National Grid Global Corporate Policy on Political Contributions

National Grid plc ("National Grid" or the "Company") does not give financial donations or support to political candidates, representatives and other officeholders, or parties or organisations, in any country in which we operate.

However, in accordance with applicable law, National Grid operates voluntary Federal and New York State employee Political Action Committees (PACs) that raise funds from certain eligible employees and contribute them to support political candidates in the United States.

What does this policy cover?

Political contributions are defined as any gift, subscription, loan, advance or deposit of money or anything of value made for the purpose of influencing any election for office or any period in office; for the avoidance of doubt, this includes donations as defined for the purposes of the UK Political Parties, Elections and Referendums Act 2000. They include in kind contributions (goods, commodities or services instead of money). Contributions by National Grid USA's employee PACs are not contributions by National Grid, they are contributions of funds donated voluntarily by employees only, and therefore are not affected by this policy. See below for further information on National Grid USA's PACs.

Who should read this?

This policy applies to all Company employees, temporary staff, agents and contractors worldwide, as well as all third parties acting on our behalf. Those who violate this policy will face disciplinary action up to and including dismissal. The Company Secretary will ensure the Annual Report states our policy of not making political contributions. Any inadvertent contributions will be reported in the Annual Report, which will also disclose any contributions by National Grid's employee political action committees.

Company-wide Requirements

Given the broad definition of a 'political' organisation under certain laws, operating companies who are concerned that they may be considering a political contribution must check with the relevant General Counsel that the contribution is not a political contribution under relevant laws (and therefore contrary to this policy) before proceeding.

US-specific Provisions

Consistent with federal and New York campaign finance law, National Grid USA operates two employee-funded PACs. Each PAC accepts only funds donated voluntarily by certain eligible employees, and neither PAC accepts Company donations. Applicable law and Company policy prohibit coercion of all forms with respect to employees' decisions whether to support the PACs. A governing board of PAC members who work in a range of divisions of the US operating unit determines how the PACs distribute funds to campaigns or other political recipients. The National Grid Federal and New York PACs are separate legal entities from the Company; PAC contributions are not political donations by the Company. All of the Company PACs' contributions are publicly disclosed on regular reports filed in accordance with federal and New York campaign finance law. An independent auditing firm audits the Company's PACs every three years.

Additionally, as required by the US Lobbying Disclosure Act, we provide details of our federal lobbying activities and expenditures in periodic reports to the Secretary of the Senate and the Clerk of the House of Representatives. These reports also disclose the names of, and certain federal political contributions made by, National Grid employees who are registered as federal lobbyists. All such registrations and reports are available to the public. In each state in which we operate, we register and report under applicable lobbying disclosure laws when, as and to the fullest extent required by law.

Employees Acting in a Personal Capacity

National Grid employees are free to engage in the political process on any level, with no restriction by the Company, provided that they do so in their personal capacities, during personal time, and without making use of Company facilities and other resources. Company policy requires employees and Directors who engage in personal political activities to ensure their involvement does not, in any way, claim or imply to represent the views of National Grid or bring the Company into disrepute.