

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

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

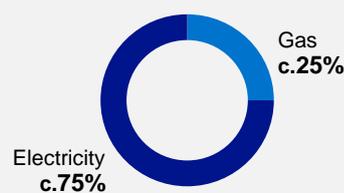
Geographic and regulatory diversity

FY25 asset base

Geographical split



Energy split



FY25 Highlights

Group financial summary full year ended 31 March 2025

Underlying results

Operating profit

£5,357m ↑12%

FY24: £4,768m

Underlying EPS

73.3p ↑2%

FY24: 72.1p

DPS in line with policy

46.72p ↑3.2%

FY24: 45.26p

Capital investment

£9,847m ↑20%

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 ESO¹

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**



c.90%
of US supply chain
domestically sourced



FX impacts limited

Hedge c.70% of
US gross assets
with US\$ debt



Inflation and cost protection



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
>2/3^{rds} 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	Our Customers & Communities	Our People
<ul style="list-style-type: none"> 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 	<ul style="list-style-type: none"> 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 	<ul style="list-style-type: none"> 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 ₂ e)		7,422	6,852	8%
Scope 3 greenhouse gas emissions (ktonnes CO ₂ e)		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

MSCI ESG RATINGS AAA

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

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

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

AWARDED 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

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

Remained a constituent of the FTSE4Good Index

Corporate ESG Performance Prime

Prime rating (C+), industry-leading score

Top 10 Globally for gender equality in 2022

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

Top 25 employer for Investing in Ethnicity Maturity Matrix - UK

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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	 <p>73.3p Lower end of 6-8% range</p>
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 green¹
	c.10% CAGR²
	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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Important notice

This document 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. This document also references climate-related targets and climate-related risks which differ from conventional financial risks in that they are complex, novel and tend to involve projection over long term scenarios which are subject to significant uncertainty and change. These forward-looking statements and targets 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 and targets. Many of these assumptions, risks and uncertainties relate to factors that are beyond National Grid's ability to control or estimate precisely, such as changes in laws or regulations and decisions by governmental bodies or regulators, including those relating to current and upcoming price controls in the UK and rate cases in the US; 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; reliability of and access to IT systems, including due to the failure of or unauthorised access to or deliberate breaches of National Grid's 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, as well as against targets and standards designed to support its role in the energy transition; 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 document 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 breaches 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, including the proposed sale of certain of its businesses, its strategic infrastructure projects and joint ventures. For further details regarding these and other assumptions, risks and uncertainties that may affect National Grid, please read the Strategic Report section and the 'Risk factors' on pages 226 to 231 of National Grid's Annual Report and Accounts for the year ended 31 March 2024 as updated by National Grid's unaudited half-year financial information for the six months ended 30 September 2024, published on 7 November 2024. 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 document. 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