



nationalgrid

A responsible business

ESG VIRTUAL
SEMINAR

5 OCTOBER 2020



Introduction

Nick Ashworth

*Director of
Investor Relations*

Cautionary Statement

This presentation contains certain statements that are neither reported financial results nor other historical information. These statements are forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended. These statements include information with respect to National Grid's (the Company) financial condition, its results of operations and businesses, strategy, plans and objectives. Words such as 'aims', 'anticipates', 'expects', 'should', 'intends', 'plans', 'believes', 'outlook', 'seeks', 'estimates', 'targets', 'may', 'will', 'continue', 'project' and similar expressions, as well as statements in the future tense, identify forward-looking statements. These forward-looking statements are not guarantees of National Grid's future performance and are subject to assumptions, risks and uncertainties that could cause actual future results to differ materially from those expressed in or implied by such forward-looking statements. Many of these assumptions, risks and uncertainties relate to factors that are beyond National Grid's ability to control, predict or estimate precisely, such as the impact of COVID-19 on its operations, employees, counterparties, funding and legal and regulatory obligations, but also more widely in terms of changes in laws or regulations, including any arising as a result of the United Kingdom's exit from the European Union; announcements from and decisions by governmental bodies or regulators, including proposals relating to the RII0-T2 price control, as well as increased political and economic uncertainty resulting from COVID-19; the timing of construction and delivery by third parties of new generation projects requiring connection; breaches of, or changes in, environmental, climate change and health and safety laws or regulations, including breaches or other incidents arising from the potentially harmful nature of its activities; network failure or interruption, the inability to carry out critical non-network operations and damage to infrastructure, due to adverse weather conditions including the impact of major storms as well as the results of climate change, due to counterparties being unable to deliver physical commodities, or due to the failure of or unauthorised access to or deliberate breaches of National Grid's IT systems and supporting technology; failure to adequately forecast and respond to disruptions in energy supply; performance against regulatory targets and standards and against National Grid's peers with the aim of delivering stakeholder expectations regarding costs and efficiency savings; and customers and counterparties (including financial institutions) failing to perform their obligations to the Company. Other factors that could cause actual results to differ materially from those described in this presentation include fluctuations in exchange rates, interest rates and commodity price indices; restrictions and conditions (including filing requirements) in National Grid's borrowing and debt arrangements, funding costs and access to financing; regulatory requirements for the Company to maintain financial resources in certain parts of its business and restrictions on some subsidiaries' transactions such as paying dividends, lending or levying charges; the delayed timing of recoveries and payments in National Grid's regulated businesses and whether aspects of its activities are contestable; the funding requirements and performance of National Grid's pension schemes and other post-retirement benefit schemes; the failure to attract, develop and retain employees with the necessary competencies, including leadership and business capabilities, and any significant disputes arising with National Grid's employees or the breach of laws or regulations by its employees; the failure to respond to market developments, including competition for onshore transmission, the threats and opportunities presented by emerging technology; the failure by the Company to respond to or meet its own commitments as a leader in relation to climate change development activities relating to energy transition, including the integration of distributed energy resources; and the need to grow the Company's business to deliver its strategy, as well as incorrect or unforeseen assumptions or conclusions (including unanticipated costs and liabilities) relating to business development activity. For further details regarding these and other assumptions, risks and uncertainties that may impact National Grid, please read the Strategic Report section and the 'Risk factors' on pages 227 to 230 of National Grid's most recent Annual Report and Accounts. In addition, new factors emerge from time to time and National Grid cannot assess the potential impact of any such factor on its activities or the extent to which any factor, or combination of factors, may cause actual future results to differ materially from those contained in any forward-looking statement. Except as may be required by law or regulation, the Company undertakes no obligation to update any of its forward-looking statements, which speak only as of the date of this presentation.

Today's event

TIME (BST)	SESSION	SPEAKER(S)
13.30	Introduction & housekeeping	Nick Ashworth
13.35	PART 1: National Grid as a responsible business	John Pettigrew
13.45	PART 2: Environmental	Badar Khan Nicola Shaw
	PART 2: Environmental Q&A	Jon Butterworth
14.45	PART 3: Social	Andy Agg Marcy Reed
	PART 3: Social Q&A	Andy Doyle
15.40	<i>Short break</i>	
15.45	PART 4: Governance	Sir Peter Gershon Jonathan Dawson
	PART 4: Governance Q&A	Thérèse Esperdy
16.40	Closing remarks	Nick Ashworth



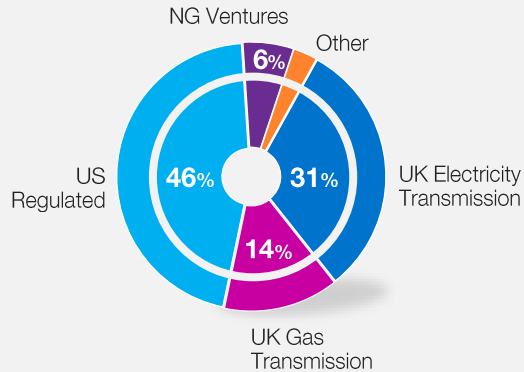
National Grid as a
responsible business

John Pettigrew
Chief Executive Officer

Our US and UK footprint

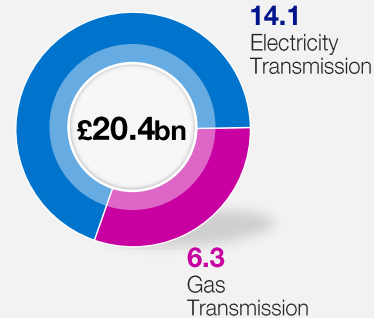
Assets¹ by segment

As at 31 March 2020



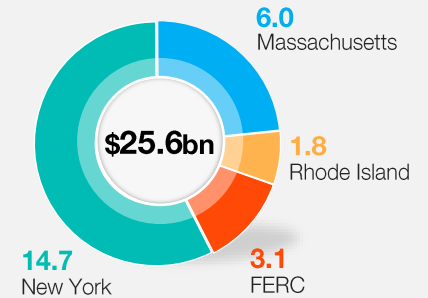
UK Regulated Asset Base by Business Line

as at March 2020, £bn



US Rate Base by Business Line

as at March 2020, \$bn



1. Net assets excluding debt/funding balances

Delivering Climate Change Ambitions



Power

Enable networks to support fully decarbonised electricity



Transport

Enable electrification and decarbonisation of transport



Heat

Enabling cleaner gas, and decarbonisation of heat

Responsibly, affordably, whilst leaving nobody behind

Responsible Business Charter



01

Environment

- Net Zero for scope 1 and 2 by 2050
- 20% reduction in scope 3 by 2030



02

Communities

- Skills development for 45,000 people by 2030
- 500,000 volunteering hours by 2030



03

People

- Safety and wellbeing is our top priority
- Meeting diversity challenge head-on, with new commitments



04

Economy

- Commit \$250m in smarter energy technology
- Cascade our values through our supply chain

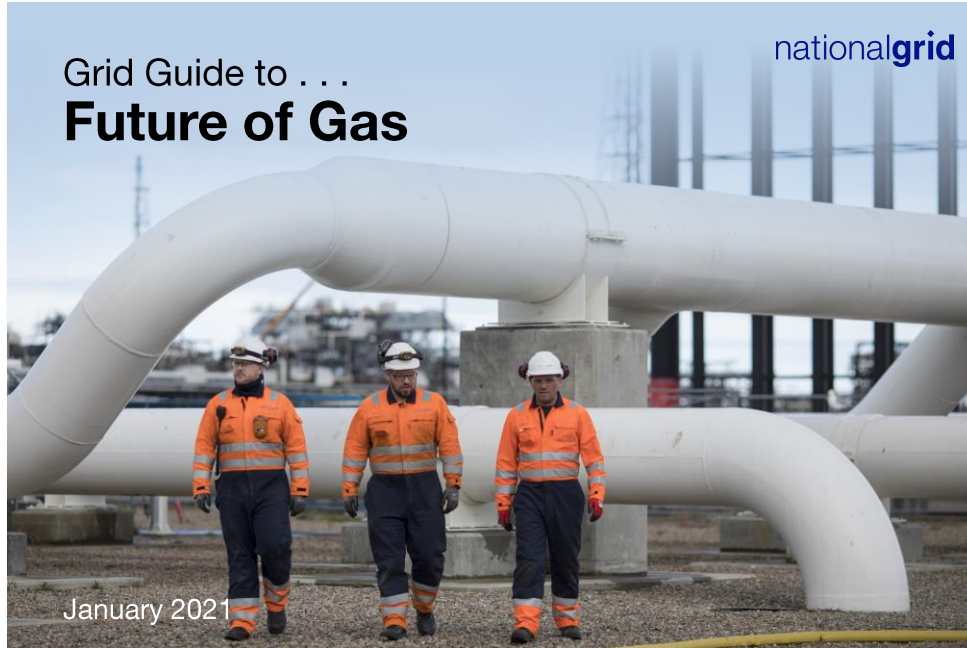


05

Governance

- Achieve 50% diversity in our Group Exec
- Ensure voices of our people and all stakeholders are heard

Virtual Education Series



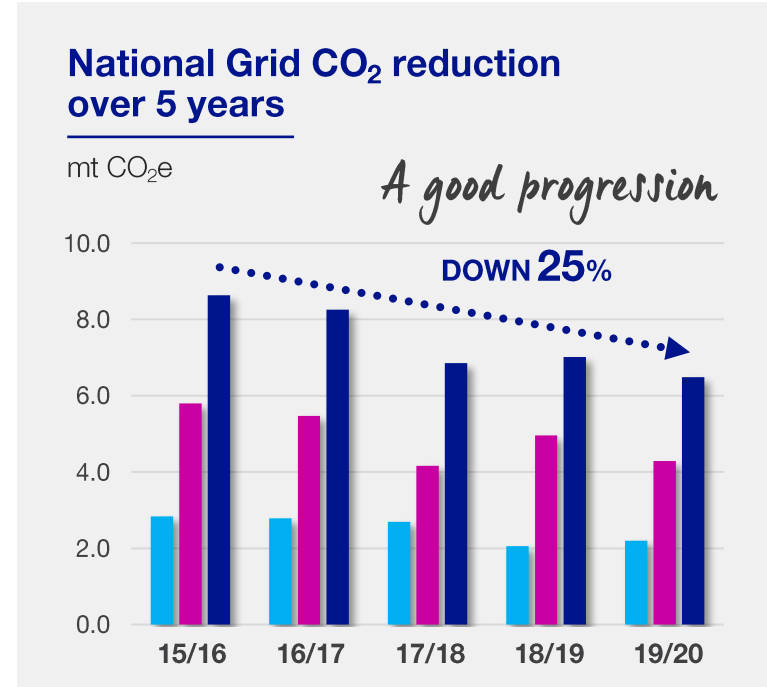
- Launching ‘Grid Guide to...’
- National Grid as a Responsible Business
- To be launched on 21 January 2021
- First event to focus on “Future of Gas”

The importance of our people and communities

nationalgrid
A responsible business



Environment: Our commitment



● UK ● US ● Group

Environment: Enabling others

Targets¹

UK

net zero
by 2050

New York

net zero
by 2050

Massachusetts

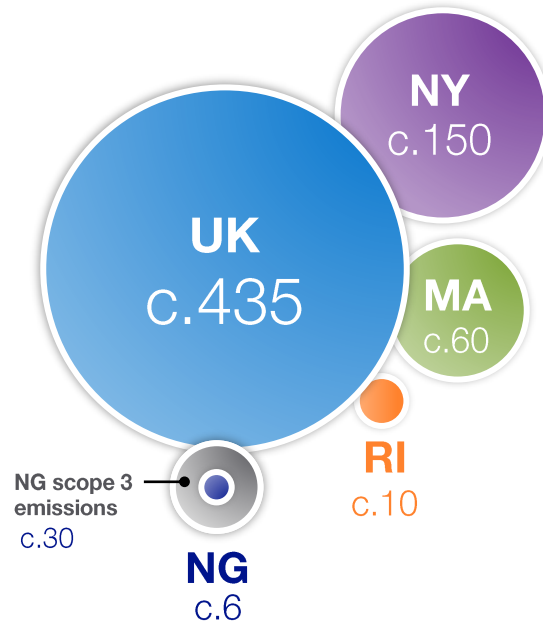
net zero
by 2050

Rhode Island

100% renewables
by 2030

mt CO₂ emissions

NG total emissions versus territories we operate in



UK offshore wind

40Gw
by 2030



US offshore wind

10Gw
by 2030



UK EVs

30m
by 2040



US / UK Heat

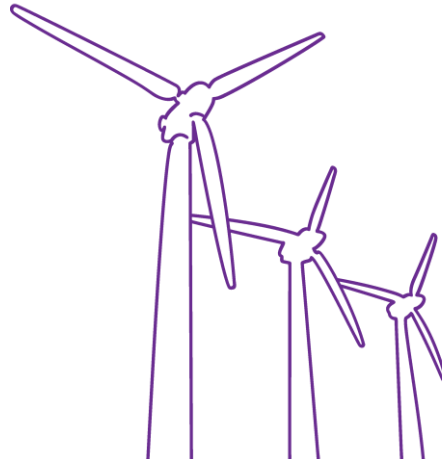
30m homes



1. Country and State level targets



Environmental



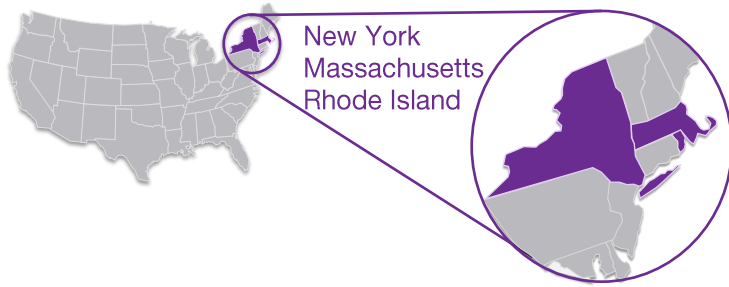


National Grid US

Badar Khan

*President,
National Grid US*

The US regulated business



7 million
Electric and Gas accounts

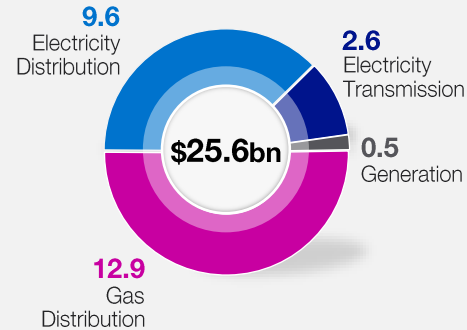


Serving
20 million
People



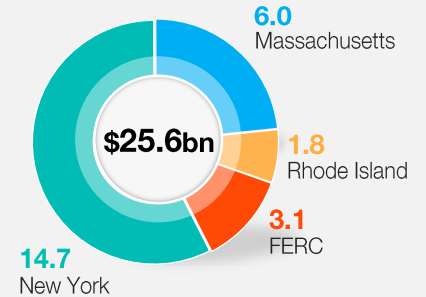
US Rate Base by Business Line

as at March 2020, \$bn



US Rate Base by Jurisdiction

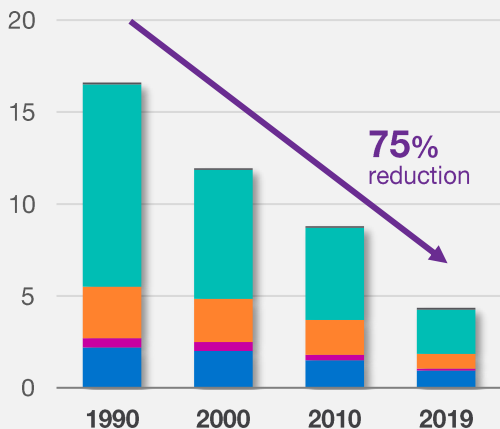
as at March 2020, \$bn



Leading the change - our achievements

Historic emissions by source

Emissions mt CO₂e



- Generation
- Line losses
- Methane emissions
- SF6
- Other

Scope 1 and 2 emissions

75%
reduction in US emissions on
on 1990 levels

down 75%
LI generation emissions



down 71%
Methane emissions



down 80%
SF₆ emissions (since 2000)



down 23%
Vehicle fleet emissions



Scope 3 emissions and enablement



>\$4bn
invested in energy efficiency
and demand side
response since 2012

avoiding over
8.5mt CO₂ emissions



1,400
new EV charging ports across
NY, MA, RI
(approval for 16,000 more in NY)

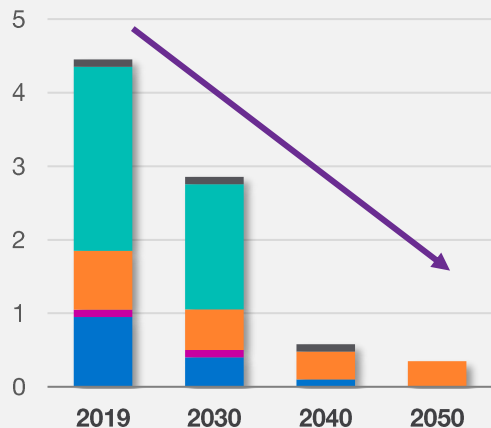


>2,000MW
solar connected to our networks

The way forward – our path to net zero

Projected emissions by source

Emissions mt CO₂e



● Generation ● SF6 ● Methane emissions
● Line losses ● Other

Scope 1 and 2 emissions by 2030

Expect methane emissions to reduce to **80% on 1990 levels**

Expect LI generation emissions to reduce to **85% on 1990 levels**

SF₆ emissions reduce by **90% on 1990 levels**

NG light-duty vehicle fleet conversion of **100%**

Scope 3 emissions and enablement



Signed contracts for **200TWh** of renewable energy



Displaces **65m tonnes** of CO₂ out to 2045

- Increased DG connections and AMI (smart meter) investment
- Increased investment in battery storage and energy efficiency
- Further EV infrastructure investment planned
 - plan to file for over \$150m in Massachusetts in 2021

The future of heat

A key priority for us in the energy transition

gas used for heating in

>60% of homes
in our region

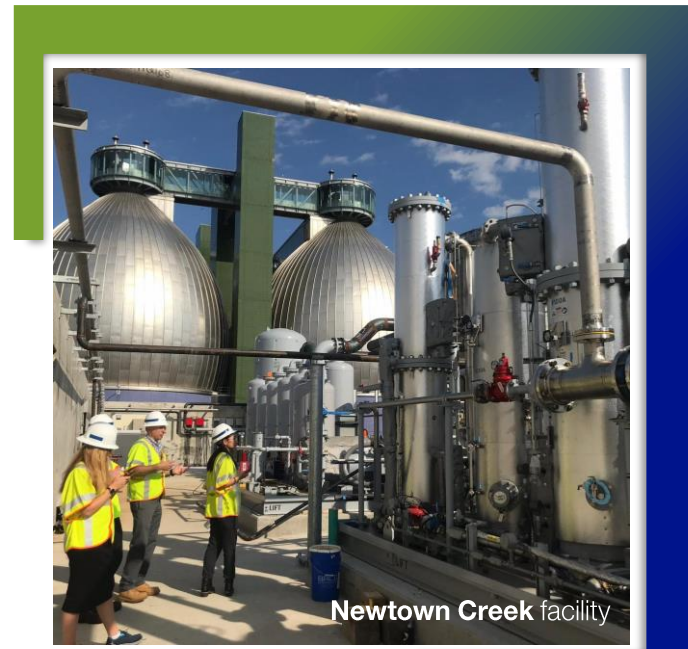


in NY we meet annual demand of

4,000 homes
using RNG
Renewable Natural Gas



- Gas assets key part of our US portfolio
 - around half of rate base, half of capex
- Gas has an enduring role to play in a clean energy future
 - benefits converting from oil to gas
- Existing gas network can play a vital role in net zero
- Integrating RNG into our network
 - RNG from landfill since 1981
 - close to commissioning Newtown Creek facility



The future of heat - hydrogen

Can play a major role in the future of heat

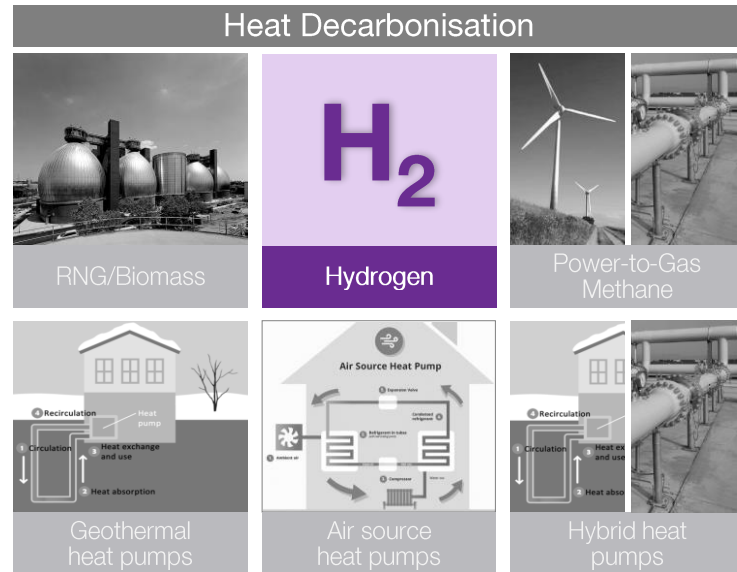
We are exploring ways to use hydrogen in existing infrastructure

- Hydrogen blending study in New York
- Working with NYSERDA and Stony Brook University, NY
- Potential to store hydrogen

We are requesting funding for pilot projects through rate filings

- NIMO filing proposes multi-use hydrogen project
 - first of its kind in the US
 - produce hydrogen from using renewable energy
 - for storage, blending, transport

Working with regulators and stakeholders to develop frameworks for solutions



Summary

- Our task is expansive and challenging
- Net zero is a generational responsibility
- We will partner with stakeholders and organisations
- Through meeting net zero goals, we will deliver:
 - affordability
 - reliability
 - clean energy for our customers





National Grid UK

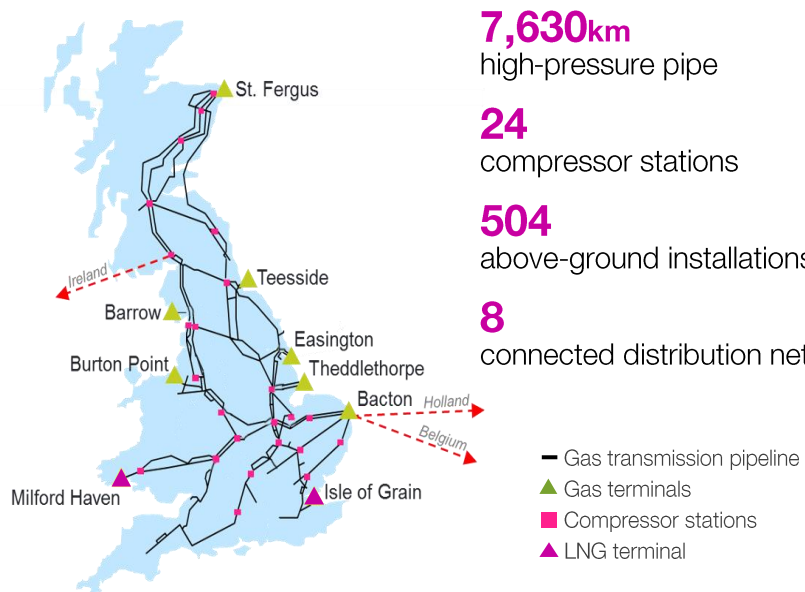
Nicola Shaw

Executive Director, UK

The UK regulated business

Gas transmission

Great Britain



7,630km
high-pressure pipe

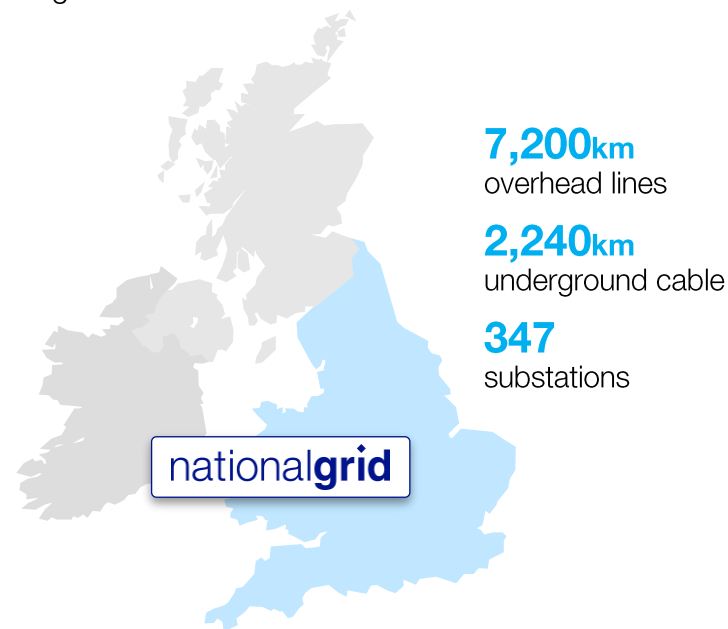
24
compressor stations

504
above-ground installations

8
connected distribution networks

Electricity transmission

England and Wales



7,200km
overhead lines

2,240km
underground cable

347
substations

Supporting the UK on its pathway to net zero



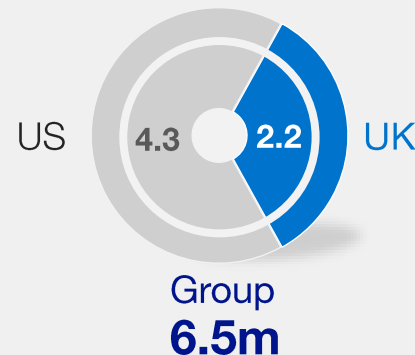
Decarbonising
electricity
and transport



Decarbonising
heat

Reducing our own emissions

National Grid emissions
mt CO₂e



Our commitments

Scope 1 & 2

Stop using
SF₆
in our electricity network



Replacing our entire fleet of
1,000 vehicles

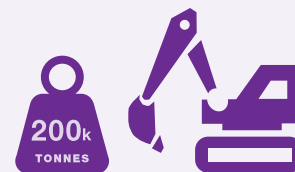
could reduce
10,000 tonnes
of carbon emissions



Scope 3

Delivering
Carbon neutral
construction projects
by 2026

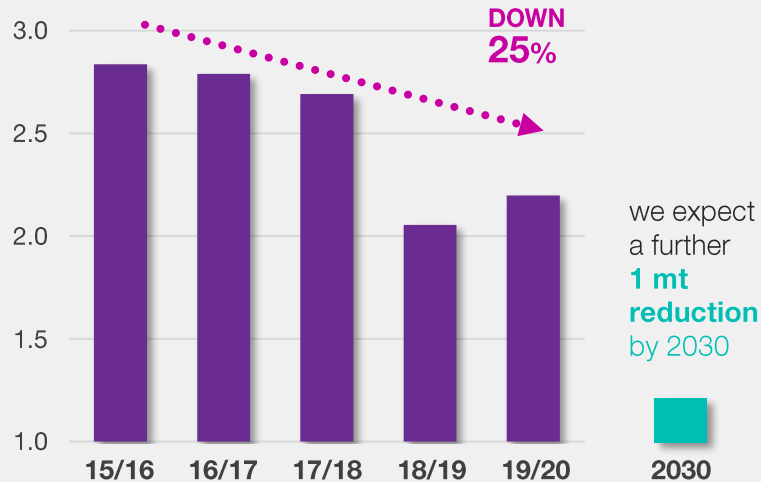
could remove
200,000 tonnes
of carbon emissions



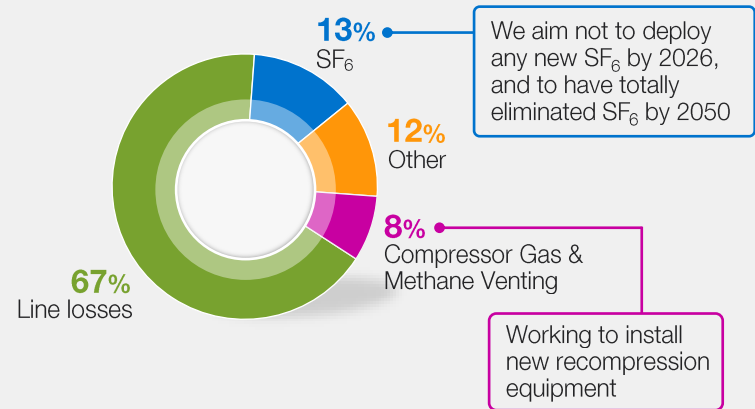
Targeting our scope 1 & 2 emissions

UK Emissions

mtCO₂e



UK Emissions by type



An industry leading scope 3 emissions goal

Delivering
Carbon neutral
construction projects
by 2026

could remove
200,000 tonnes
of carbon emissions



Connecting offshore wind to meet net zero

UK Government manifesto commits to

40GW of offshore wind
by 2030

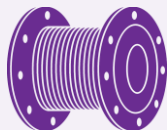
requires

1,000km

new onshore cables

700km

to be delivered by
National Grid



Developed east coast regional strategy for offshore wind

reduces number of connections required

4 nodes = 26GW

Linking windfarms offshore

- Reduces cost for consumers
- Reduces community impact
- Helps connect 14GW existing pipeline



Enabling the electrification of transport

National Grid has proposed a fast charging network

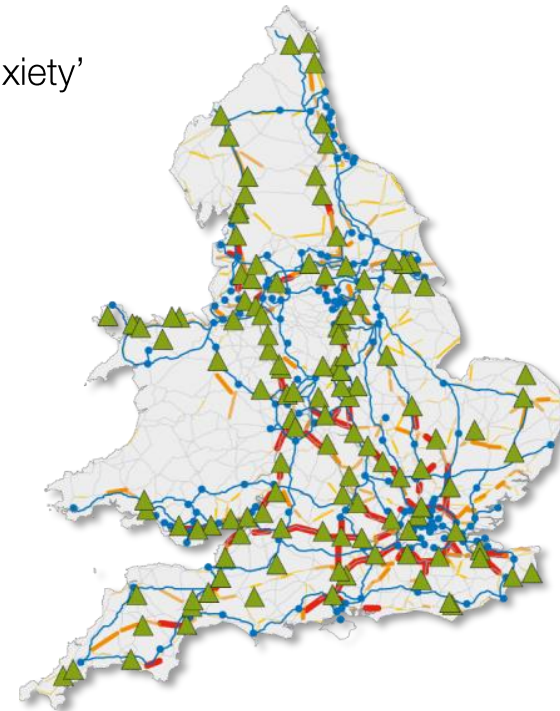
99% coverage
England and Wales

54
motorway service stations

50x
faster than domestic charging

no more than
50 miles
to a fast charging station

- Focusing efforts on consumer ‘range anxiety’
- £500m UK Government commitment to electrification of transport
- Submitted views to transport decarbonisation consultation
 - buses and HGV
 - maritime and aviation
- Possibility to produce hydrogen locally for HGV
 - sharing transmission connections with fast charge car network



▲ Existing motorway service stations and select petrol station sites

Decarbonising heat through hydrogen

880GW → **3 times**
annual gas demand → annual electricity demand

87mt CO₂

UK emissions from heat

Moving to an interim 20% blend of hydrogen with natural gas. Nationally this would remove

6 million tonnes
of CO₂

It's likely we will need a combination of:

- Electric heat pumps
- Renewable gas
- Hydrogen

with

22 million

homes using gas



implies conversion of

c.20,000 homes

every week from

2025 to 2050 to decarbonise

UK hydrogen backbone

linking

5 largest

industrial clusters



Partnering to create hydrogen test facility

- Green energy to homes and industry
- Using existing assets saves money for customers

Summary

- To achieve climate targets we need support from all stakeholders
- We continue to engage with Ofgem
 - open meetings October 16th
- We are reducing our own CO₂ footprint
- We are working on innovative decarbonisation projects in power, transport and heat
- We are committed to supporting the UK reach net-zero





National Grid Ventures

Jon Butterworth
Managing Director of
National Grid Ventures

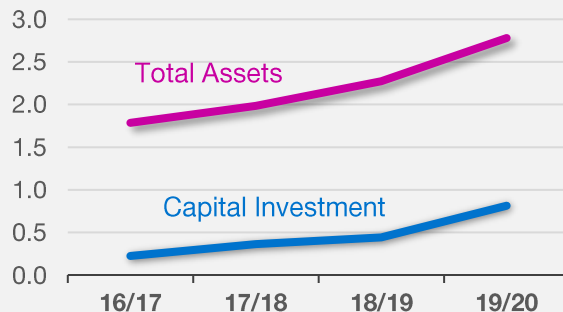
NG Ventures is an enabler of decarbonisation

NG Ventures

- A growing portfolio of clean energy assets operating across the UK and US
- Over 4 years we have invested £1.9bn and grown our asset base to £2.8bn, 6% of total Group assets

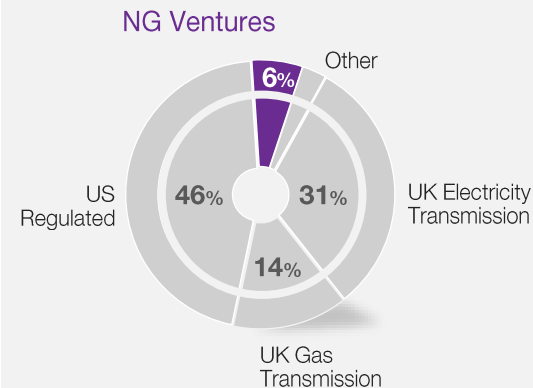
Total assets¹ and capital investment

£bn at actual currency



Assets¹ by segment

As at 31 March 2020



¹ Net assets excluding debt/funding balances

Developing our US Renewables business

359MW

of existing renewable
generation capacity



6,000MW

pipeline of
potential opportunities



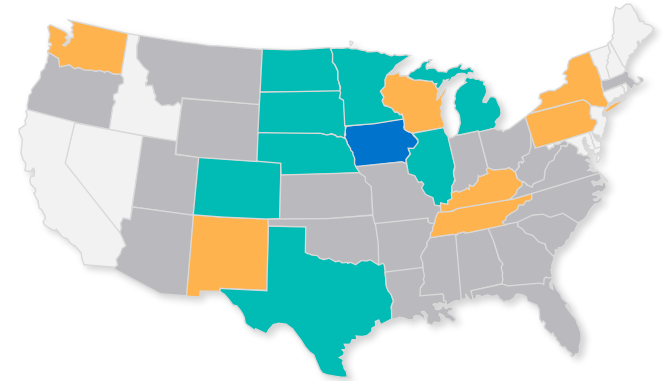
**18.6m
metric tonnes**

of carbon dioxide to be offset



**\$9.6m
commitment**

in charitable donations to date



- Wind and Solar projects
- Solar projects
- Wind projects
- Expansion sites

Supporting and integrating US renewables

Offshore wind connections in the North-East

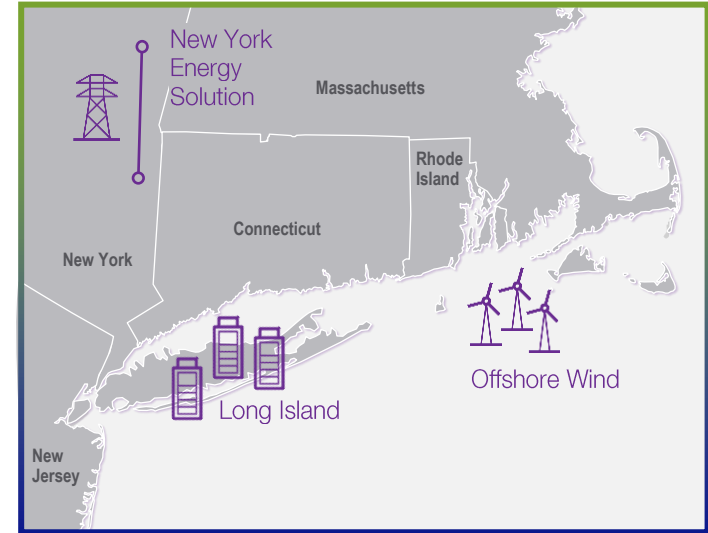
- Option to acquire the transmission connection for Revolution Wind, a 704MW wind farm
- Over 10,000MW of offshore wind expected by 2030

New York Energy Solution

- 4-year project starting in Spring 2021, costing over \$600m
- Improving electricity reliability
- Facilitating the flow of clean energy

Lithium ion battery facilities on Long Island

- Co-own two of the largest battery facilities on the east coast
- Helping integrate offshore wind and meet peak demand



Building an interconnected Europe

Energy through interconnectors could be

90%
carbon free
by 2030



Interconnectors could meet

11%
of UK electricity demand
by 2030



Portfolio could save up to

100m tonnes
of carbon
by 2030



- Co-own and operate 4,000MW of interconnection
 - importing over 15TWh of zero carbon energy annually
- Constructing a further 3 interconnectors to Denmark, Norway and France
 - maximum carbon payback of 18 months
- 7,800MW of total interconnection by 2023



Growing our renewable energy capabilities



Multi-purpose interconnectors connecting offshore wind

- Maximising utilisation of offshore generation
- Reducing the impact of infrastructure on coastal communities



Zero-carbon Humber project in the UK

- The world's first net zero industrial cluster by 2040
- Potential to safeguard 55,000 jobs
- Delivering 44 million tonnes of carbon capture per year
- Almost 40% of UK emissions



Exploring opportunities for hydrogen at Grain

- Exploring opportunities to produce and supply Hydrogen to decarbonise adjacent gas fired power plants
- Could see 180MW of Hydrogen flowing as early as 2026

Summary

- Giving back to society and the communities in which we operate
- Supporting the decarbonisation of our planet
- We are at the heart of the energy transition in both the UK and the US





Environmental Q&A





Social





Economy

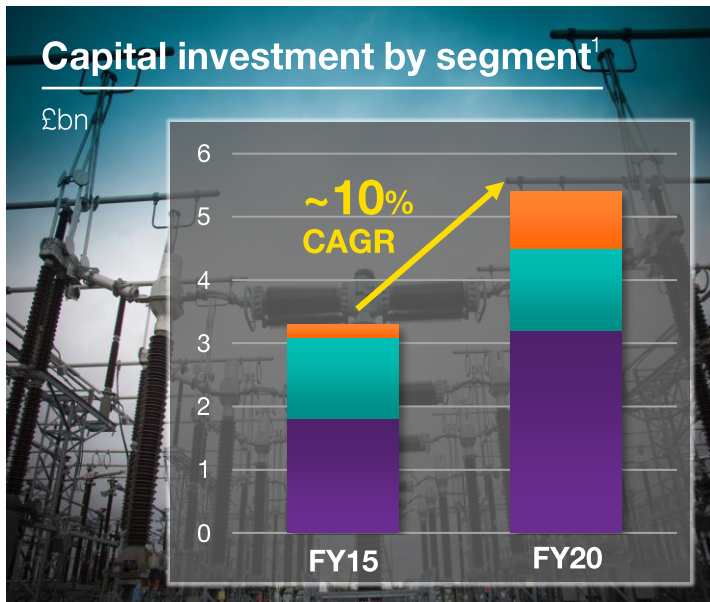
Andy Agg

Chief Financial Officer

Agenda: Social

TIME (BST)	SESSION	SPEAKER(S)
14:45	PART 3: Social - Economy	Andy Agg
	PART 3: Social - Communities	Marcy Reed
	PART 3: Social - People	Andy Doyle
	PART 3: Social Q&A	
15:40	<i>Short break</i>	
15:45	PART 4: Governance	Sir Peter Gershon Jonathan Dawson
	PART 4: Governance Q&A	Thérèse Esperdy
16:40	Closing remarks	Nick Ashworth

Supporting our economies



● US Regulated ● UK Regulated ● NGV & Other

¹ Excludes UK Gas Distribution, calculated at constant currency

Supply chain

c.9,000
companies

£2bn spent
with SMEs /
diverse enterprises

Live
our values

Require supply chain to align with:

- United Nations Global Compact
- UK Modern Slavery Act 2015
- US Trafficking and Violence Protection Act 2020
- Living Wage Foundation requirements (UK)

Signatories to:

- UK Prompt Payment Code
- Global Supplier Code of Conduct

Prompt Payment Code
administered by the Chartered Institute of Credit Management on behalf of BES

Global Supplier Code of Conduct

Supporting Stakeholders

Protecting vulnerable customers

£150m

warm homes fund



- Affordable heating solutions for fuel-poor
- Designed to help ~50,000 households

\$10m

annual donation
to US communities



- Corporate programs, National Grid Foundation
- Community organisations helping customers

**COVID-19
support**



- Suspended customer collections
- Charitable donations in the UK and US



1,000 bed hospital,
Long Island

Sustainable Finance Strategy

We published our **Green Financing Framework** in November, alongside the Group's new **net zero target**

- Adheres to the ICMA GBP and LMA GLP
- Includes bonds, loans and other instruments
- Covers issuance from all group entities
- Proceeds used for green projects



- Pledged to meet or exceed 'B team' tax principles
- NGUK pension scheme assets to be net zero by 2050
- Forecasting and tracking RBC commitments
- Sustainability in planning process
- Management information now includes, for example:
 - GHG emissions
 - diversity of workforce and leadership
 - community support
 - skills development






Sustainable reporting

Responsible Business Report

to be published in 2021



- To contain best practice sustainability reporting
- Reporting on natural environment and biodiversity
- All Responsible Business KPIs to be externally audited

Benchmark	Performance
	2019: A-List (Climate Change and Supplier Engagement) 2018: A-List (Climate Change and Supplier Engagement) 2017: A-List (Climate Change)
	2020: 49/486 relative performance in utilities sector (11 th percentile).
	We are a longstanding constituent of the FTSE4Good Index Series, which is designed to measure the performance of companies demonstrating strong (ESG) practices.
	In 2020 we were rated a low governance risk (3/10), with a high level of environmental (1/10) and social (3/10) disclosures (a decile score closer to 1 indicating lower governance risk and higher E&S disclosure)
	Maintained the top rating (AAA) for the last 4 years

Summary

Embedding sustainability into reporting will benefit the company, colleagues and communities

Improved safety performance

leading to enhanced customer satisfaction



Greater focus on environmental goals

developing skills, creating jobs



Closer ties to our communities

Positive for all stakeholders



ESG is no longer an exception - it's an expectation



Our communities

Marcy Reed

*Jurisdictional President,
Massachusetts*

We're serious about this

- We have a key role to play in ensuring economic vitality
 - where our customers and employees live
 - providing a strong backbone for our customers
- Supporting global goals offers us the opportunity to address challenges in communities
 - UN Sustainable Development Goals
 - poverty, inequality, climate change
- Supporting our communities also helps develop the workforce of the future



Education initiatives

We do a lot - and will do more

45,000 people
to be provided with skills development
by 2030



- We have hundreds of partnerships in the US and UK
 - skills development, education (STEM), employability and basic needs
- Commitment to communities is enshrined in our Responsible Business Charter
 - ambitions to provide access to skills development for 45,000 people by 2030
 - aiming to provide half a million employee volunteering hours



Employee volunteers

We help build skills

Flagship community programme

300 young people helped
through access to the programme
since April 2019



- ‘Grid for Good’ - our flagship community investment programme
 - serves disadvantaged youth, 16-24
 - covers our US and UK business areas
 - programme offers
 - opportunities to build confidence
 - mentoring and employability skills
- 250 employees have already given 2,000 volunteering hours



Skills workshop

We support education

Girls Inc STEM Programme (US)

4,000 young girls

provided with access to the programme since 2017

Coaching on STEM subjects (UK)

1,700

Coaching interactions for young people in 2019/20

- Girls Inc (US) community work
 - focus on young girls' education
 - programmes in Massachusetts and New York
 - sponsor over 1,000 girls every summer
- Skills sharing volunteering programme (UK)
- Education support for children from disadvantaged backgrounds
 - City Year, recruiting volunteer mentors



Girls Inc

We create opportunities

Increased veteran hires from

100 to 435

Through counselling and retraining
since 2013



- Veteran support – ‘Troops to Energy’
 - we provide counselling and training to US veterans
 - NG benefits from employing re-trained veterans
- Programmes for those with learning disabilities
 - ‘Employability’ programme UK established 2013
 - reached 100th intern, in partnership with 11 schools



Troops to Energy

We invest in our communities

~£10m

Contribution to local communities
in FY20



In line with our Responsible Business Charter, we will

- Strive for affordability and fairness, and we will develop skills for the future, with a focus on lower income communities.
- Deliver energy in a fair and affordable way to the communities we serve
- Play our role in ensuring no-one is left behind in the transition to clean energy



Charitable giving



Our people

Andy Doyle

*Chief Human Resources
Officer*

Commitments to our people

Our vision is to build and develop a safe, inclusive culture and a diverse workforce



Looking after **our colleagues' safety and wellbeing**

01



Developing the **skills needed for the future**

02



Building an **inclusive culture and diverse workforce**

03



Providing **equal opportunities and remuneration**

04



Our top priority: safety and wellbeing

Proactive approach to safety

- Ensuring that everyone goes home safely at the end of every day
- Appropriate policies, procedures and training in place to maintain our track record
- Leading indicators to anticipate where incidents might occur and take preventive action to avoid them
- Executive remuneration linked to Group safety performance

Increased focus on mental health and wellbeing

- Signed up to the Mental Health at Work Commitment
- Enhanced our employee assistance programmes
 - financial, legal and psychological
- Offering additional training courses for our colleagues

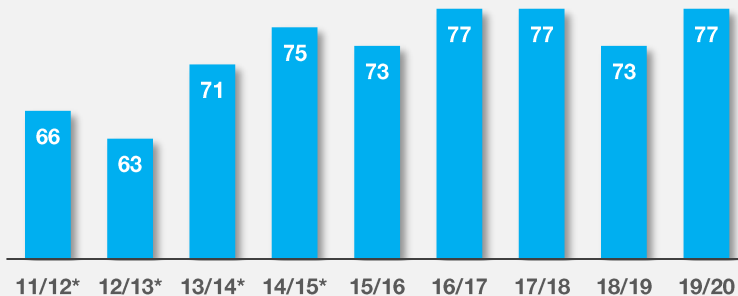


Working in a virtual world

- Facilitating safe and secure workplace environments
- Maintaining regular communication with our colleagues
- Tremendous dedication and commitment shown
- Continuous feedback and improvement through engagement
- Upward trend in overall engagement scores

Engagement Survey

% engagement score



* Includes UK Gas distribution, now Cadent



Developing the skills needed for the future

We need

400,000 jobs

in the UK energy sector to help society reach net zero emissions
by 2050



Inspiring the next generation of engineers

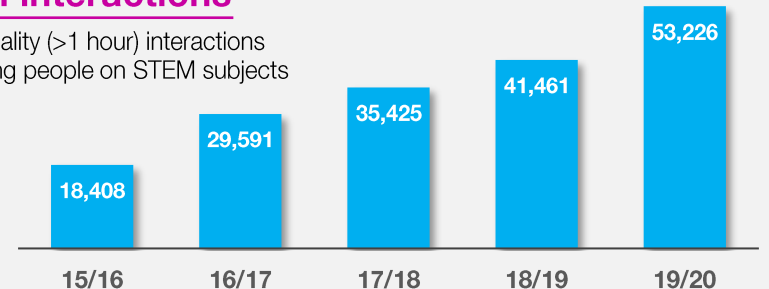
- 7x increase in our UK Advanced Apprenticeship applications following our 'Job that Can't Wait' campaign
- Supporting and promoting STEM in schools
- Leading through Energy Leaders Coalition
- Offering virtual internships for over 200 interns

Developing existing talent

- Invest millions every year in training our colleagues
- Delivering instructor led virtual training
- Fully equipped training centres home to over 350 Apprentices and Graduates
- Comprehensive leadership development programmes

STEM interactions

No. of quality (>1 hour) interactions with young people on STEM subjects



Building an inclusive culture and diverse workforce

Committed to ensuring our culture is inclusive and our workforce is diverse and fully representative of our communities

- Our performance compares favourably within the industry but there's more we can do
- By 2025 we aim to achieve 50% diversity in our senior leadership and new talent programmes
- We are assisting colleagues to achieve their full potential
 - encouraging wider participation in open and honest dialogues
 - Diverse Leaders Programme
 - Employee Resource Groups for race and ethnicity

Our workforce

18% declared themselves to be of minority racial or ethnic heritage



Industry:

UK energy & utility sector | **5%**

US energy sector | **7%**

25% are female



Industry:

UK energy & utility sector | **17%**

US energy sector | **17%**

Source: Energy & Utility Skills Partnership

Recognised externally for our performance



Equal opportunities and remuneration

We are committed to providing equal opportunities and remuneration for all colleagues

- We are a living wage employer
- Reporting a gender pay gap of 3.7% in the UK
 - amongst the smallest reported by the FTSE 100
- We will continue to regularly review pay by both gender and ethnicity
- Aim to be as transparent as possible providing additional disclosure in the near future



Summary

- Ongoing focus on safety and mental wellbeing
- We are committed to:
 - developing the skills needed for the future
 - building an inclusive culture and a diverse workforce
 - treating our colleagues fairly and equally
 - being as transparent as possible in our reporting





Social Q&A



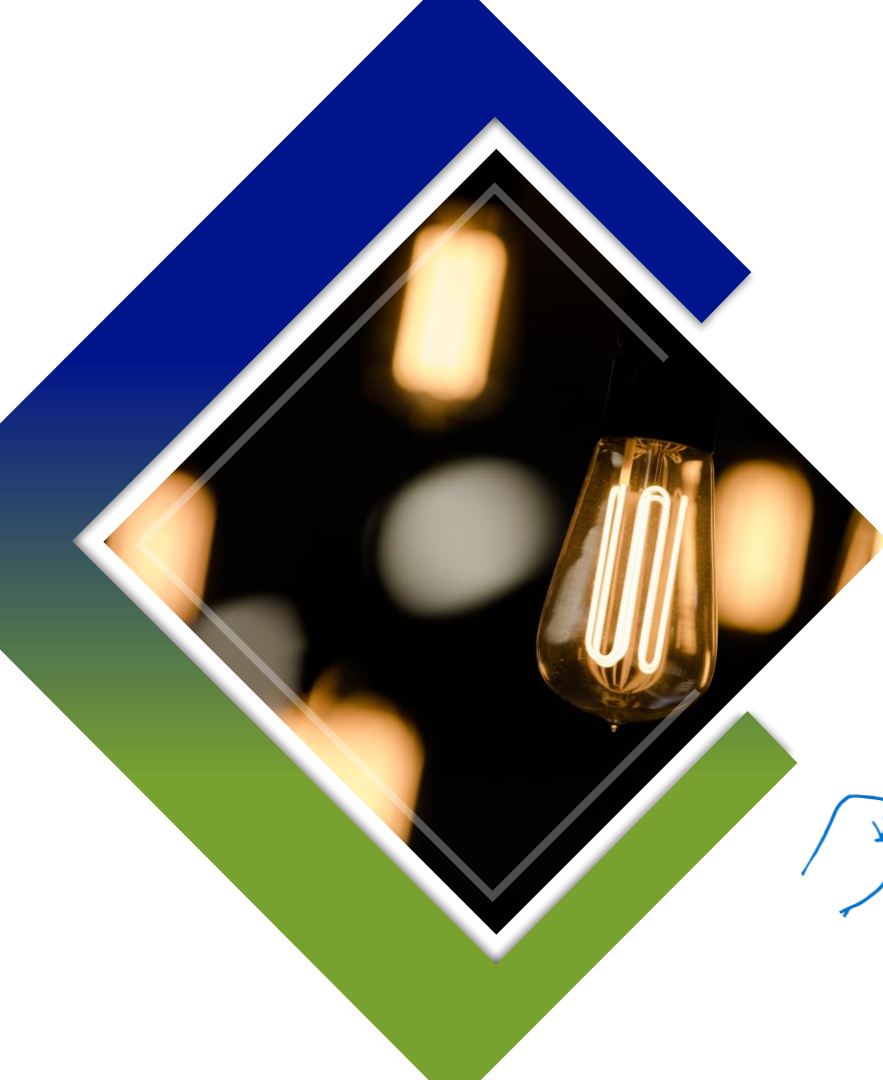


E&S Wrap

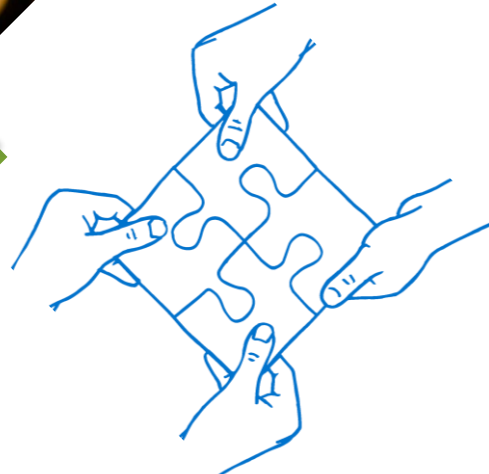
John Pettigrew
Chief Executive Officer



Short break



Governance





Governance

Sir Peter Gershon
Chairman

Other speakers today



Company leadership

What we bring to the Board

Number of Board members with specific skills and experience as a way of demonstrating the different aspects the Directors bring



Our Board diversity



3 Executive Directors

9 Non-executive (inc Chairman)



Inclusivity and diversity

- Employee engagement
- Engagement methods
- Culture journey

Our UK and US ERGs celebrating diversity



UK

Five communities,
one vision



US

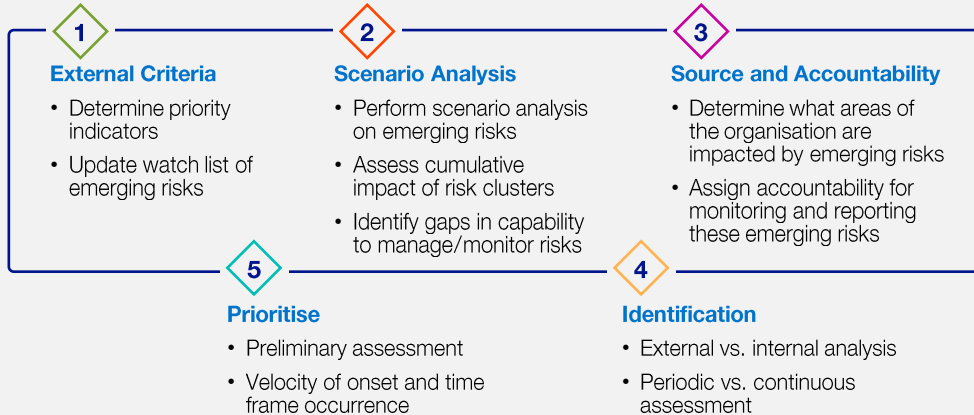
Eleven diverse
support groups



Risk management – overall framework

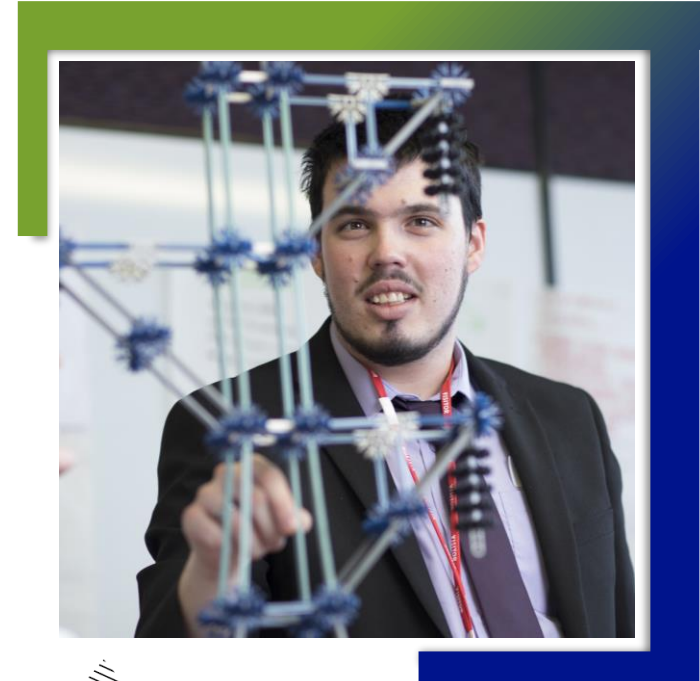
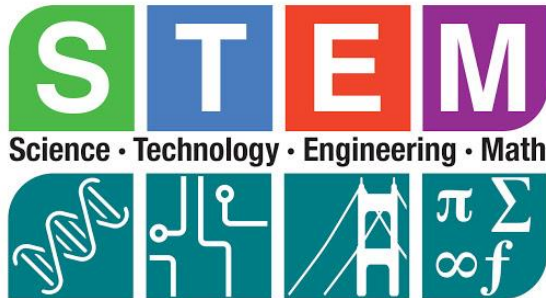
- Impact of the external environment
 - increased exposure to risk
- Robust risk management structures are crucial to gain investor confidence
- Management of emerging risks

Continuous cycle to identify and manage emerging risks



Risk management - people

- Our people are crucial in maintaining safe and reliable networks
 - have initiatives in place to secure engineering capabilities
 - pursue STEM (Science, Technology, Engineering and Maths) outreaches in local schools and colleges
 - ongoing collaboration with the Royal Academy of Engineering



Risk management - cyber

- The Board receives regular updates from the Group Security Officer
- The Board receives ongoing cyber training
- Developments made towards an enhanced critical national infrastructure security strategy



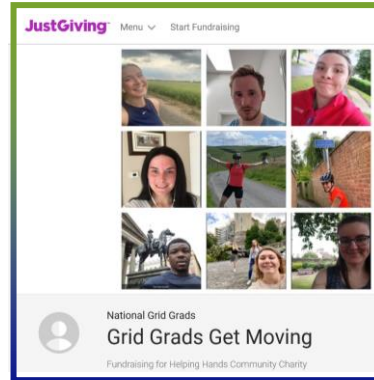
Stakeholder engagement

nationalgrid
A responsible business



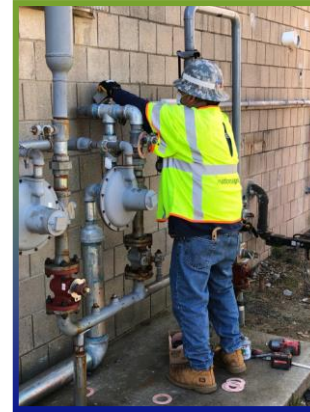
Grain LNG

making headbands for local nurses



NG Graduates

raising money for
Helping Hands Community Project



NG US

assisted with building field
hospital to combat
COVID-19

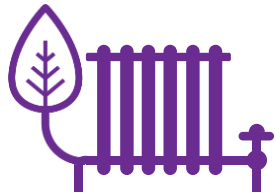


NG Ventures

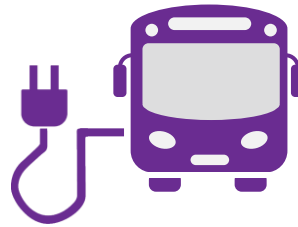
provided masks and hand gels
to hospices and care homes

ESG and the Board

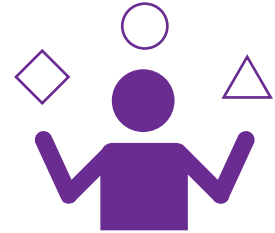
Environmental



decarbonisation
of heat



decarbonisation
of transport



skills
for the future



electrification
at scale



capturing
of emissions

ESG and the Board

Social

- This includes our colleagues, our communities, and the economies in which we operate

Governance

- ESG matters are incorporated in our senior executive remuneration packages
- The Board has facilitated an evolution to our company strategy to maintain a sustainable business model
- We will continue having effective dialogue with our stakeholders to influence future energy policy





*Paula
Rosput Reynolds
Chair Designate*



Governance

Thérèse Esperdy
Finance Committee Chair

Finance Committee Membership

- Role of the Finance Committee
- COVID-19 financial impact
- ESG and the Finance Committee
- Employee engagement
- Conclusion



Thérèse Esperdy - Chair
Non Executive Director



Jonathan Silver
Non Executive Director



Jonathan Dawson
Non Executive Director



John Pettigrew
Chief Executive



Andy Agg
Chief Financial Officer



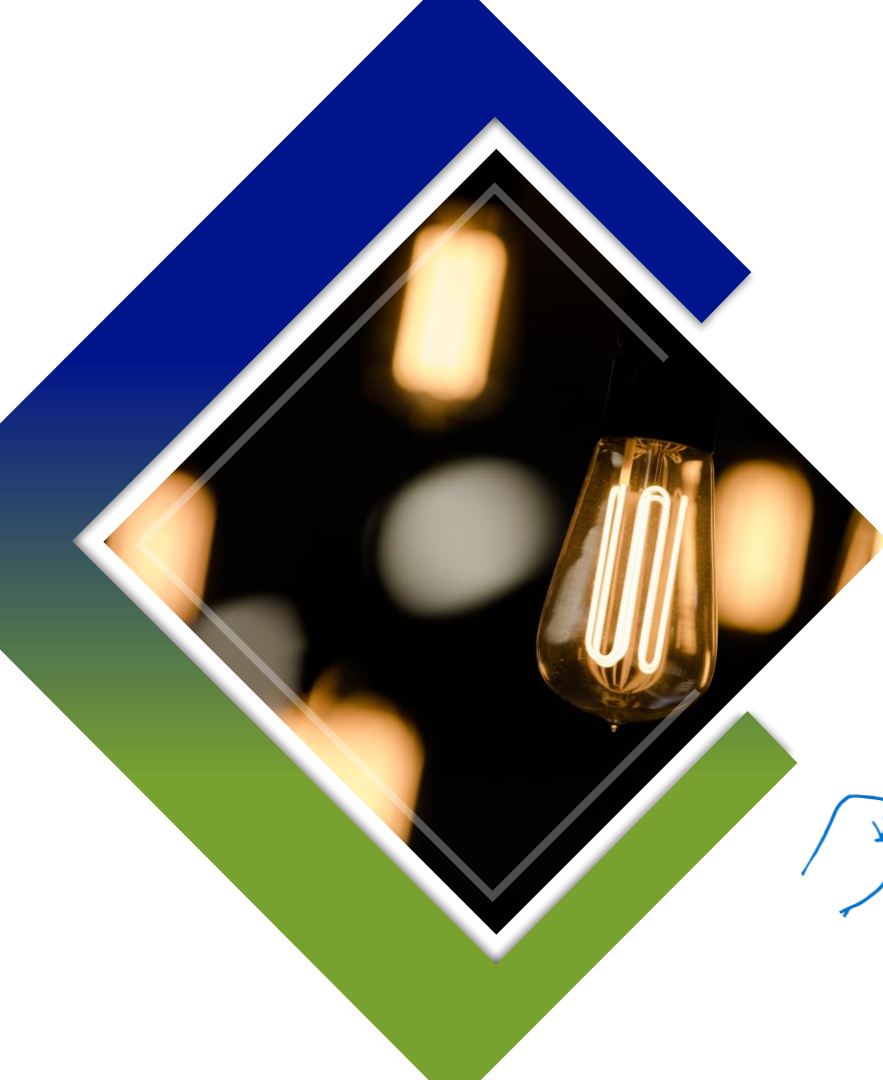
Governance

Jonathan Dawson
Remuneration
Committee Chair

Remuneration Committee Membership

- ESG and remuneration
- Looking ahead – Policy consultation
- Conclusion





Governance

Q&A

A blue line drawing of hands holding puzzle pieces, symbolizing collaboration and problem-solving.



Closing remarks

Nick Ashworth

*Director of
Investor Relations*



Appendices

Nominations Committee Membership



Sir Peter Gershon - Chair
Chairman



Liz Hewitt
Non Executive Director



Paul Golby
Non Executive Director



Mark Williamson
Senior Independent Director



Thérèse Esperdy
Non Executive Director



Amanda Mesler
Non Executive Director

Nominations Committee Membership



Audit Committee Membership



Safety, Environment and Health Committee Membership



nationalgrid
A responsible business

Biographies



Sir Peter Gershon CBE FREng

Chairman

Career: Sir Peter graduated with a Mathematics degree from Cambridge University. He started his career in the UK computer industry and has held senior executive positions in telecommunications and defence industries, as well as being the first Chief Executive of the Office of Government Commerce.

In 2004/05, at the request of the Prime Minister and Chancellor, Sir Peter led a major review of efficiency in the UK public sector, which recommended significant savings. He was awarded the CBE in 2000 for services to the defence industry and was knighted in 2004 for his work on public procurement. He was Chairman of Tate & Lyle plc from 2009 until 2017. In 2016 he won the FTSE100 Non-Executive Director of the year.

Sir Peter is a fellow of a number of bodies, including the Royal Academy of Engineering, the Institution of Engineering and Technology and the British Computer Society.

Skills and competencies: Sir Peter is an experienced leader, having held senior board-level positions in the computer, defence and telecommunications industries. He has served as a Managing Director in several high-profile organisations and was previously Chairman of Tate and Lyle plc. Sir Peter is committed to engaging with employees, for example, through site visits in the UK and US. He annually hosts the Chairman's Awards, an excellent opportunity to appreciate employees at National Grid; and further engages through the recent employee engagement sessions. Sir Peter brings external insight, understanding of diverse issues and the strong corporate governance expertise required to create and lead an effective Board.



John Pettigrew FEI FIET

Chief Executive

Career: Roles included Director of Engineering in the UK, Chief Operating Officer and Executive Vice President for the US Electricity Distribution & Generation business, Chief Operating Officer for UK Gas Distribution and UK Chief Operating Officer from 2012 to 2014. John is a Fellow of the Energy Institute and of the Institution of Energy and Technology.

Skills and competencies: John joined the Group as a graduate in 1991 and has progressed through many senior management roles. Together with his extensive operational experience of the Group, John brings significant know-how and commerciality to his leadership of the executive team and management of the Group's business.

John continues to lead the implementation and development of the Group's strategy, creating new opportunities for the continued future growth of our core businesses. He maintains a productive dialogue with institutional investors on Group strategy and performance.



Andy Agg

Chief Financial Officer

Career: Andy graduated with a BA(Hons) degree in history from University of Bristol. He trained and qualified as a chartered accountant with PricewaterhouseCoopers, where he served in a number of roles, including a secondment to the US. He joined the Group in 2008 and is a member of the ICAEW.

Skills and competencies: Andy trained and qualified as a chartered accountant with PricewaterhouseCoopers and is a member of the ICAEW. He has significant financial experience, having held a number of senior finance leadership roles across the Group, including Group Financial Controller, UK CFO and Group Tax and Treasury Director. Andy brings in-depth knowledge of National Grid, both in the UK and US, and his broad experience across operational and corporate finance roles led to a smooth transition into his role. He contributes broadly on a wide range of topics at Board, Finance and Audit Committee meetings.



Badar Khan

President, National Grid US

Career: Badar has a degree in engineering from Brunel University in London and an MBA from the University of Pennsylvania. He has been a leader in the restructuring of the retail and wholesale power markets in both the US and the UK.

Previously, Badar worked at Centrica plc for 14 years in the UK and US, including four years as CEO of Direct Energy, the North American subsidiary that provides electricity, natural gas and home services. Prior to that he was an officer of a start-up private retail energy company in the US, and has also worked in management consulting with Deloitte Consulting in Boston and KPMG London.

Skills and competencies: Badar joined National Grid in 2017. He brings to the Executive Committee his extensive experience in energy sector, which spans retail power and gas and energy-related services, wholesale energy trading, upstream power generation, and oil and gas exploration and production.

Badar is focused on driving the company's vision of exceeding customer expectations and making the energy systems of tomorrow possible. He leads National Grid's core, regulated business operations in the US, serving 20 million people across Massachusetts, New York and Rhode Island.



Nicola Shaw

Executive Director, UK

Career: Nicola was educated at both Oxford University, where she studied for a bachelor's degree in History and Economics, and the Massachusetts Institute of Technology (MIT), where she received a master's in Transportation.

Nicola's career, in the UK and overseas, has included senior positions in several regulatory, commercial and operational roles. These include Chief Executive Officer of HS1 and Managing Director of UK Business Division at FirstGroup plc. She was also an independent Non-executive Director of Ellevio AB and Aer Lingus Group plc.

Skills and competencies: Nicola's broad range of experience includes working with the UK Government, the European Commission and Parliament, and industry regulators, as well as leading large regulated businesses. This enables her to lead our UK business with the requisite experience, knowledge and leadership expertise.



Jon Butterworth

Managing Director of National Grid Ventures

Career: An industry veteran of more than 40 years, Jon has held a number of senior positions within the energy industry, most recently as Chief Operating Officer of Global Transmission for National Grid Ventures. He started his career in British Gas as an apprentice technician before joining National Grid where he has held a variety of leadership roles spanning Construction, Asset Management, Regulation and Operations. Jon was awarded an MBE in 2009 for services to Britain's Gas Industry and is a Fellow of the Institute of Directors.

Skills and competencies: Jon is an experienced leader with a strong track record of building and running successful businesses in both regulated and competitive energy markets across the UK, Europe and the US.

As Managing Director of National Grid Ventures, Jon is responsible for the development, financing, construction and operation of large-scale energy assets, including electricity interconnectors, LNG storage and regasification, energy metering, onshore wind and solar generation, and competitive transmission.

Jon is also responsible for supporting the transition to a net zero energy system through the development of clean energy technologies, such as carbon capture and storage (CCS) and hydrogen in the UK, and offshore wind in the US.



Marcy Reed

Jurisdictional President, Massachusetts

Career: Marcy is a graduate of Dartmouth College and holds a master's degree from Northeastern University. She sits on a number of boards, including the Massachusetts Business Roundtable and the Greater Boston Chamber of Commerce, and chairs the board of The Partnership, an organization delivering leadership development for racially and ethnically diverse talent. She is the global executive sponsor for National Grid's Women in Networks employee resource group.

Marcy is responsible for National Grid's gas and electricity businesses in Massachusetts, including their operational, customer service, financial, and reputational outcomes. She also spent three years in London as the head of Investor Relations for National Grid.

Skills and competencies: Marcy joined National Grid in 1988. She has extensive experience in finance, merger integration, corporate affairs, and business operations.

Marcy is focused on delivering an excellent customer experience, while enabling employees to reach their highest potential as they drive toward a clean energy future. She recognizes that working extensively with key stakeholders drives reputation and benefits the company, employees, customers, and shareholders.



Andy Doyle

Chief Human Resources Officer

Career: Andy holds a degree in economics from Loughborough University, and is a Fellow of the Institute of Directors and Chartered Fellow of the Chartered Institute of Personnel Development. He was recently awarded an Honorary Doctorate in recognition of his contribution to the Human Resources (HR) profession by Middlesex University.

Andy has considerable experience of leading significant business transformation throughout his career. He was most recently Chief HR Officer at Worldpay Group plc, where he played a key role in driving growth in the business, and subsequently helping to manage its acquisition by Vantiv to form Worldpay, Inc.

Prior to this he was Group HR Director at ITV plc, HR Director at utility services and construction company Morrison plc. Andy has worked in operational and senior HR executive roles in the technology, real estate, construction and retail sectors.

Skills and competencies: Andy was appointed Chief Human Resources Officer on 4 March 2019. He has specialised in business transformation throughout his career and has achieved major changes in corporate culture and performance.

With his extensive experience, he has been providing a particular focus on setting and delivering the global human resources agenda in line with the commercial strategy of the Group.



Thérèse Esperdy

Non-executive Director, Independent

Career: Thérèse has held several senior roles in the banking industry, including Head of US Debt Capital Markets and Global Head of Debt Capital Markets, Co-Head of Banking, Asia Pacific at JPMorgan and Global Chairman of the Financial Institutions Group, JPMorgan Chase & Co. Most recently, Thérèse was appointed as a Non-executive Director on Moody's Corporation Board on 1 March 2019.

Skills and competencies: Thérèse has significant international investment banking experience, having held a variety of leadership roles spanning 27 years. Her career began at Lehman Brothers and in 1997 she joined Chase Securities and subsequently JPMorgan Chase & Co., where she held a number of senior positions. With a distinguished career in the investment banking sector, Thérèse brings significant banking, strategic and international financial management expertise and knowledge of financial markets to the Board and to her role as Chair of the Finance Committee.

Thérèse's specialist knowledge combined with her sharp and incisive thinking enables her to contribute and constructively challenge on a wide range of Board debates.



Jonathan Dawson

Non-executive Director, Independent

Career: After graduating from the universities of St Andrews and Cambridge, Jonathan started his career in the Ministry of Defence before moving to Lazard, where he spent more than 20 years. He was a Non-executive Director of Galliford Try plc, National Australia Group Europe Limited and Standard Life Investments (Holdings) Limited. Most recently, Jonathan was Chairman of the Remuneration Committee and Senior Independent Director of Next plc and Senior Independent Director and Chairman of the Audit & Risk Jardine Lloyd Thompson Group plc.

Skills and competencies: Jonathan, through his broad range of expertise within the finance and pensions sector, brings significant in-depth understanding in remuneration and financial matters to his role as Chair of the Remuneration Committee. Jonathan previously held positions as Chairman of the Remuneration Committee and Senior Independent Director of Next plc and Senior Independent Director and Chairman of the Audit & Risk Committee at Jardine Lloyd Thompson Group plc.

As a Non-executive Director, Jonathan brings an innovative perspective, scrutiny, constructive challenge and independent oversight to the Board.

Jonathan is the Chairman of River and Mercantile Group PLC, and the Chairman and a founding partner of Penfida Ltd.

