National Grid's
Investment Proposition

"National Grid is delivering a new and exciting phase of growth with an attractive investor proposition underpinned by high quality asset growth, strong earnings growth and an inflation protected dividend. We remain focused on playing our role in the energy transition and the responsible delivery of the new infrastructure required to enable the digital, electrified economies of the future."

CEO, John Pettigrew

FY25 Investor Relations

5-year framework FY25-29

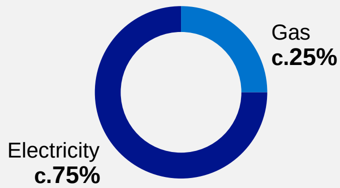
	FY2025 - 2029
Capital investment	**c.£60bn** – **c.£51bn green**[1]
Group asset growth	**c.10% CAGR**[2]
Credit metrics	Committed to strong investment grade credit rating Credit metrics above current rating thresholds[3]
Underlying EPS	**6-8% CAGR** (from FY25 baseline of 73.3p)[4]
Dividend	Aim to **grow dividend per share** in line with UK CPIH[5]

Geographic and regulatory diversity

FY25 asset base

Geographical split

Energy split



1. Aligned to EU Taxonomy, directly invested into the decarbonisation of energy networks
2. Group asset compound annual growth rate from a FY24 baseline. Forward years based on assumed USD FX rate of 1.25; and long run UK CPIH and US CPI. Assumes sale of ESO, Grain LNG, and National Grid Renewables. Assumes remaining 20% stake in UK Gas Transmission treated as a discontinued operation and therefore did not contribute to group asset growth
3. Until at least the end of the RIIO-T3 period
4. EPS compound annual growth rate from a FY25 baseline. Forward years based on assumed USD FX rate of 1.25; long run UK CPIH, US CPI and interest rate assumptions and scrip uptake of 25%. Assumes sale of ESO, Grain LNG, and National Grid Renewables
5. Aim to increase the FY25 DPS by UK CPIH following the rebase of the FY24 DPS of 58.52 pence, after taking account of the new following the Rights Issue

FY25 Highlights

Group financial summary full year ended 31 March 2025

Underlying results

Operating profit	Underlying EPS	DPS in line with policy	Capital investment
£5,357m ↑12%	**73.3p** ↑2%	**46.72p** ↑3.2%	**£9,847m** ↑20%
FY24: **£4,768m**	FY24: **72.1p**	FY24: **45.26p**	FY24: **£8,220m**

Underlying results from continuing operations excluding exceptional items, remeasurements, deferrable major storm costs (when greater than $100m), timing, the contribution from the minority interest in National Gas Transmission, which was classified as a discontinued operation for accounting purposes, and the impact of deferred tax in the UK regulated businesses (NGET and NGED)

Comparative underlying EPS restated to reflect the impact of the bonus element of the rights issue, and dividend per share rebased for total number of shares in issue following rights issue

Underlying operating profit, underlying EPS and capital investment calculated at constant currency

Secured the supply chain and delivery mechanisms for more than **two thirds** of our £60 billion of capex

Record £9.8bn capital investment with increased investment on major capital projects

Good FY25 results across our regulated businesses, reflecting higher regulated revenues

Significant progress within our ASTI portfolio Six wave 1 projects are now under construction

Regulatory progress

- DPU approved a five-year plan for MECO
- Submitted £35 billion RIIO-T3 business plan
- Joint Proposal for our Niagara Mohawk business

Operational highlights

US highlights

- Further 352 miles of gas mains replacement
- Ramp up of $4 billion Upstate Upgrade including:
  - Reinforcement and upgrade works as part of CLCPA Phase 1
  - Strong progress on Smart Path Connect
- Joint Proposal for our Niagara Mohawk business with an allowed return of 9.5%
- DPU approved a MECO five-year plan with an allowed return of 9.35%

UK highlights

- Ramp up of six Wave 1 ASTI projects
- Major substation upgrades
- 2.2 GW of renewable generation connected to our transmission and distribution networks
- Supply chain secured for all 12 onshore projects

Regulatory progress

- Submitted £35 billion RIIO-T3 business plan
- Ofgem's decision on the Advanced Procurement Mechanism
- Ofgem decision on Connections Reform

Group highlights

Record investment of £9.8bn

Good underlying operational performance across our regulated businesses

Significant progress within our **ASTI portfolio**

NGV highlights

- Good interconnector availability
- Good progress on Grain LNG fourth tank

Regulatory progress

- Offshore Hybrid Assets regulatory framework

Reliability and safety

Reliability

- Strong network reliability, despite severe weather events
- Storm Darragh in the UK
  - Restored power to 95% of customers within 48 hours
- NESO published interim report on North Hyde

Safety

- Lost Time Injury Frequency rate 0.10

Financial performance segmental summary

New York

Operating profit

£1,450m ⬆ 43%

FY24: **£1,013m**

Rate increases in downstate gas

Cost efficiency delivery

Higher depreciation reflecting asset base growth

New England

Operating profit

£924m ⬆ 16%

FY24: **£800m**

Higher rates in electric and gas businesses

Cost efficiency delivery

Higher depreciation reflecting asset base growth

UK Electricity Transmission

Operating profit

£1,428m ⬆ 9%

FY24: **£1,314m**

Increased totex allowances, indexation and higher allowed returns

Higher depreciation reflecting growth in asset base

UK Electricity Distribution

Operating profit

£1,203m ⬆ 4%

FY24: **£1,152m**

Increased revenue from indexation

Increased depreciation

One-off costs and incentive revenue impacts following Storm Darragh

JVs post tax share

£75m ⬇ 26%

FY24: **£101m**

UK ESO[1]

Operating profit

£115m ⬆ 44%

FY24: **£80m**

NGV

Operating profit

£380m ⬇ 19%

FY24: **£469m**

First full year of Viking Link, more than offset by expected lower revenues on IFA2 and North Sea Link

Note: Underlying results, excluding timing, exceptional items and remeasurements
Capital investment includes investment in JVs and capital prepayments and no longer includes investments in NG Partners
1. ESO was sold on 1st October 2024

Priorities and Outlook

US Priorities

US **New York**

Regulation
- PSC commission approval of Niagara Mohawk rate case

Policy
- Work with New York state on State Energy Plan

US **New England**

Regulation
- Agree Electric Sector Modernization Plan recovery mechanisms with DPU
- Submit Massachusetts Gas rate filing

Policy
- Progress Climate Compliance Plan
- Expect Energy Affordability Bill

UK Priorities

UK **Electricity Transmission**

Operational
- Commission 2 circuits on London Power Tunnels project
- Agree investable RIIO-T3 price control
- Support re-contracting of connections queue
- Support 'AI Energy Council'

Policy
- Planning legislation progress through parliament
- Input to NESO's strategic spatial energy plan
- Advocating for development of a skills strategy

UK **Strategic Infrastructure**

ASTI Programme
- Ramp up construction on Wave 1 projects
- Finalise contracts for remaining offshore projects

Consenting process
- 8 consultations planned this year

UK **Electricity Distribution**

Operational
- On track to deliver £100m synergy savings by FY2026
- Engage in Ofgem's RIIO-ED3 Sector Specific Methodology Consultation

Resilient business model to deliver growth

Robust business model in a volatile macro environment

Supported by our **regulatory frameworks** and **efficient delivery**

Inflation and cost protection

c.90%
of US supply chain domestically sourced

FX impacts limited
Hedge c.70% of US gross assets with US$ debt

Efficient recovery of debt costs
In UK & US regulated businesses

Stable platform to operate and deliver our plans

A year of significant progress

Record investment of £9.8bn

- Significant progress on ASTI portfolio
- Step up in asset health and network reinforcement in UK Electricity Distribution
- >350 miles of gas mains replacement across Massachusetts and New York
- Smart Path Connect on track to energise by year end

Secured the supply chain and delivery mechanisms for
>2/3rds of our
£60 billion of capital investment

Building our energy future

Largest overhaul of our networks

High quality, low risk asset growth

Strong earnings growth

Inflation-protected dividend

Delivering long-term value and shareholder returns

Delivering as a Responsible Business

Our 2023 Responsible Business Charter, continues to articulate what 'responsibility' means for us. In May 2024, we published our updated Climate Transition Plan (CTP) which was put to an advisory vote at our AGM in July 2024, receiving 99% support from voting shareholders

Performance Highlights

Our Environment

- Connected 3,016MW of renewable energy across our UK and US transmission and distribution networks
- £7.7 billion or 81% of FY25 capital expenditure aligned to the EU Taxonomy principles for sustainable investment
- Maintained our CDP Climate Change 'A list' rating for the 9th consecutive year

Our Customers & Communities

- Reliability of over 99.84% across our networks
- Our interconnector portfolio enabled the return of a further £89 million to UK consumers
- Delivered over 60k volunteering hours in FY25 to support our communities

Our People

- Expanding our talent programmes welcoming 276 apprentices & 236 graduates across the UK and US
- Enhancing our Thriving Together initiative promoting a healthy workplace culture through resource awareness
- Employee engagement score of 80%, favourable as we continue to outperform other utility companies

Responsible business performance

	Externally assured[1]	2025	2024	change
Scope 1 and 2 greenhouse gas emissions (ktonnes CO_2e)	✓	7,422	6,852	8%
Scope 3 greenhouse gas emissions (ktonnes CO_2e)	✓	28,435	27,384	4%
Renewable energy connected to the UK Transmission and Distribution Grids (MW)	✓	2,244	2,444	(8%)
Renewable energy connected to the US Transmission and Distribution Grids (MW)	✓	772	586	32%
Group Lost Time Injury Frequency Rate (LTIFR)	✓	0.10	0.08	0.02

1. We engaged Deloitte LLP in the current year and PricewaterhouseCoopers LLP (PwC) in the prior year to undertake a limited assurance engagement, using the International Standard on Assurance Engagements (ISAE) 3000 (Revised): 'Assurance Engagements Other Than Audits or Reviews of Historical Financial Information' and ISAE 3410: 'Assurance Engagements on Greenhouse Gas Statements' over a range of data points within our Responsible Business data tables. Details of Deloitte's full limited assurance opinion and National Grid's Reporting Methodology are available on our website

- In 2024/25, Scope 1 and 2 emissions increased by 8.3% (4.4% reduction against the 2018/19 baseline) largely due to circumstances outside of our control as our Long Island generation facilities in the US fulfilled contractual obligations with LIPA, and a temporary surge in demand resulting from an unplanned maintenance outage at a third-party power plant
- Total Scope 3 GHG emissions increased by 3.8% year-on-year. Against our SBTi approved target (which excludes sold electricity) our Scope 3 GHG emissions have increased by 5.8% since 2018/19. This was principally driven by emissions linked to higher annual spend in relation to purchased goods and services (including capital investment) within our supply chain for the construction of new energy infrastructure
- We did not expect a linear trajectory, as explained in our CTP, and this performance demonstrates the technical dependencies as well as policy and regulatory frameworks required to support our emission reduction plans and targets

Awards and recognition

To be held account against our environmental, societal and governance business commitments, National Grid is proud to share reporting data and have our sustainable efforts analysed

Proud to be one of The Times Top 50 Employers for Gender Equality 2023

Recognised as a Top 50 employer for gender equality in 2025 by The Times

FTSE Women Leaders

Ranked 7th in FTSE 100 women leaders, listed in the HRC Corporate Equality Index – US

INVESTING ETHNICITY

Top 25 employer for Investing In Ethnicity Maturity Matrix - UK

MSCI ESG RATINGS AAA

'AAA' (highest score) for the eighth consecutive year

FTSE4Good

Remained a constituent of the FTSE4Good Index

CDP

Achieved an 'A grading' rating (the highest) for our response to climate change for the ninth consecutive year

Corporate ESG Performance Prime RATED BY ISS ESG

Prime rating (C+), industry-leading score

SOCIAL MOBILITY FOUNDATION

Top 75 in the UK Social Mobility Index – ranked 42nd

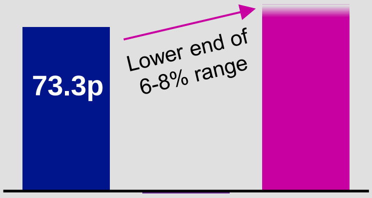
SUSTAINALYTICS a Morningstar company* RATED

Awarded score of 16.3/100 (Low Risk) in relation to experiencing material impacts from ESG and a strong score for management of impacts

National Grid Top 10 Globally for gender equality in 2022 EQUILEAP

Equileap
Ranked 2nd in the UK and 4th globally for gender equality by Equileap

FY26 Guidance

FY26 Guidance[1]	
Capital investment	**>£11bn**
Group asset growth	**c.11%**
Net Debt & credit metrics	Net debt increase of just over **£6bn**
Underlying EPS	
Dividend	Aim to **grow dividend per share** in line with UK CPIH

1. Presented at USD FX rate of 1.3

FY25-29 financial framework reconfirmed
c.£60bn – **c.£51bn green**[1]
c.10% CAGR[2]
Credit metrics above current rating thresholds[3]
6-8% CAGR (from this year's baseline of 73.3p)[4]
Aim to **grow dividend per share** in line with UK CPIH[5]

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5. Aim to increase the FY25 DPS by UK CPIH following the rebase of the FY24 DPS of 58.52 pence, after taking account of the new shares issued following the Rights Issue

Further information

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