



National Grid plc Board Governance

May 2024

nationalgrid

Contents

MATTERS RESERVED FOR THE BOARD	2
TERMS OF REFERENCE OF THE AUDIT & RISK COMMITTEE	4
TERMS OF REFERENCE OF THE FINANCE COMMITTEE	10
TERMS OF REFERENCE OF THE PEOPLE & GOVERNANCE COMMITTEE	14
TERMS OF REFERENCE OF THE REMUNERATION COMMITTEE	18
TERMS OF REFERENCE OF THE SAFETY & SUSTAINABILITY COMMITTEE	22
RESPONSIBILITIES OF CHAIR, CHIEF EXECUTIVE AND SENIOR INDEPENDENT DIRECTOR	25

MATTERS RESERVED FOR THE BOARD

APPROVED SEPTEMBER 2022.

Introduction

The board of directors (the “Board”) of National Grid plc (the “Company”) is ultimately responsible for the strategy, management, performance and long-term success of the Company and its subsidiaries (the “Group”). Day to day management of the business is delegated to the Chief Executive, however the following matters are reserved for decision by the Board.

1. Strategy, Management and Finance

- 1.1 Approval of significant changes to the Group’s management and control/corporate structure
- 1.2 Approval of National Grid’s finance policy, in particular with regard to tax strategy and off-balance sheet financing
- 1.3 Approval of any material change in National Grid’s accounting policies or practices
- 1.4 Decision to appoint, reappoint or remove auditors, following recommendations from the Audit and Risk Committee
- 1.5 Setting and monitoring the Group’s strategic risk appetite
- 1.6 Approval of and monitoring of the Group’s principal risks
- 1.7 Approval of the Group’s viability statement and associated assessment period
- 1.8 Approval and review of the business strategy and long-term strategic objectives of National Grid in light of the agreed principal risks and risk appetite
- 1.9 Approval of the five year Group strategic plan and annual budget
- 1.10 Any material extension of the Group’s activities into new business or geographic areas
- 1.11 Any decision to cease to operate all or any material part of the Group’s business
- 1.12 Making or responding to any take over bid subject to the City Code on Takeovers and Mergers
- 1.13 Authorising changes affecting the capital structure of National Grid or its status as a plc or listed company
- 1.14 Approval of major capital projects guarantees and indemnities
- 1.15 Approval of major regulatory matters
- 1.16 Approval of appointment of corporate brokers

2 Director and Employee Issues

- 2.1 Changes to the structure, size and composition of the Board and Board Committees
- 2.2 Adequate succession planning for the Board and senior management so as to maintain an appropriate balance of skills, experience and knowledge within the Company and on the Board
- 2.3 Division of responsibilities of the Company Chair, Senior Independent Director, Committee Chairs, the Chief Executive and other Executive Directors, which should be clearly established, set out in writing and agreed by the Board
- 2.4 Appointment, re-appointment or removal of Directors and Group General Counsel and Company Secretary
- 2.5 Determination of the independence of Non-executive Directors following recommendations from the People & Governance Committee
- 2.6 Determination of the framework or broad policy for the remuneration of the Company Chair, Chief Executive, Executive Directors, Group General Counsel and Company Secretary and direct reports to the Chief Executive (following recommendation from the Remuneration Committee)

- 2.7 Material changes to rules, funding and management arrangements for the pension schemes and post-retirement healthcare plans (on recommendation of the Executive Committee)
- 2.8 The introduction of new share incentive plans or major changes to existing plans, to be put to shareholders for approval upon the recommendation of the remuneration committee
- 2.9 Maintain and oversee mechanisms for considering the balance of interests between shareholders, colleagues and other stakeholders, including customers, suppliers, the community, regulators and Government
- 2.10 Determination of the other significant demands on directors' time prior to, and during, their appointment

3 Corporate Governance

- 3.1 Responsibility for the overall leadership of National Grid and setting the Company's values and standards
- 3.2 Establishing committees of the Board, their terms of reference and approving any material changes thereto
- 3.3 Undertaking a formal and rigorous annual review of its own performance and that of its Committees and individual Directors (in conjunction with the People & Governance Committee)
- 3.4 Ensuring maintenance of a sound system of internal control and risk management arrangements throughout National Grid and conducting an annual review of the effectiveness of these arrangements
- 3.5 Approval of significant new National Grid Policies, Public Position Statements, Procedures and Codes, and major revisions as necessary
- 3.6 Authorising conflicts of interest where permitted by the Company's Articles of Association
- 3.7 Consideration of material allegations or litigation affecting National Grid

4 Financial Reporting and Stakeholders

- 4.1 Approval of full and half-year results announcements and other financial updates to stock exchanges on which National Grid's shares are listed
- 4.2 Approval of the National Grid Annual Report and Accounts and Annual Report on Form 20-F
- 4.3 Approval of the dividend policy and approval and declaration of the interim dividend and recommendation of the final dividend and any scrip dividend alternative
- 4.4 Calling any general meeting of National Grid's shareholders and approval of the Resolutions and documentation sent to shareholders
- 4.5 Ensuring satisfactory dialogue with the Company's key stakeholders to keep in touch with stakeholder opinions, issues and concerns
- 4.6 Authorising the allotment of National Grid shares including under a scrip dividend (through delegations where appropriate) and any purchase of National Grid's own shares (buyback)
- 4.7 Approval of any prospectus, listing particulars or other document requiring to be approved by or filed with a stock exchange on which National Grid shares are listed (other than routine announcements or filings and debt listing particulars)

5 Other

- 5.1 Any other matters of strategic, financial, operational or reputational importance likely to have significant impact on National Grid
- 5.2 This schedule of Matters Reserved for the Board
- 5.3 Approval, on its recommendation, of any item which falls outside the authority delegated to the Executive Committee or any of the Board Committees

TERMS OF REFERENCE OF THE AUDIT & RISK COMMITTEE

APPROVED MAY 2024.

Reference to the “Company” shall mean National Grid plc.

Reference to the “Committee” shall mean the Audit & Risk Committee.

Reference to the “Board” shall mean the Board of Directors of the Company.

Reference to the “Group” shall mean the Company and its subsidiaries.

1. Purpose

- 1.1 The Committee assists the Board in discharging its responsibilities around ensuring the integrity of the Company’s financial statements, risk management, assessment of the effectiveness of internal controls, and internal and external auditors.

2 Membership

- 2.1 The Committee Chair and Committee members shall be appointed by the Board on the recommendation of the People & Governance Committee in consultation with the Chair of the Committee.
- 2.2 The Committee shall comprise at least three members, all of whom shall be independent Non-executive Directors. The Chair of the Board shall not be a member of the Committee.
- 2.3 At least one member must have recent and relevant financial experience; competence in accounting and/or audit and be considered a financial expert as defined by the US Securities and Exchange Commission (SEC). The Committee as a whole shall have competence relevant to the sector in which the Company operates.
- 2.4 Committee members have the right to attend Committee meetings. Other Non-executive Directors are also allowed to attend if they wish. Other individuals such as the Chief Executive, Chief Financial Officer, lead external audit partner Group Head of Corporate Audit and Group Financial Controller may be invited to attend by the Committee as and when appropriate.
- 2.5 In the absence of the Chair of the Committee and any appointed deputy, from the remaining members present shall elect one of themselves to chair the meeting.

3 Secretary

- 3.1 The Company Secretary or their nominee shall act as the Secretary of the Committee.

4 Quorum and voting

- 4.1 The quorum necessary for the transaction of business shall be two.
- 4.2 If any conflicts of interest exist with a member of the Committee on any issue, then such member of the Committee shall not participate or vote on the issue that gives rise to such conflict of interest.

5 Meetings

5.1 The Committee shall meet at least four times a year.

6 Notice of Meetings

6.1 Meetings of the Committee shall be convened by the Secretary at the request of the Chair of the Committee, any of its members or the external or corporate auditors if they consider it necessary.

6.2 Unless otherwise agreed, the Secretary or their nominee shall circulate notice of each meeting including an agenda of items to be discussed. Any supporting papers shall be circulated or made available electronically to each member of the Committee, members of the Board and any other person required to attend as appropriate, in advance.

7 Minutes of Meetings

7.1 The Secretary shall minute the proceedings and resolutions of all meetings of the Committee. These shall be circulated to the Chair of the Committee for review prior to circulation to all committee members.

8 Shareholder Engagement

8.1 The Chair of the Committee shall attend the Annual General Meeting to answer shareholder questions on the Committee's activities. In addition, they should seek engagement with shareholders on significant matters related to the Committee's areas of responsibility, including the scope of the external audit, where appropriate.

9 Duties

The Committee should on behalf of the Board carry out the duties below for the Group.

9.1 Internal Control, Risk Management and Compliance

The Committee shall:

9.1.1 Review and report to the Board on the adequacy and effectiveness of the internal controls (including financial, operational and compliance controls), and risk management systems, including any appropriate issues raised in internal control reports and any disclosures with respect to deficiencies in internal controls or any fraud.

9.1.2 Review the Group's risk profile, assess the effectiveness of the risk management framework in line with the Board's risk appetite, including review of the Group's Principal Risks.

9.1.3 Review the viability assessment and risk stress testing, and the associated disclosures in the Annual Report and Accounts and any similar statement pursuant to applicable listing rules, legislation and best practice, for recommendation to the Board.

9.1.4 Receive regular reports on risk management and compliance matters.

9.1.5 Assist the Board in overseeing compliance with financial, risk, audit, legal, and regulatory requirements in the UK and US in line with its responsibilities.

9.1.6 Advise the Board on the financial risks of proposed strategic transactions (including purchases and disposals) as appropriate, ensuring that a due diligence appraisal of each proposition is undertaken.

9.1.7 Consider matters of business conduct and receive reports relating to the Company's Code of Ethics.

9.1.8 Consider the procedures currently in place for the prevention and detection of bribery or fraud. Details of any material non-compliance and any cases of bribery or fraud in the relevant period will be advised, with any significant issues being brought to the Committee's attention as soon as practicable. The Committee shall advise the Board on the adequacy of these procedures and any recommendations for improvements.

9.2 **Corporate Audit**

9.2.1 The Committee shall approve the appointment of the Group Head of Corporate Audit. The Group Head of Corporate Audit shall not be removed without the approval of the Committee and shall be accountable to the Committee.

9.2.2 The Chair of the Committee shall work with the Chief Financial Officer to provide input into the annual performance assessment, objective setting process and remuneration for the Group Head of Corporate Audit.

9.2.3 The Committee shall:

- (i) consider and approve the Corporate Audit Charter to ensure its independence and effectiveness and its appropriateness to the current needs of the Company in accordance with relevant professional standards;
- (ii) monitor and evaluate the performance and effectiveness of corporate audit, including obtaining an independent, external quality assurance review at appropriate intervals, and at least every three years;
- (iii) review, assess and approve the Group's annual corporate audit plan. Review the management of agreed corporate audit matters to ensure they are appropriate in the overall context of the Group's risk management system;
- (iii) review corporate auditor reports dealing with key control issues, the effectiveness of the Company's risk management processes, any significant control findings and management's responsiveness to such matters; and
- (iv) meet with the Group Head of Corporate Audit at least once each year without management present. The Group Head of Corporate Audit should have access to the Chair of the Board, the Chair of the Committee and to the other members of the Committee.

9.3 **External Audit**

9.3.1 The Committee shall consider and make recommendations to the Board on matters to be put to shareholders, in relation to the appointment, reappointment, oversight and removal of the Company's external auditor. If an external auditor resigns the Committee shall investigate the issues leading to this and decide whether any action is required.

9.3.2 The Committee shall:

- (i) keep under review the relationship with the external auditor including (but not limited to) the approval of the remuneration of the external auditor, the proportion of fees for non-audit services in relation to the overall fee income;
- (ii) approve the terms of engagement;
- (iii) review and monitor the independence and objectivity of the external auditor, taking into account the relationship with the external auditor, and satisfy itself that there are no

- relationships between the external auditor and the Company (other than in the ordinary course of business) which could adversely affect the auditor's independence and objectivity;
- (iv) undertake, and report to the Board on, an annual assessment of the qualifications, expertise and resources of the external auditor; the effectiveness and adequacy of the audit process (including a report from the external auditor on their own internal quality procedures and transparency reports); review the Financial Reporting Council's annual report (if any) on, and discuss the findings with, the external auditor;
 - (v) ensure appropriate interaction with the activities of the corporate audit function;
 - (vi) discuss with the external auditor such issues as compliance with accounting standards and any proposals which the external auditor has made in relation to the Company's corporate audit function;
 - (vii) evaluate the risks to the quality and effectiveness of the financial reporting process in the light of the external auditor's communications with the Committee;
 - (viii) review the external audit plan and ensure that it is consistent with the scope of the audit engagement;
 - (ix) meet with the external auditor at least once each year without management present;
 - (x) review the findings of the audit with the external auditor including, but not limited to, discussing any major issues and management's response to such issues; accounting and audit judgments; and levels of errors identified;
 - (xi) conduct the tender process for the audit contract, which shall be put out to tender at least once every ten years, or sooner if required;
 - (xii) review any representation letters requested by the external auditor before they are signed by management; and
 - (xiii) set a policy in relation to the provision of non-audit services, taking into account relevant UK and US regulations, rules and ethical guidelines, ensuring that the provision of such services does not impair the external auditor's independence or objectivity and report to the Board on this policy and any improvement or action required. The policy shall include consideration of whether the external audit firm is the most suitable supplier of the non-audit service.

9.4 Financial Statements

The Committee shall:

- 9.4.1 monitor the integrity of the Company's financial statements included in any results announcements, Annual Report and Accounts and any other formal documents or formal announcements relating to its financial performance.
- 9.4.2 review significant financial reporting issues and judgements which they contain.
- 9.4.3 review and challenge where necessary the clarity and completeness of disclosure in the Company's financial reports and the context in which statements are made.

9.5 Reporting Responsibilities

9.5.1 The Chair of the Committee shall report to the Board after each meeting on the nature and content of its discussions, recommendations and actions to be taken.

9.5.2 The Committee shall:

- (i) make appropriate recommendations to the Board in order that a report to shareholders on internal controls and such other matters can be included in the Annual Report and Accounts and where the Committee is not satisfied with any aspect of the proposed financial reporting by the Company, it shall report its views to the Board.

- (ii) review results announcements and make recommendations to the Board prior to release, or as appropriate, on significant financial reporting issues and judgements which they contain having regard to matters communicated to it by the external auditor.
- (iii) review the Annual Report and Accounts and any other report filed with the SEC, or other competent authorities, containing financial statements and make recommendations to the Board with respect to the disclosures contained therein.
- (iv) report to shareholders on its activities, including such matters as may be required by law, regulation and best practice in the Company's Annual Report and Accounts.
- (v) review the Responsible Business Report disclosures and associated assurance procedures and in conjunction with the Safety & Sustainability Committee, recommend to the Board the approval of the Responsible Business Report.
- (vi) recommend to the Board whether the Annual Report and Accounts, taken as a whole, are fair, balanced and understandable and provide the information necessary for shareholders to assess the Company's position and performance, business model and strategy.
- (vii) report to the Board on how it has discharged its responsibilities, as set out in these terms of reference including matters considered relating to significant issues in relation to the financial statements, the assessment of the going concern and viability statement, the effectiveness of the external audit process, and any other issues on which the Board has requested the Committee's opinion.
- (viii) hold a joint meeting with the Safety & Sustainability Committee to discuss the approach to, and reporting on, environmental and sustainability matters.

9.6 Complaints and Whistleblowing Procedures

- 9.6.1 Ensure that appropriate procedures are established, and evaluate the effectiveness of such procedures, for the receipt, retention, and treatment of complaints received by the Company.
- 9.6.2 Establish procedures to ensure that submissions from the Company's whistleblowing policy be treated confidentially and anonymously and significant matters are reported to the Committee. The Committee shall ensure that these arrangements allow proportionate, independent and timely investigation of such matters.
- 9.6.3 The Chair of the Committee will be informed on a timely basis of significant matters relating to risk, compliance, ethics, controls or financial reporting.

Authority

- 11.1 Subject to any restrictions imposed by law, the Committee is authorised by the Board to seek any information it requires from any employee of the Company in order to perform its duties.
- 11.2 The Committee shall have the right to publish in the Annual Report and Accounts details of any issues that cannot be resolved between the Committee and the Board. If the Board has not accepted the Committee's recommendation on the external auditor appointment, reappointment or removal, the annual report should include a statement explaining the Committee's recommendation and the reasons why the Board has taken a different position.

12 Other Matters

12.1.1 The Committee shall:

- (i) have access to sufficient resources to carry out its duties, including access to the Company Secretary and Company Secretariat for advice, as required.
- (ii) be authorised by the Board to access sufficient resources and independent legal, accounting or other professional advice, at the Company's expense, on any matter if it believes it is necessary to do so, in order to carry out its duties.
- (iii) work and liaise as necessary with other Board Committees, ensuring the interaction between the Committees and the Board is reviewed regularly. The Chair of the Committee shall interface with the Audit Committees of Group subsidiary operating companies as appropriate.
- (iv) oversee any investigation of activities which are within its terms of reference and be responsible for resolving any disputes that may arise between the external auditor, the Corporate Audit team and the Company.
- (v) ensure that a periodic evaluation of the Committee's own performance is carried out as well as a review of its terms of reference.
- (vi) receive reports from the Disclosure Committee in relation to any matters arising in connection with the preparation of the Disclosure Statements and the Committee's evaluation of the effectiveness of the Company's Disclosure Controls, including reports filed with the SEC and other regulatory authorities.
- (vii) receive reports, as and when appropriate, from the business on significant areas of concern in relation to any external reporting obligations.

12.1.2 Members shall be provided with an induction and ongoing training as appropriate.

TERMS OF REFERENCE OF THE FINANCE COMMITTEE

APPROVED MARCH 2023.

References to the “Company” shall mean National Grid plc (abbreviated as NG plc)

References to the “Group” shall mean the Company and its subsidiaries.

References to the “Committee” shall mean the Finance Committee

References to the “Board” shall mean the full Board of Directors of the Company

Introduction

This introduction does not form part of the formal Terms of Reference but is intended to give an indication of the scope of the Finance Committee.

The Finance Committee monitors the Financial Risk of the Group. This risk arises in a number of areas:

- Treasury
- Tax
- Pensions
- Insurance
- Commodities

The **Finance Committee Policy Framework** provides the framework for the policies approved by the Finance Committee.

The duties of the Committee (in relation to the areas within its scope) are:

- Set policy
- Set risk appetite having due regard to the overall risk appetite set by the Board
- Approve the rare, exceptional transactions (which it may refer to the full Board if it considers it to be appropriate to do so, e.g. when there is an equity component)
- Delegate authority to Executive Management for activities
- Review the use of new instruments and set policy and delegations as appropriate
- Monitor risks and activities

From time to time there may be a legal or regulatory reason to request a formal Board approval for items that would otherwise have been delegated to Executive Management. The Committee will consider these items as required.

1. Membership

- 1.1 The Committee shall be appointed by the Board on the recommendation of the Nominations Committee in consultation with the Chair of the Committee and shall comprise a Chair (who shall be an independent Non-executive Director) and at least 3 other members being the Chief Executive, Chief Financial Officer and one independent Non-executive Director. The independence of the Chair and Non-executive Director shall be as determined by the Board after considering UK and US regulations and best practice.
- 1.2 The Chair of the Board, Group Treasurer & Director of Pensions, Group General Counsel & Company Secretary and any other individual may attend for all or part of the meetings of the Committee at the request of the Chair of the Committee as and when considered appropriate by the Committee.

- 1.3 The Board shall determine the period for which the Chair of the Committee shall hold office. In the absence of the Committee Chair and/or deputy nominated by them, another Non-executive Director shall chair the meeting.
- 1.4 If a Non-executive Director is unable to act due to absence, illness or any other cause, the Chair of the Committee may appoint another Non-executive Director of the Company to serve as an alternate member on a short-term basis.

2. Secretary

- 2.1 The Group General Counsel and Company Secretary or his/her nominee shall act as the Secretary of the Committee.

3. Quorum and Voting

- 3.1 The quorum necessary for the transaction of business shall be 2, of whom at least 1 must be a Non-executive Director. A duly convened meeting of the Committee at which a quorum is present shall be competent to exercise all or any of the authorities, powers and discretions vested in or exercisable by the Committee.
- 3.2 If any conflicts of interest exist with a particular member of the Committee on any particular issue, then such member of the Committee shall not participate or vote on the issue that gave rise to such conflict of interest.

4. Meetings

- 4.1 The Committee shall meet three times a year to coincide with Meetings of the Board where possible, and at such other times as the Chair of the Committee or any of its members shall require.

5. Notice of Meetings

- 5.1 Meetings of the Committee shall be convened by the Secretary of the Committee at the request of the Chair of the Committee or any of its members.
- 5.2 Unless otherwise agreed, the Secretary or his/her nominee shall circulate the notice of each meeting confirming the venue, time and date together with an agenda of items to be discussed, Any supporting papers, shall be circulated or made available electronically to each member of the Committee and any other person required to attend no fewer than 4 working days prior to the date of the meeting, or otherwise as agreed between the Chair of the Committee and the Secretary, to enable proper consideration of the relevant issues.

6. Minutes of Meetings

- 6.1 The Secretary shall minute the proceedings and resolutions of all meetings of the Committee, including recording the names of those present and in attendance.
- 6.2 The Secretary should ascertain, at the beginning of each meeting, the existence of any conflicts of interest and minute them accordingly.
- 6.3 Minutes of Committee meetings shall be circulated to all members of the Committee and, following approval by the Chair of the Committee, to other members of the Board.
- 6.4 The Chair of the Committee, or in his or her absence another member of the Committee, will report orally to the Board on meetings of the Committee.

7. Shareholder Engagement

The Chair of the Committee shall:

- 7.1 Attend the Annual General Meeting prepared to respond to any shareholder questions on the Committee's activities.
- 7.2 Seek engagement with shareholders on significant matters related to this Committee's areas of responsibility, where necessary.

8. Duties

- 8.1 The Committee should carry out the duties below for the Group, making recommendations to the Boards or Finance Committees of subsidiary companies as appropriate.
- 8.2 The Committee will cover the following activities:
 - Treasury, including:
 - Financing
 - Credit ratings
 - Credit rating agencies
 - Financial investments and cash management
 - Financial counterparty risk
 - Interest rate risk
 - Inflation risk
 - Foreign exchange risk
 - Liquidity management
 - Guarantees, indemnities, and parent company support
 - Derivatives
 - Tax
 - Pensions and post-retirement healthcare plans
 - Insurance and insurable risk
 - Commodities
- 8.3 The Committee will review and approve the risk appetite of the Group in relation to the financial risks arising from the areas within its scope having due regard to the overall risk appetite set by the Board.
- 8.4 The Committee will review and approve the strategy of the Group in relation to the financial risks arising from the areas within its scope, considering the instruments and tools that are available.
- 8.5 The Committee will set policy in relation to the areas within its scope.
- 8.6 The Committee will delegate appropriate authority to Executive management to execute the strategy within the approved policies.
- 8.7 The Committee will monitor the execution of the strategy, adherence to policy and the risk position.
- 8.8 The Committee will ensure that it maintains a current knowledge of the environment in which the Group operates.
- 8.9 The Committee should, on a regular basis but no less than annually, review its own performance, membership, and Terms of Reference to ensure it is operating effectively. The Board should also review the Finance Committee's effectiveness annually.

9. Committee's Interface with Other Committees

The Committee shall interface with:

- 9.1 The Executive Committee when appropriate which shall receive relevant reports on business issues relevant to the Committee prior to these being considered by the Committee.
- 9.2 The Audit Committee in respect of risk management issues within the Committee's terms of reference and any other matters referred to the Committee by the Audit & Risk Committee.

10. Authority

- 10.1 Subject to any restrictions imposed by law, the Committee is authorised by the Board to seek any information it requires from any employee of the Company in order to perform its duties and all employees are directed to cooperate with any request made by the Committee.
- 10.2 The Committee is authorised by the Board to call any employee to be present at a meeting of the Committee as and when required.
- 10.3 The Committee is authorised by the Board to access sufficient resources and professional advice, as is reasonable at the Company's expense, in order to carry out its duties, including access to the Company Secretariat for assistance as required.
- 10.4 Members shall be provided with training as appropriate, both in the form of an induction programme for new members and on an ongoing basis for all members.

TERMS OF REFERENCE OF THE PEOPLE & GOVERNANCE COMMITTEE

APPROVED SEPTEMBER 2022.

Reference to the “Company” shall mean National Grid plc.

Reference to the “Committee” shall mean the People & Governance Committee.

Reference to the “Board” shall mean the Board of Directors of the Company.

Reference to the “Group” shall mean the Company and its subsidiaries.

1 Membership

- 1.1 The Committee shall be appointed by the Board and made up of at least four members, the majority of whom shall be independent Non-executive directors.
- 1.2 The Board shall appoint the Chair of the Committee who shall be the Chair of the Board. For matters relating to succession to the Chair of the Board, including appointment, the Committee will be chaired by the Senior Independent Director. In the absence of the Chair of the Committee and/or an appointed deputy, the remaining members present shall elect another member to chair the meeting.
- 1.3 Additional attendees including the Chief People & Culture Officer, Chief Executive and external advisors may attend meetings of the Committee, as and when considered appropriate by the Committee.

2 Secretary

- 2.1 The Group General Counsel & Company Secretary or their nominee shall act as the Secretary of the Committee.

3 Quorum and voting

- 3.1 The quorum necessary for the transaction of business shall be two, both of whom must be independent Non-executive Directors.
- 3.2 If any conflicts of interest exist with a particular member of the Committee on any particular issue then such member of the Committee shall not participate or vote on the issue that gave rise to such conflict of interest.

4 Meetings

- 4.1 The Committee shall meet at least three times a year and otherwise as required.

5 Notice of Meetings

- 5.1 Meetings of the Committee shall be convened by the Secretary of the Committee at the request of the Chair of the Committee or any of its members.
- 5.2 Unless otherwise agreed, the Secretary or their nominee shall circulate the notice of each meeting confirming the venue, time and date together with an agenda of items to be

discussed. Any supporting papers shall be circulated or made available electronically to each member of the Committee, and any other person required to attend as appropriate.

6 Minutes of Meetings

- 6.1 The Secretary shall minute the proceedings and resolutions of all meetings of the Committee, including recording the names of those present and in attendance.
- 6.2 The Secretary should ascertain, at the beginning of each meeting, the existence of any conflicts of interest and minute them accordingly.

7 Shareholder Engagement

- 7.1 The Chair of the Committee shall attend the Annual General Meeting prepared to respond to any shareholder questions on the Committee's activities.
- 7.2 The Chair of the Committee will seek engagement with shareholders on significant matters related to this Committee's areas of responsibility, where necessary.

8 Duties

8.1 Board Composition

- 8.1.1 Regularly review the structure, size and composition of the Board and make recommendations to the Board with regard to any adjustments that are deemed necessary.

8.2 Board and Senior Management Appointments

The Committee shall make recommendations to the Board relating to:

- 8.2.1 The membership of the Board and other committees of the Board as appropriate;
- 8.2.2 The re-appointment of any Non-executive Director at the conclusion of their specified term of office, and concerning the re-election by shareholders of any Director under the annual re-election provisions of the UK Corporate Governance Code or under the 'retirement by rotation' provisions in the Company's Articles of Association, having due regard to their performance and ability, and why their contribution is important to the Company's long-term sustainable success in the light of the skills, diversity, personal and cognitive attributes, independence, experience and knowledge required, and the need for progressive refreshing of the Board;
- 8.2.3 any matters relating to the continuation in office as a director of any Director at any time;
- 8.2.4 the appointment of any Director, including the Chair; and
- 8.2.5 the Audit & Risk Committee having at least one member with recent and relevant financial experience and that the Audit & Risk Committee as a whole has competence relevant to the sector in which the Company operates, having regard to relevant legal and best practice requirements.

8.3 Nominations and Succession Planning

In identifying suitable candidates the Committee shall:

- 8.3.1 Be responsible for identifying and nominating for the approval of the Board, candidates to serve as Directors of the Company, and also in respect of the position of Group General Counsel & Company Secretary, and the Group Executive Committee;

- 8.3.2 establish the criteria (description of role and capabilities required) for any new position in the light of an evaluation of the balance of skills, knowledge, experience and diversity on the Board;
- 8.3.3 consider candidates from a wide range of backgrounds;
- 8.3.4 consider candidates on merit against objective criteria and with due regard for the benefits of diversity on the board, including gender and thinking styles and educational and professional backgrounds, ensuring the appointees have enough time available to devote to that position;
- 8.3.5 be responsible for ensuring that on appointment to the Board, Non-executive Directors receive a formal letter of appointment setting out clearly what is expected of them in terms of time commitment, Committee service and involvement outside Board meetings; and
- 8.3.6 oversee the development of a diverse pipeline for succession and keep under review the leadership and succession needs of the Company with a view to ensuring the continued ability to compete effectively in the Company's marketplace, taking into account the challenges and opportunities facing the Company and make recommendations to the Board accordingly.

8.4 Performance Reviews and Governance

- 8.4.1 Review and monitor the Board's corporate governance framework and monitor the Board's compliance with corporate governance standards and practices while ensuring that it remains appropriate to the size, complexity and strategy of the Company. Recommend to the Board any revisions deemed necessary, taking into account any significant developments in the law and practice of corporate governance;
- 8.4.2 Review on a regular basis, but no less than annually, its own performance, constitution and terms of reference to ensure it is operating at effectively (the Board should also review the Committee's effectiveness annually); consider candidates from a wide range of backgrounds;
- 8.4.3 Review the directors' conflicts of interest policy and recommend any changes the Committee deems appropriate for approval of the Board;
- 8.4.4 Review the time required from the Non-executive Directors annually and assess whether they are spending enough time to fulfil their duties, together with the proposed schedule of other significant commitments of the Chair of the Board;
- 8.4.5 Review the Board's diversity policy and the effectiveness of its implementation; and
- 8.4.6 Be responsible for determining the principles of which outside directorships may be accepted by Executive Directors.

8.5 Workforce

- 8.5.1 Ownership of the workforce engagement strategy on behalf of the Board and report to the Board on its recommended approach to workforce engagement and activities undertaken throughout the year.
- 8.5.2 Monitor the effectiveness of workforce engagement and Diversity, Equity and Inclusion initiatives and report to the Board on their alignment with the Company's strategy, purpose, values and culture.
- 8.5.3 Review and report back to the board the workforce view and priorities in order to strengthen the 'employee voice' in the boardroom.

8.6 Reporting

- 8.6.1 The Committee Chair shall report formally to the Board on its proceedings after each meeting on all matters within its duties and responsibilities.
- 8.6.2 The Committee shall make whatever recommendations to the Board it deems appropriate on any area within its remit where action or improvement is needed.
- 8.6.3 The Committee shall provide a report on the work of the People & Governance Committee in discharging its duties and responsibilities during the year for inclusion in the Company's Annual Report and Accounts in line with the UK Corporate Governance Code.

9 Committee's Interface with Other Committees

The Committee shall interface with:

- 9.1 the Group Executive Committee via the Chief Executive who shall keep the Committee advised with respect to leadership and succession issues in the Company, including any risks relating to retaining key personnel; and
- 9.2 the Remuneration Committee with respect to the pay and conditions upon appointment of Directors and direct reports to the Chief Executive recruited on the recommendation of the Committee.

10 Authority

- 10.1 Subject to any restrictions imposed by law, the Committee is authorised to seek any information it requires from any employee of the Company in order to perform its duties. All employees are directed to cooperate with any request made by the Committee and be present at a meeting of the Committee as and when required.
- 10.2 The Committee shall not be entitled to sub-delegate all or any of the powers and authority delegated to it.

11 Resources and training

- 11.1 Members of the Committee shall have access to sufficient resources, including access to the Group General Counsel & Company Secretary and Company Secretariat, as required.
- 11.2 The Committee is also authorised to obtain, at the Company's expense and in liaison with the Group General Counsel & Company Secretary and/or the Chief People & Culture Officer as appropriate, outside legal or other professional resources and advice including recruitment consultants on any matters with its terms of reference.
- 11.3 Members of the Committee shall be provided with training as appropriate both in the form of an induction programme for new members and on an ongoing basis for all members.

TERMS OF REFERENCE OF THE REMUNERATION COMMITTEE

APPROVED MAY 2024.

Reference to the “Company” shall mean National Grid plc.

Reference to the “Committee” shall mean the Remuneration Committee.

Reference to the “Board” shall mean the Board of Directors of the Company.

Reference to the "Group" shall mean the Company and its subsidiaries.

1. Purpose

- 1.1 The Committee determines the remuneration for the Chair, Executive Directors and Group Executive Committee and oversees the remuneration practices and policies for the wider workforce.

2. Membership

- 2.1 The Committee shall comprise at least three members, who shall be independent Non-executive Directors. The Chair of the Board may serve on the Committee as an additional member if they are considered independent on appointment as Chair but shall not be the Chair of the Committee.
- 2.2 The Committee Chair and Committee members shall be appointed by the Board on the recommendation of the People & Governance Committee in consultation with the Chair of the Committee.
- 2.3 Committee members have the right to attend Committee meetings. Other Non-executive Directors are also allowed to attend if they wish. Other individuals such as the Chief Executive, Chief People Officer, Head of Reward and external advisers may be invited to attend by the Committee as and when appropriate.
- 2.4 The Board, on the recommendation of the People & Governance Committee, shall appoint the Chair of the Committee who shall be an independent Non-executive Director and have served on a remuneration committee for at least 12 months. In the absence of the Chair of the Committee and an appointed deputy, the remaining members present shall elect one of themselves to chair the meeting, who would qualify under these terms of reference to be appointed to that position by the Board. The Chair of the Board shall not be Chair of the Committee.

3. Secretary

- 3.1 The Group General Counsel & Company Secretary or their nominee shall act as the Secretary.

4. Quorum and Voting

- 4.1 The quorum necessary for the transaction of business shall be two.

5. Meetings

- 5.1 The Committee shall meet at least three times a year.

6. Notice of Meetings

- 6.1 Meetings of the Committee shall be convened by the Secretary at the request of the Chair of the Committee or any of its members.
- 6.2 Unless otherwise agreed, the Secretary or their nominee shall circulate notice of each meeting including an agenda of items to be discussed. Any supporting papers shall be circulated or made available electronically to each member of the Committee, members of the Board and any other person required to attend as appropriate, in advance where possible.

7. Minutes of Meetings

- 7.1 The Secretary shall minute the proceedings and resolutions of all Committee meetings. These shall be circulated to the Chair of the Committee.
- 7.2 If any conflicts exist with a member of the Committee on any issue, then such member of the Committee shall not participate or vote on the issue that gives rise to such conflict of interest.

8. Shareholder Engagement

- 8.1 The Chair of the Committee shall attend the Annual General Meeting to answer any shareholder questions on the Committee's activities. In addition, they should seek engagement with shareholders on significant matters related to the Committee's areas of responsibility and consider how the views of shareholders will be taken into account in determining executive remuneration.

9. Duties

The Committee shall:

- 9.1 determine the policy for directors' remuneration and setting remuneration for the Chair of the Board, all Executive Directors, the Company Secretary and for members of the Group Executive Committee. No individual shall be involved in any decisions as to their own remuneration.
- 9.2 in determining the remuneration policy, take into account all other factors which it deems necessary including:
 - 9.2.1 relevant legal and regulatory requirements including the provisions and recommendations of the UK Corporate Governance Code (the Code) and associated guidance, the FCA's Listing Rules and associated guidance and including to the extent deemed appropriate, the rules of the New York Stock Exchange and any other exchange on which the Company's equity securities are listed.
 - 9.2.2 design remuneration policies and practices to support strategy and promote long-term sustainable success, with executive remuneration aligned to company purpose and values, clearly linked to the successful delivery of the company's long-term strategy, and that enable the use of discretion to override formulaic outcomes and to recover and/or withhold sums or share awards under appropriate specified circumstances.
 - 9.2.3 the objective of such policy shall be to attract, retain and motivate executive management of the quality required to run the company successfully without paying more than is necessary, having regard to views of shareholders and other stakeholders.
- 9.3 determine the policy for shareholding requirements for Executive Directors that promote long-term shareholdings by them and supports alignment with long-term shareholder interests, including post-employment shareholding requirements.
- 9.4 review the ongoing appropriateness and relevance of the Directors' Remuneration Policy.
- 9.5 within the terms of the approved Directors' Remuneration Policy, and in consultation with the Chair of the Committee and/or Chief Executive as appropriate, determine the total individual remuneration package of each Executive Director, the Chair of the Board and Group Executive Committee, including salary or fee levels, bonuses, incentive payments, share options or other share awards and pensions, as appropriate. In determining such total remuneration packages, the Committee will oversee the operation of any bonus and long-term incentive plans, including the review and approval of awards, setting performance targets, the approval of any vesting, performance periods, holding periods and the application of clawback and malus. The choice of financial, non-financial and strategic measures is important, as is the exercise of independent judgement and discretion when determining remuneration awards, taking account of company and individual performance, and wider circumstances. As relevant, the Committee shall agree terms for cessation of

employment for those within its remit and determining if and, to what extent, an individual should be treated as a 'good leaver' within the scope of the relevant plan rules and the approved Directors' Remuneration Policy.

- 9.6 have authority to appoint remuneration consultants to advise the committee which it deems necessary at the expense of the company. Exercise independent judgement when evaluating the advice of the remuneration consultants. The Committee shall keep abreast of external remuneration trends, market conditions and corporate governance best practices, and have authority to obtain reliable, up to date information regarding remuneration in other companies and to commission any reports or surveys which it deems necessary to help fulfil its obligations.
- 9.7 review the design of all share incentive plans for approval by the Board, and where required, shareholders. For relevant plans, determine each year whether awards will be made, and if so, the overall amount of such awards, the individual awards for Executive Directors, the Company Secretary and Group Executive Committee members, and the performance targets to be used, as well as the corresponding vesting and additional holding periods (both during and post-employment), including unvested shares, and the minimum shareholding requirement of any of the Executive Directors. The Committee shall also oversee the administration of such plans and will monitor the share plan dilution within the plan rule limits.
- 9.8 review workforce remuneration and related policies, including the Company's gender and ethnicity pay gap analysis and related disclosures.

10. Committee Interface with Other Committees

- 10.1 The Committee shall work and liaise as necessary with other Board Committees, ensuring the interaction between the Committees and with the Board is regularly reviewed.

11. Reporting responsibilities

- 11.1 The Chair of the Committee shall report to the Board after each meeting on the nature and content of its discussion, recommendations and actions to be taken.
- 11.2 The Committee shall:
- 11.2.1 ensure that provisions regarding disclosure of information as set out in the Companies (Directors Remuneration Policy and Directors' Remuneration Report) Regulations 2019 and the Code are fulfilled.
 - 11.2.2 include a description of the work of the committee in the annual report in accordance with the Code.
 - 11.2.3 identify any appointed remuneration consultants in the annual report alongside a statement about any other connection it has with the company or individual directors.
 - 11.2.4 produce an annual report on remuneration practices and the Directors' Remuneration Policy is included in the company's annual report and put to shareholders for approval at the annual general meeting as necessary.

12. Other matters

The Committee shall:

- 12.1 have access to sufficient resources to carry out its duties, including access to the company secretariat for advice and assistance as required.
- 12.2 be provided with appropriate and timely training, both in the form of an induction programme for new members and on an ongoing basis for all members.
- 12.3 ensure that a periodic evaluation of the Committee's own performance is carried out.

13. Authority

- 13.1 Subject to any restrictions imposed by law, the Committee is authorised by the Board to seek any information it requires from any employee of the Company and its subsidiaries in order to perform its duties and all employees are directed to cooperate with any request made by the Committee.
- 13.2 The Committee is authorised by the Board to call any Director or employee to be present at a meeting of the Committee as and when required.
- 13.3 The Committee is authorised by the Board to access sufficient resources and professional advice, as is reasonable at the Company's expense, in order to carry out its duties, including access to the Company Secretariat team for assistance as required.
- 13.4 The Committee shall have the authority to establish the Share Schemes Sub-Committee to delegate to it all the powers, authorities and discretions given to the Committee in relation to the operation and/or administration of the employee equity participation arrangements to that sub-committee (and for further sub-delegation where appropriate) save in respect of any matters relating to those individuals set out in 9.1 (other than giving effect to decisions made by the Committee) or any other matters specifically reserved by the Committee.

TERMS OF REFERENCE OF THE SAFETY & SUSTAINABILITY COMMITTEE

APPROVED MAY 2024

Reference to the “Company” shall mean National Grid plc.

Reference to the “Committee” shall mean the Safety & Sustainability Committee

Reference to the “Board” shall mean the Board of Directors of the Company.

Reference to the “Group” shall mean the Company and its subsidiaries.

1. Purpose

- 1.1 The Committee assists the Board in fulfilling its oversight responsibilities in respect of reviewing and challenging the strategies, policies, initiatives, risk exposure, targets and performance of the Company and, where appropriate, in relation to safety and sustainability.

2. Membership

- 2.1 The Committee Chair and Committee members shall be appointed by the Board on the recommendation of the People & Governance Committee in consultation with the Chair of the Committee. In the absence of the Chair of the Committee and any appointed deputy, the remaining members present shall elect a Non-executive Director member present to chair the meeting.
- 2.2 The Committee shall comprise at least three members, of whom at least two shall be independent Non-executive Directors.
- 2.3 Committee members have the right to attend Committee meetings. Other Non-executive Directors are also allowed to attend if they wish. Other individuals such as the Chief Executive, Chief Sustainability Officer and Chief Engineer may be invited to attend meetings of the Committee, as and when considered appropriate by the Committee.

3. Secretary

- 3.1 The Company Secretary or their nominee shall act as the Secretary of the Committee.

4. Quorum and voting

- 4.1 The quorum necessary for the transaction of business shall be two.
- 4.2 If any conflicts of interest exists with a particular member of the Committee on any particular issue, then such member of the Committee shall not participate or vote on the issue that gave rise to such conflict of interest.

5. Meetings

- 5.1 The Committee shall meet at least three times a year.

6. Notice of Meetings

- 6.1 Meetings of the Committee shall be convened by the Secretary of the Committee at the request of the Chair of the Committee or any of its members.
- 6.2 Unless otherwise agreed, the Secretary or their nominee shall circulate notice of each meeting including an agenda of items to be discussed. Any supporting papers shall be circulated or made available electronically to each member of the Committee, members of the Board and any other person required to attend as appropriate, in advance where possible.

7. Minutes of Meetings

- 7.1 The Secretary shall minute the proceedings and resolutions of all meetings of the Committee. These shall be circulated to the Chair of the Committee.
- 7.2 The Chair of the Committee, or in their absence another member of the Committee, will report to the Board on all meetings of the Committee.

8. Shareholder Engagement

- 8.1 The Chair of the Committee shall attend the Annual General Meeting and be prepared to respond to any shareholder questions on the Committee's activities.

9. Duties

- 9.3 The Committee shall carry out the duties below for the Group as appropriate.

9.4 Safety

The Committee's duties with regard to safety shall encompass occupational, public and process safety and shall include:

- 9.4.1 oversight of key issues relating to high potential incidents;
- 9.4.2 fatalities occurring in connection with or significant incidents as a result of the Group's business operations. The Committee shall be kept informed of the circumstances of the incident and measures being taken;
- 9.4.3 review of the Key Performance Indicators and other measures adopted by the Company in relation to safety, including the results of the Safety Culture Survey;
- 9.4.4 review of security as necessary, to include physical and personnel security;
- 9.4.5 consideration of a report from the Company's Chief Engineer providing an operational update;
- 9.4.6 in the event of any proposed diminution of Group safety rules and standards, the Committee shall be required to consider and approve such diminution;
- 9.4.7 review and oversight of the Company's performance with regard to health and the wellbeing of the workforce; and
- 9.4.8 review and challenge, as necessary, any key issues related to safety identified through the year by the Committee;
- 9.4.9 reviewing safety disclosures in the Annual Report and Accounts.

The Chair of the Committee or, in their absence, another member of the Committee shall:

- 9.4.10 be notified of any fatalities occurring in connection with or as a result of the Company's operations as soon as practicable;
- 9.4.11 report orally to the Board on meetings of the Committee. All fatal incidents, potential criminal prosecutions, potentially serious near misses and any other matters of appropriate significance will be reported to the first available Board meeting.

9.5 Sustainability

The Committee's duties with regard to sustainability shall encompass oversight of the impact of the Group's operations on the environment, workforce, communities and other stakeholders with whom it interfaces, and how it will adapt its business in light of climate change and shall include:

- 9.5.1 consideration and recommendation for approval the Group's sustainability strategy and monitor the performance of any key performance indicators therein;
- 9.5.2 consideration and challenge the Company's environmental performance, including emissions targets;
- 9.5.3 consideration of key issues or topics relating to sustainability that are material to the Group;
- 9.5.4 review and oversight of the Group's social and community activities;
- 9.5.5 review of the Responsible Business Report disclosures and messaging in line with the Group's responsible business strategy and in conjunction with the Audit & Risk Committee recommend to the Board the approval of the Responsible Business Report;
- 9.5.6 receiving updates on the Company's progress against its climate transition plan (CTP), review any changes to the CTP and recommend this for approval to the Board including any shareholder advisory vote;
- 9.5.7 reviewing the sustainability disclosures in the Annual Report and Accounts; and
- 9.3.8 holding a joint meeting with the Safety & Sustainability Committee to discuss the approached and reporting on environmental and sustainability matters.

9.6 Audit, Risk and Compliance

The Committee shall be updated on any safety and sustainability audits planned for the year ahead and discuss any serious findings from these.

12. **Other Matters**

- 12.1 The Committee shall work and liaise as necessary with other Board Committees and the Board.
- 12.2 Subject to any restrictions imposed by law, the Committee is authorised by the Board to seek any information it requires from any employee of the Company in order to perform its duties and all employees are directed to cooperate with any request made by the Committee.
- 12.3 The Committee is authorised by the Board to access sufficient resources and professional advice, as is reasonable at the Company's expense, in order to carry out its duties, including access to the company secretariat for advice and assistance as required.
- 12.4 The Committee shall ensure that a periodic evaluation of the Committee's own performance is carried out as well as a review of its terms of reference
- 12.5 Members of the Committee should, where practicable, plan to attend at least two site visits a year.
- 12.6 Members shall be provided with an induction and training as appropriate.

RESPONSIBILITIES OF CHAIR, CHIEF EXECUTIVE AND SENIOR INDEPENDENT DIRECTOR

APPROVED SEPTEMBER 2022.

All Directors must act in what they consider to be the best interests of the Company, consistent with their statutory duties under the Companies Act 2006, sections 170 to 177. In addition to these statutory duties, below are the main responsibilities of the Chair, CEO and Senior Independent Director. The role and duties can also be found in each of the respective appointment letters.

CHAIR

Role: Managing and leading the Board

Main responsibilities

Board

- To lead and chair the Board and ensure its effectiveness on all aspects of its role
- To lead and chair general meetings and the People & Governance Committee
- To demonstrate objective judgement throughout their tenure and promote a culture of openness and debate
- With the assistance of the Group General Counsel & Company Secretary, promote the highest standards of corporate governance
- Regularly review the performance of the Board, its Committees and the Directors and act on the results and report to the Board, where appropriate
- With support of the Chief Executive ensure effective implementation of Board decisions

Directors

- Manage and review regularly the Board composition and succession planning
- Regularly review training and development needs of the Directors and the Board as a whole
- Facilitate the effective contribution of Non-executive Directors
- Promote effective relationships and open communications
- Encourage active engagement by all members of the Board
- Ensure appropriate delegation of authority from the Board to the Executive Directors
- Ensure constructive relations by acting as the bridge between Executive and Non-executive Directors
- Advise and counsel the Chief Executive
- Liaise with the Senior Independent Director
- Hold regular meetings with the Non-executive Directors without the Executive Directors present
- Ensure full, formal and tailored director induction plans

Meetings

- Manage the Board to ensure enough time is allowed for discussion of complex or contentious issues
- Ensure that Directors receive accurate, timely and clear information to enable the Board to make effective and well considered decisions
- Set the Board agendas and ensure sufficient time is given to items as appropriate with a particular focus on forward looking and strategic issues
- Relations with Shareholders
- Be available for shareholders
- Together with the Chief Executive ensure effective communications with shareholders
- In addition to formal general meetings, maintain sufficient contact with major shareholders/institutional investors to understand their issues and concerns, in particular governance, strategy and remuneration
- Ensure an adequate process for the views of shareholders is communicated to the Board as a whole to ensure all views are clearly understood

- With the assistance of the Group General Counsel & Company Secretary, establish processes that enable the Board to understand the views of the Company's shareholders, workforce, customers and other key stakeholders to be considered in Board discussions and decision making

CHIEF EXECUTIVE

Role: Managing the Company and the Group's business

Main responsibilities

Company

- Leadership of the Group Executive Committee and the senior executive team in the day to day running of the Group's business, including chairing the Group Executive Committee and communicating its decisions/recommendations to the Board
- Formulate and implement corporate vision, strategy and business plans, including the identification of new business developments and acquisitions, for approval by the Board and execution of the agreed strategy
- Accountable to the Board for developing the strategy objectives and business plans
- Responsible to the Board for the operational performance of the business
- Responsible for organisational structure and appointments, recommending changes as appropriate
- Support the Chair with ensuring effective implementation of Board decisions in respect of the business
- Responsible for leading sector and commercial relationships
- Responsible for oversight of regulatory interface
- Corporate and internal communications
- Support the Chair to ensure appropriate standards of governance throughout the Company
- Support the development of a strong and diverse talent pipeline to the Group Executive Committee and direct reports to the Group Executive Committee

Directors

- Keep the Chair promptly informed on all matters that may be of importance to the Board or of which the Board should be aware
- Responsible for employee relations including acting as a bridge between the Board and the Company's employees

Relations with Shareholders

- Be available for shareholders
- Together with the Chair deliver/manage effective communications with shareholders
- Ensure the views of shareholders are communicated to the Board as a whole to ensure they have a clear understanding of all shareholder views

SENIOR INDEPENDENT DIRECTOR (SID)

Main responsibilities: The Senior Independent Director will:

- be a Non-executive Director;
- be independent, in accordance with the criteria set out in the UK Corporate Governance Code;
- be available to shareholders if they have concerns, which contact through the normal channels of Chair, Chief Executive or other Executive Directors, has failed to resolve or for which such contact is inappropriate;
- be available to attend sufficient meetings with a range of major shareholders and financial analysts to listen to their views in order to help develop a balanced understanding of the issues and concerns of such shareholders;
- chair the People & Governance Committee when it is considering succession to the role of Chair of the Board;
- meet with the Non-executive Directors at least once a year to lead the appraisal of the Chair's performance and on such other occasions as are deemed appropriate, taking into account the views of the Executive Directors; and
- act as a sounding board for the Chair and serve as an intermediary for the other Directors when necessary.

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

[nationalgrid.com](https://www.nationalgrid.com)

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