:** N, R, S

**Previous appointments:** Executive Director of Clayhithe plc before joining East Midlands Electricity plc in 1998 as Managing Director, Chief Executive of E.ON UK plc in 2002, and later additionally as Chairman, stepping down from the E.ON Board in December 2011 and most recently Non-executive Chairman of AEA Technology Group plc.

**External appointments:** Chairman of EngineeringUK, Chair of the Engineering and Physical Sciences Research Council and a member of the Council for Science and Technology.

## Resolution 12: To re-elect Ruth Kelly Non-executive Director

**Appointment to the Board:** October 2011

**Committee membership:** A, F, N

**Previous appointments:** Various senior roles in Government from 2001 to 2008, including Secretary of State for Transport, Secretary of State for Communities and Local Government, Secretary of State for Education and Skills and Financial Secretary to the Treasury.

**External appointments:** Managing Director at HSBC and Governor for the National Institute of Economic and Social Research.

### Resolution 13: To re-elect Maria Richter Non-executive Director

**Appointment to the Board:** October 2003

**Committee membership:** A, F (ch), N

**Previous appointments:** Morgan Stanley from 1993 to 2002, latterly as Managing Director of its Corporate Finance Retail Group; Vice President of Independent Power Group for Salomon Brothers and Vice President of Prudential Capital Corporation and Power Funding Associates. Most recently Non-executive Director of The Pantry, Inc. and The Vitec Group plc.

**External appointments:** Non-executive Chairman of Pro Mujer UK and Non-executive Director of The Bessemer Group, Inc.

### Resolution 14: To elect Mark Williamson Non-executive Director

**Appointment to the Board:** 3 September 2012

**Committee membership:** A, F, N

**Previous appointments:** Chief Accountant then Group Financial Controller of Simon Group plc before joining International Power plc as Group Financial Controller in 2000 and appointed as Chief Financial Officer in 2003.

**External appointments:** Non-executive and Senior Independent Director of Alent plc, Deputy Chairman and Senior Independent Director of Imperial Tobacco Group PLC.

### Resolutions 15 – 16: Auditors' reappointment and remuneration

The Audit Committee keeps under review the independence and objectivity of the external auditors and reviews fees paid to them, further information on which can be found in the Corporate Governance section of the Annual Report. The Audit Committee has recommended to the Board the reappointment of PricewaterhouseCoopers LLP.

### Resolution 15: To reappoint the auditors PricewaterhouseCoopers LLP

It is a requirement that the Company's auditors must be reappointed at each general meeting at which accounts are laid, which will normally be at each AGM. This resolution proposes the auditors' reappointment.

### Resolution 16: To authorise the Directors to set the auditors' remuneration

This resolution proposes the Directors be authorised to set the auditors' remuneration.

### Resolution 17: To approve the Directors' Remuneration Report

In accordance with requirements under the Directors' Remuneration Report Regulations, an advisory resolution is to be proposed on the Directors' Remuneration Report. This means that, should shareholders vote against the Report, the Directors will still be paid but the Remuneration Committee will reconsider remuneration policy going forward.

### Resolution 18: To authorise the Directors to allot ordinary shares

The purpose of resolution 18 is to renew the Directors' power to allot shares. The authority in paragraph (i) will allow the Directors to allot new shares, or to grant rights to subscribe for or convert any security into shares, up to a nominal value of £139,305,599, which is equivalent to approximately 33% of the issued share capital of the Company, exclusive of treasury shares, as at 15 May 2013. The authority in paragraph (ii) will allow the Directors to allot new shares, or to grant rights to subscribe for or convert any security into shares, only in connection with a fully pre-emptive rights issue up to a further nominal value of £139,305,599, which is equivalent to approximately 33% of the issued share capital of the Company, exclusive of treasury shares, as at 15 May 2013. This is in line with investor guidelines. It is envisaged that, if the additional authority under paragraph (ii) of resolution 18 is utilised, all the Directors would continue to put themselves forward for re-election at the next AGM.

The Directors consider it desirable to have the maximum flexibility permitted by investor guidelines to respond to market developments. No issue of shares will be made which would effectively alter control of the Company without the sanction of shareholders in general meeting. Each authority will be subject to renewal annually.

As at 15 May 2013, the number of ordinary shares in issue was 3,794,575,998 and the Company held 127,142,880 treasury shares, representing 3.47% of the issued share capital excluding treasury shares.

Under the authorities in resolution 18, the Directors currently have no intention of issuing new shares, or of granting rights to subscribe for or to convert any security into shares, except in relation to, or in connection with, the Company's scrip dividend scheme and the exercise of options under the Company's share schemes.

If the resolution is passed, the authority will expire on the earlier of 29 October 2014 and the end of the next AGM.

### Resolutions 19, 20 and 21 are special resolutions and will be passed if at least 75% of the votes cast (not counting votes withheld) are in favour.

### Resolution 19: To disapply pre-emption rights

If the Directors allot new shares or other equity securities, or sell treasury shares, for cash (other than in connection with an employee share scheme), they must first offer them to existing shareholders in proportion to their existing holdings (known as pre-emption rights). This resolution seeks shareholders' approval to allot a limited number of ordinary shares or other equity securities, or sell treasury shares, for cash without offering them to existing shareholders in proportion to their existing holdings first.

The Directors intend to adhere to the provisions of the Pre-emption Group's Statement of Principles not to allot shares on a non pre-emptive basis (other than pursuant to a rights issue or pre-emptive offer) in excess of an amount equal to 7.5% of the total issued ordinary share capital of the Company over a rolling three year period, without prior consultation with shareholders. Accordingly, the resolution seeks approval for the allotment of new issues of up to 183,371,655 new ordinary shares for cash, representing 5% of the issued share capital (excluding treasury shares) as at 15 May 2013. This limit also applies to shares issued from treasury. A renewal of this authority will be proposed at each subsequent AGM.

## **Resolution 20: To authorise the Company to purchase its own ordinary shares**

In some circumstances, companies may find it advantageous to purchase their own shares in the market. Repurchased shares may be held as treasury shares by the Company, and resold for cash, cancelled, either immediately or at some point in the future, or used for the purposes of employee share schemes. The Directors believe that it is desirable for the Company to have such additional flexibility in the management of its capital base. The Company did not purchase any shares during the year ended 31 March 2013. This resolution complies with investor guidelines, which limit share purchases to 10% of the issued share capital (excluding treasury shares) per annum. The Company will only purchase shares where the Directors believe this would be in the best interests of shareholders generally. The authority will only be used after careful consideration, taking into account market conditions prevailing at the time, other investment opportunities, appropriate gearing levels and the overall financial position of the Company.

As at 15 May 2013, options were outstanding over 28,060,709 ordinary shares, representing approximately 1% of the issued share capital (excluding treasury shares). If the proposed market purchase authority were used in full, shares over which these options were outstanding would represent approximately 1% of the adjusted share capital (excluding treasury shares).

## **Resolution 21: To authorise the Directors to hold general meetings on 14 clear days' notice**

The Articles of Association (the 'Articles') allow the Directors to call general meetings of the Company, other than AGMs, on a minimum of 14 days' notice. Following changes arising from the implementation of the Shareholder Rights Directive in the UK, authority to call such meetings on such notice (rather than on 21 days' notice) requires annual shareholder approval. Accordingly, to retain flexibility, the Directors are seeking authority again this year to continue to be able to call general meetings on not less than 14 clear days' notice. The approval will be effective until the Company's next AGM when it is intended that a similar resolution will be proposed. The shorter notice period would not be used as a matter of routine for such meetings, but only where flexibility is merited by the business of the meeting and it is thought to be to the advantage of shareholders as a whole. The Company will make available to all shareholders an electronic voting facility for any meeting held on such notice.

# Notes

1. To be entitled to attend and vote at the AGM, shareholders must be included in the register of members of the Company as at 6pm on Saturday 27 July 2013 or, in the event that this AGM is adjourned, in the register of members 48 hours before the time of any adjourned AGM. They shall be entitled to vote at the AGM in respect of the number of shares registered in their name at that time. Changes to entries in the register of members after 6pm on Saturday 27 July 2013 or, in the event that this AGM is adjourned, in the register of members 48 hours before the time of any adjourned AGM, shall be disregarded in determining the rights of any person to attend or vote at the AGM.
2. As at 15 May 2013 (being the last business day before publication of this Notice of AGM), there were 3,794,575,998 ordinary shares in issue, each carrying one vote each, and 127,142,880 shares in treasury. Shares held in treasury do not have voting rights. Therefore, the total number of voting rights exercisable as at 15 May 2013 is 3,667,433,118.
3. Holders of ordinary shares are entitled to attend, speak and vote, either in person or by proxy, at general meetings of the Company.
4. Each of the resolutions to be put to the meeting will be voted on by a poll and not by a show of hands. A poll reflects the number of voting rights exercisable by each shareholder and so the Directors consider it a more democratic method of voting. Shareholders and proxies will be asked to vote in the meeting using a hand held voting system. The results will be published on the Company's website and notified to the UK Listing Authority once the votes have been verified.
5. A shareholder of the Company who is entitled to attend, speak and vote at the AGM but is unable or does not wish to attend is entitled to appoint a proxy or proxies to attend, speak and vote on his/her behalf. A proxy does not need to be a shareholder of the Company. A shareholder may appoint more than one proxy in relation to the AGM provided that each proxy is appointed to exercise the rights attached to a different share or shares held by that shareholder. Unless specified otherwise, the Chairman of the Company will act as proxy and vote on a poll as directed by the appointing shareholder. Shareholders will have been sent a personalised Proxy Card.
6. To be valid, Proxy Cards must be received by no later than 2pm on Saturday 27 July 2013, using the enclosed pre-paid envelope or delivered by post or (during normal business hours) by hand to: Capita Registrars, PXS, 34 Beckenham Road, Beckenham, Kent BR3 4TU. Alternatively, shareholders can complete the proxy form online at [www.nationalgridshareholders.com](http://www.nationalgridshareholders.com) by no later than 2pm on Saturday 27 July 2013. The appointment of a proxy will not prevent a member from subsequently attending and voting at the meeting in person.
7. For further details relating to the voting and participation rights of shareholders, please refer to the Company's Articles of Association, copies of which are available on the Company's website at [www.nationalgrid.com/corporate/About+Us/CorporateGovernance](http://www.nationalgrid.com/corporate/About+Us/CorporateGovernance).
8. If this notice is sent to you as a person nominated to receive copies of Company communications, the proxy rights described above do not apply. The rights described in these paragraphs only apply to shareholders. You may have a right under an agreement with the registered member to be appointed (or have someone else appointed) as a proxy for the AGM, and you are advised to contact them. Alternatively, if you do not have such a right, or do not wish to exercise it, you may have a right under such agreement to give instructions to the registered member holding the shares as to the exercise of voting rights.
9. A corporate shareholder may appoint one or more corporate representatives on its behalf who may exercise all of its powers as a shareholder provided they do not do so in relation to the same shares.
10. CREST members who wish to appoint a proxy or proxies through the CREST electronic proxy appointment service may do so by using the procedures described in the CREST Manual available via [www.euroclear.com](http://www.euroclear.com). CREST personal members or other CREST sponsored members, and those CREST members who have appointed a voting service provider, should refer to their CREST sponsor or voting service provider, who will be able to take the appropriate action on their behalf.
11. Any message, regardless of whether it relates to the appointment of a proxy or to an amendment to an instruction given to a previously appointed proxy must, in order to be valid, be transmitted so as to be received by the issuer's agent (CREST ID RA10) by close of business on Friday 26 July 2013. After this time, any change to instructions to proxies appointed through CREST should be communicated to the agent by other means. It is the responsibility of the CREST member concerned to take (or if the CREST member is a CREST personal member or sponsored member or has appointed a voting service provider, to procure that his CREST sponsor or voting service provider takes) such action as shall be necessary to ensure that a message is transmitted by means of the CREST system by any particular time. In this connection, CREST members (and, where applicable, their CREST sponsors or voting service providers) are referred, in particular, to those sections of the CREST manual concerning practical limitations of the CREST system and timings. The Company may treat as invalid a CREST Proxy Instruction in the circumstances set out in Regulation 35(5)(a) of the Uncertificated Securities Regulations 2001.
12. Shareholders have the right to ask questions at the AGM which the Company must cause to have answered if they relate to the business being dealt with at the meeting unless answering such questions would unduly interfere with the preparation for the meeting or involve the disclosure of confidential information; the answer has already been given on the Company's website in the form of an answer to a question; or answering the questions would be undesirable in the interests of the Company or the good order of the meeting.



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- 13.** Shareholders meeting the threshold requirements in Section 338 and Section 338A of the 2006 Act have the right to require the Company (i) to give, to members of the Company entitled to receive notice of the meeting, notice of a resolution which may properly be moved and is intended to be moved at the meeting; and/or (ii) to include in the business to be dealt with at the meeting any matter (other than a proposed resolution) which may be properly included in such business. A resolution may properly be moved or a matter may properly be included in the business of the meeting unless (a) (in the case of a resolution only) it would, if passed, be ineffective (whether by reason of inconsistency with any enactment or the Company's constitution or otherwise), (b) it is defamatory of any person, or (c) it is frivolous or vexatious.
- 14.** Such a request may be in hard copy form or in electronic form, must identify the resolution of which notice is to be given or the matter to be included in the business of the meeting, must be authorised by the person or persons making it, must be received by the Company not later than 17 June 2013, being the date six clear weeks before the meeting, and (in the case of a matter to be included in the business of the meeting only) must be accompanied by a statement setting out the grounds for the request.
- 15.** Copies of the Directors' service contracts or letters of appointment and the Company's Articles will be available for inspection at the registered office of the Company at 1-3 Strand, London WC2N 5EH during normal business hours until the time of the AGM and at The ICC, Broad Street, Birmingham B1 2EA from 15 minutes before the AGM until it ends.
- 16.** Copies of this Notice of AGM, the Annual Report and information required by Section 311A of the 2006 Act are available on the Company's website at [www.nationalgrid.com](http://www.nationalgrid.com). Shareholders should note it is possible that, pursuant to requests made by shareholders of the Company under Section 527 of the 2006 Act, the Company may be required to publish on a website a statement setting out any matter relating to: (i) the audit of the Company's accounts (including the auditors' report and the conduct of the audit) that are to be laid before the AGM; or (ii) any circumstance connected with an auditor of the Company ceasing to hold office since the previous meeting at which annual accounts and reports were laid in accordance with Section 437 of the 2006 Act. The Company may not require the shareholders requesting any such website publication to pay its expenses in complying with Section 527 or Section 528 of the 2006 Act. Where the Company is required to place a statement on a website under Section 527 of the 2006 Act, it must forward the statement to the Company's auditors not later than the time when it makes the statement available on the website. The business which may be dealt with at the AGM includes any statement the Company has been required under Section 527 of the 2006 Act to publish on a website.

# Shareholder information

## The AGM

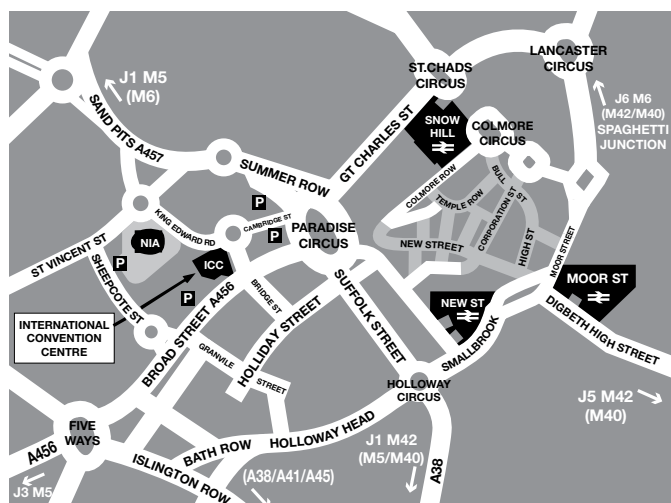
The AGM will take place at 2pm on Monday 29 July 2013 at The ICC, Broad Street, Birmingham B1 2EA (see map below). Registration for the AGM will open at 12 noon.

## Venue

**This year there will be no shuttle bus service.**

For location and travel details to the ICC please visit [www.theicc.co.uk/locationtravel](http://www.theicc.co.uk/locationtravel).

Limited free car parking will be available at the venue (North Car Park) from 11.30am onwards for the duration of the meeting on a 'first come, first served' basis.



## If you can attend the meeting

Please bring your Admission Card (attached to the Proxy Card enclosed with this Notice if received in hard copy) or a copy of the email notification if we communicate with you electronically, as this will help with registration.

A light lunch and refreshments will be served in the main hall before the meeting. Tea and coffee will also be available in the main hall for a short time after the meeting. Please note that food and drink are not permitted in the auditorium.

For your personal safety and security there may be checks and bag searches of those attending the meeting. Recording equipment, cameras and other items that might interfere with the good order of the meeting will not be permitted into the main hall or auditorium. Mobile phones must be turned off or on silent during the meeting.

If there is a question that you wish to ask at the meeting, we would encourage you to pre-register your question with a member of the team at the Question Registration area in the centre of the main hall.

Capita Registrars will be available before and after the meeting to answer any questions you may have regarding your shareholding. National Grid staff will also be available to answer any questions you may have on the Company's activities.

The meeting will be filmed for webcast purposes. If you attend the meeting in person, you may be included in the webcast. Please note that the webcast footage may be transferred outside the European Economic Area. By attending the meeting, attendees consent to being filmed.

## If you cannot attend

The AGM can be viewed by webcast online at [www.nationalgrid.com](http://www.nationalgrid.com). More information on how to view the webcast is available on the website.

In order to vote on the resolutions being proposed at the AGM, you will need to appoint a proxy using one of the following methods:

- Complete the proxy form online at [www.nationalgridshareholders.com](http://www.nationalgridshareholders.com)
- Complete, date and sign the paper Proxy Card enclosed with this Notice and return it using the pre-paid envelope provided or deliver it by hand during normal business hours to:  
  
Capita Registrars  
PXS  
34 Beckenham Road  
Beckenham  
Kent BR3 4TU
- If you are a CREST member you can submit a message via CREST, please see notes 10 and 11 on page 8 for details.

To be valid, Proxy Cards must be received by 2pm on Saturday 27 July 2013 and CREST Proxy Instructions by close of business on Friday 26 July 2013.

**Please note that proxy votes can only be submitted via paper Proxy Cards returned to the address stated, electronically via [www.nationalgridshareholders.com](http://www.nationalgridshareholders.com) or via CREST. Proxy votes cannot be submitted via any other means of communication.**

The return of a completed Proxy Card or CREST Proxy Instruction will not prevent you from attending the AGM and voting in person if you wish to do so.

## Voting

Each of the resolutions to be put to the meeting will be voted on by a poll and not by a show of hands. A poll reflects the number of voting rights exercisable by each shareholder and so the Directors consider it a more democratic method of voting. Shareholders and proxies will be asked to vote in the meeting using a hand held voting system. The results will be published on the Company's website and notified to the UK Listing Authority once the votes have been verified.

For further details relating to the voting and participation rights of shareholders, please refer to the Company's Articles of Association, copies of which are available on the Company's website at [www.nationalgrid.com/corporate/About+Us/CorporateGovernance](http://www.nationalgrid.com/corporate/About+Us/CorporateGovernance).

## Have you received unsolicited investment advice?

Shareholders are advised to be wary of any unsolicited advice or offers, whether over the telephone, through the post, by email or visits at home. If you receive any such unsolicited contact please check the company or person contacting you is properly authorised by the FCA before getting involved.

You can check at [www.fca.org.uk/consumers/protect-yourself](http://www.fca.org.uk/consumers/protect-yourself) and can report calls from unauthorised firms to the FCA by calling **0800 111 6768**.

## Want more information or help?

Capita Registrars, contact details overleaf, can help with shareholding queries and can provide you with a copy of the Annual Report and Accounts.

Alternatively, the Annual Report and Accounts, Performance Summary and this Notice of Meeting are available at [www.nationalgrid.com](http://www.nationalgrid.com) in the Investors section.

# For your notes

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## Manage your shareholding wherever, whenever, on the National Grid Share Portal



### The National Grid Share Portal is a secure online site where you can:

- Register your AGM proxy votes
- Sign up for electronic communications
- View your holdings and get an indicative value
- View your dividend payment history
- Get copies of your dividend tax vouchers
- Choose to receive dividends in shares, via our scrip dividend scheme
- Choose to receive your dividend direct to your bank account
- Update your address details
- Buy and sell shares

It only takes a few minutes to register, just visit [www.nationalgridshareholders.com](http://www.nationalgridshareholders.com) and have your 11 digit Investor Code (IVC) to hand.

### Electronic communications — help save paper

To receive an email notifying you as soon as there is new shareholder information for you to view online, [sign up for electronic communications](#) via the National Grid Share Portal: [www.nationalgridshareholders.com](http://www.nationalgridshareholders.com) and follow the on-screen instructions on the 'manage your account' link to change your communication preferences.



### Want more information or help?

To find out more information about your dividend options, for terms and conditions of any of the services offered, if you have queries about the AGM or if you have not received a Proxy Card and believe that you should or for help with any other queries, please contact Capita Registrars.

#### Capita Registrars

0871 402 3344



Calls cost 8p per minute plus network extras. Lines are open 8.30am to 5.30pm, Monday to Friday. If calling from outside the UK: +44 (0)20 7098 1198. Textphone: 18001 0871 664 0532.



#### Capita Registrars

The Registry  
34 Beckenham Road  
Beckenham Kent BR3 4TU

### Your dividend options

Have your dividends paid directly into your bank account

- Your dividend reaches your account on the payment date
- It is more secure – cheques sometimes get lost in the post
- No more trips to the bank

Receive your dividends as additional shares

- Join our scrip dividend scheme
- No stamp duty or commission to pay

Local currency dividend payments

- If you live outside the UK, you may be able to request that your dividend payments are converted into your local currency.

For more information about your dividend options or for terms and conditions of any of the services offered please call the shareholder helpline on 0871 402 3344, visit the National Grid Share Portal, [www.nationalgridshareholders.com](http://www.nationalgridshareholders.com) or if you are attending the AGM, please speak to a representative from Capita Registrars.