

nationalgrid

Responsible Business

Our Reporting Methodology

2024/25



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Overview

This document explains the definitions, scope and calculation methodology for preparing and assuring the key Responsible Business (RB) performance metrics and disclosures reported in the 2024/25 Annual Report and Accounts (ARA) and Responsible Business data tables, all available on our website: <https://www.nationalgrid.com/responsibility>

Foundations of reporting

Scope of reporting

Our RB reporting covers all global business operations. Where possible, UK and US businesses report in line with the financial year (1 April to 31 March). From 2023/24, the US environmental metrics moved from calendar year to financial year. There wasn't a significant difference between calendar year and financial year figures, therefore comparators have not been restated and US environmental data within our baseline and 2022/23 are for the year ended 31 December. The relevant metric section(s) of this document includes information such as:

- Any exceptions to the financial year reporting basis or our general accounting policy
- Key estimates used
- Changes in reporting methodology
- Exclusion of specific sites, operations or subsidiaries from the scope of certain metrics, with clear justification

Joint ventures that do not fall under National Grid's operational control are excluded from this report.

General accounting policy

- Scope 1, 2 and 3 emissions are calculated and reported in line with the Greenhouse Gas (GHG) Protocol and include all seven Kyoto GHG gases
- These GHGs are currently: carbon dioxide (CO₂), methane (CH₄), nitrous oxide (N₂O), hydrofluorocarbons (HFCs), perfluorocarbons (PFCs), sulphur hexafluoride (SF₆) and nitrogen trifluoride (NF₃), and make up the tonnes of carbon dioxide equivalent (tCO₂e)
- In line with the 'UK Government GHG Conversion Factors for Company Reporting', the Global Warming Potential (GWP) factors used to calculate Group emissions are from Assessment Report (AR5), unless otherwise stated in the methodology
- National Grid has elected to take the Control approach and Operational Control criteria when defining its Organisational Boundary in accordance with the framework for Greenhouse Gas Inventory Design under the Greenhouse Gas Protocol: Corporate Accounting and Reporting Standard
- All GHG emissions are reported gross; we aim for a 1.5°C reduction without carbon offsets for near-term SBTs, but use limited high-quality offsets for irreducible emissions, adhering to SBTi guidelines and our internal policy

Joint operations

As of 31 March 2025, the Group's incorporated joint operations are as follows:

- Eastern Green Link 1 Limited (joint party: SP Transmission)
- Eastern Green Link 2 Limited (joint party: SSEN Transmission)
- NGET/SPT Upgrades Limited (joint party: SP Transmission)

Our RB policy aligns with our financial accounting for these joint ventures, classifying them as 'joint operations' under IFRS 11 ('Joint Arrangements'). This classification acknowledges the shared rights to assets and obligations for liabilities between the parties in joint control (NGET and the joint party). These joint operations mean that all English onshore works and a proportionate share of the marine cable fall under the National Grid Group's Scope 3 investment emissions, specifically Category 1 (Purchased Goods and Services) and Category 2 (Capital Goods).

For future incorporated joint ventures (IJVs), we will continue to assess their financial accounting and classify them as either Joint Operations or Joint Ventures. This approach ensures that our GHG reporting aligns with our financial accounting policies and adheres to the principles of the GHG Protocol.



Changes to global operations

The main changes to our global operations within the last two years are as follows:

- Viking Link (VL), our subsea interconnector linking the electricity systems of the UK and Denmark, became operational in December 2023. We included VL in our 'Interconnector capacity' metric for 2023/24, as it was operational by 31 March. It was not included in some other RB metrics in 2023/24 due to it being non-operational for the majority of the period, however 2024/25 will be the first period in which VL will be included in all relevant RB performance metrics
- On 1 October 2024, the National Energy System Operator (NESO), was launched under government ownership following separation of ESO and National Grid. For 2024/25 full year reporting, ESO RB data is excluded as per our disposals policy (see 'Acquisitions, mergers and disposals' section below)
- In May 2024 we announced our intention to sell our National Grid Renewables and Grain LNG businesses. On 24 February 2025 the agreement to sell National Grid Renewables (US onshore renewables business) to Brookfield Asset Management and partners was announced. It is expected that the transaction will complete in the first half of the financial year ending 31 March 2026. In line with our RB reporting methodology for disposals (see 'Acquisitions, mergers and disposals' section below), these operations continue to be included within our RB metrics and will be removed from our reporting from the start of the reporting year that they leave the Group. From 30 September 2024, both our Grain LNG (UK) and our National Grid Renewables (US) businesses met the IFRS 5 criteria to be classified as held for sale from a financial accounting perspective

Acquisitions, mergers and disposals

For newly acquired businesses and new operations, our policy is to include these within RB metric reporting as soon as practically possible and, ideally, no later than the reporting period after the first full financial year of ownership. Therefore, depending on the timing of acquisition and commencement of operations, this could be up to two years following the event, at the latest.

Newly sold or disposed operations will be removed from our reporting from the start of the reporting year that they leave the Group. This is because post National Grid ownership ceasing, we may not have access to an entity's data, for reporting, control and assurance purposes.

Refer to the 'Changes to global operations' section above for more details on changes relevant to the scope. Any additional exceptions to how acquisitions and disposals are handled within our reporting will be clearly stated and explained within the relevant metric section(s) of this document.

Assurance

All RB metrics presented in the Responsible Business data tables undergo our internal quality control review and approval processes. Additionally, for 2024/25, we have engaged Deloitte to provide independent limited assurance (ISAE 3000 and 3410) for our most significant RB metrics. For the 2022/23 and 2023/24 periods, PricewaterhouseCoopers LLP (PwC) provided independent limited assurance (ISAE 3000 and 3410) for selected RB metrics. The RB Assurance Opinion Statements from both Deloitte and PwC are available on our website.

All reported RB metrics not covered by Deloitte or PwC are in scope for second line assurance, by our internal risk and controls team.

Recalculation policy

We recognise that at times it may be necessary to restate historical data to ensure our reporting remains accurate, consistent and relevant.

Reasons for restatement may include structural changes in our operations, including from acquisitions, mergers and disposals (previously referred to); improvements in data accuracy and calculation methodologies; material changes to relevant policies; and material changes or errors in our financial and non-financial reporting. To determine whether we need to restate historical data, we examine both qualitative and quantitative impacts, applying an appropriate materiality threshold that aligns to regulatory guidance.

i) Greenhouse gas (GHG) emissions

National Grid follows the GHG Protocol. In accordance with the GHG Protocol, there are certain situations that may trigger a recalculation of the base-year emissions. Those situations include the following:

- Structural changes in the reporting organisation, which may include acquisitions, mergers and disposals
- Changes in calculation methodology or improvements in the accuracy of emission factors or data monitoring
- Discovery of significant errors or several cumulative errors that are collectively significant

In line with GHG Protocol and Science Based Targets initiative (SBTi) requirements, if the cumulative effect of any of the situations above equals or exceeds a significance threshold of 5% of total corporate GHG base-year emissions, a base-year recalculation will be triggered. A base-year recalculation where changes represent less than 5% of base-year emissions may also be carried out at National Grid's discretion. If a GHG base-year recalculation is triggered, any relevant environmental data linked to our GHG emissions reporting will be restated for the baseline year and intervening years. Where prior year GHG data has been restated, this will be clearly identified and explained.

ii) Other sustainability metrics

National Grid aims to ensure that our reported sustainability data, which relies on various input sources, including third-party information, is collated, and calculated in an accurate manner. For metrics that track our performance against our stated Responsible Business Charter (RBC) Commitments, where there has been a significant change in calculation methodology year-on-year, or the discovery of significant errors or several cumulative errors which materially (5% or greater) change the prior year(s) reported number (or baseline where relevant), this will be restated and explained. If a recalculation is triggered, reporting will be restated for the baseline year (if applicable) and intervening years. A restatement may also be carried out at National Grid's discretion even if it is non-material or for metrics that do not directly relate to our RBC Commitments, if it would improve the accuracy, consistency and relevance of the reported information.



Reporting standards

In addition to reporting KPIs to measure our progress against our RBC targets, we have also produced reporting to align with a number of established sustainability reporting standards frameworks. Details of these are described below:

Global Reporting Initiative (GRI)

2024/25 RB reporting is prepared in accordance with the GRI Standards. Further details on the requirements and our disclosures can be found in our GRI index.

Green Bond Reporting

We report on the allocation of proceeds and associated impact metrics of new Green Financing Instruments as per our Green Financing Framework (GFF). Our GFF is aligned with the ICMA Green Bond Principles published in June 2021 and the LMA Green Loan Principles published in February 2023. In addition, the Green Financing Framework is aligned, where possible and relevant, with the latest EU Taxonomy Delegated Acts on Climate Change Mitigation and Adaptation.

Task Force on Climate-Related Financial Disclosures (TCFD)

We have prepared our eighth consecutive TCFD report in full compliance with FCA Listing Rule 6.6.6(8)R, which describes our climate change-related governance, strategy, risk management and metrics and targets, including details of our short, medium and long-term risks and opportunities. This disclosure can be found in our ARA.

EU Taxonomy

We have published our voluntary EU Taxonomy disclosure in accordance with the principles of the EU-developed classification system which establishes the percentage of Group turnover, operating expenditure and capital expenditure that can be defined as green in relation to climate change mitigation- and adaptation-aligned activities. Consistent with our prior year reporting, we have applied a self-determined initial financial materiality threshold of £5 million and removed non-core activities from our eligibility assessment for 2024/25.

Sustainability Accounting and Standards Board (SASB)

We have prepared separate disclosures in accordance with the SASB utilities sub-sector standards. Further details on the requirements and our disclosures can be found in our SASB Report.



Our environment

1.1 Greenhouse gas (GHG) emissions

Introduction:

Our GHG emission and energy consumption metrics are different summations of the emission producing activities listed under section 1.3. Each activity table includes the method for collecting the base activity data and is mapped to the metric(s) it feeds into, under the 'Metric' column. The method used to convert the activity data into the unit required for each metric is documented within the activity or the metric table. All metrics and activities are reported in line with our 'Foundations of reporting' unless otherwise stated.

Definitions

Scope 1		ktCO ₂ e
Definitions	<p>Scope 1 emissions are direct emissions from the operational activities of National Grid and are broken down into:</p> <ul style="list-style-type: none"> • (Scope 1) Fossil fuel generation • (Scope 1) Natural gas emissions from fugitives and venting • (Scope 1) SF₆ emissions • Other Scope 1 GHG emissions 	
Calculation and reporting method	Total Scope 1 emissions, and its subsets, are the sum of all activities listed under section 1.3 that have one of the titles from the definition section above, within the 'Metric' section of the activity table. Each Business Unit (BU) collects activity data and converts it into tCO ₂ e using appropriate emission factors, as described within each table under section 1.3. The tCO ₂ e is then consolidated into the relevant subsets of information within our Group environmental reporting tool.	
Scope 2 market-based		ktCO ₂ e
Definitions	Scope 2 emissions are indirect emissions from the energy purchased and consumed by National Grid. The market-based emissions calculation method reflects the emissions associated with Scope 2 electricity where electricity can be deemed to have renewable credentials.	
Calculation and reporting method	<p>All activities feeding into Other Scope 2 GHG emissions are reviewed to identify whether they are in scope of the market-based inventory. Relevant emission factors are applied to the activity data described within the activity tables in section 1.3.</p> <p>Any electricity purchased with certified renewable electricity credentials have an emission factor of 0 and the UK Residual Factor is applied to all other purchases. As there is no residual factor available in the US, the e-Grid sub-regional location-based factors are used and applied to US electricity purchases.</p>	
Scope 2 location-based		ktCO ₂ e
Definitions	<p>Scope 2 location-based emissions are indirect emissions from the energy purchased and consumed by National Grid (including electricity system losses on the National Grid transmissions and distribution lines) that reflect the average emissions intensity of grids on which energy consumption occurs (using mostly grid-average emission factor data). These emissions are broken down into:</p> <ul style="list-style-type: none"> • (Scope 2) Electricity line losses emissions • Other Scope 2 GHG emissions 	
Calculation and reporting method	Total Scope 2 location-based emissions, and its subsets, are the sum of all activities listed under section 1.3 that have one of the titles from the definition section above, within the 'Metric' section of the activity table. Each BU collects activity data and converts it into tCO ₂ e using appropriate emission factors, as described within each table under section 1.3. The tCO ₂ e is then consolidated into the relevant subsets of information within our Group environmental reporting tool.	

Scope 3 GHG emissions are defined as all indirect emissions, not included in Scope 2, that occur in the value chain of the reporting company, including both upstream and downstream emissions. We report Scope 3 emissions across six categories within our current SBTi target boundary, as defined by the GHG Protocol. These categories are identified in the tables below.

Scope 3 Category 1 and 2 (Purchased Goods and Services + Capital Goods)		ktCO ₂ e
Definitions	Category 1 and 2 emissions are the upstream emissions from the production of products, services and capital goods purchased or acquired during the reporting year.	
Calculation and reporting method	Total spend is extracted for the period March to February from the procurement system, Spendcube. Each spend category is mapped to a relevant Risilience (a specialised climate analytics company) emission factor. Spend is multiplied by the emission factor to convert to tCO ₂ e.	
Scope 3 Category 3 (Fuel & Energy Related Activities)		Energy/kWh
Definitions	<p>Category 3 emissions include the following sources:</p> <ul style="list-style-type: none"> • The upstream emissions of purchased fuels and electricity • The generation of purchased electricity that is sold to end users <p>Upstream emissions (also referred to as Well-to-Tank, or WTT, emissions) relate to the extraction, production, and transportation of fuels either directly consumed by National Grid, or indirectly through the generation of electricity the company consumes.</p> <p>The indirect emissions related to the generation of electricity that is purchased by National Grid and sold to end users is reported net of network energy losses that are separately reported under Scope 2. Emissions related to the generation of electricity delivered by National Grid but purchased by a different company are excluded.</p>	
Calculation and reporting method	<p>Category 3 emissions from the electricity sold directly to customers (applicable in the US only) is determined by extracting total electricity delivered from our customer billing system and is multiplied by EPA emission factors for CO₂, CH₄ and N₂O, and then by the GWP for each gas, before being summed to calculate total emissions in tCO₂e.</p> <p>Category 3 WTT emissions are calculated by converting all activities relating to the purchase or consumption of fuel and energy by an appropriate emission factor, before being consolidated into a total within our Group environmental reporting tool. The activities within scope of this metric can be identified under section 1.3 with 'Scope 3 Cat. 3 (WTT)' under the 'Metric' column. We also incorporate a WTT element for Scope 3 Sold Electricity by converting the base data using IEA life cycle upstream emission factors.</p>	
Scope 3 Category 5 (Waste Generated in Operations)		ktCO ₂ e
Definitions	Category 5 emissions includes all waste generated from our operations, including office waste, operational waste and construction waste by National Grid field operations.	
Calculation and reporting method	Category 5 emissions are the sum of all activities listed under section 1.3 that have 'Scope 3 Cat. 5: Waste Generated in Operations' listed under the 'Metric' section of the activity table. Each BU collects activity data and converts it into tCO ₂ e using appropriate emission factors, as described within each table under section 1.3. The tCO ₂ e is then consolidated into the relevant subsets of information within our Group environmental reporting tool.	
Scope 3 Category 6 (Business Travel - excluding air travel)		ktCO ₂ e
Definitions	Category 6 emissions includes US and UK employee business travel (personal cars, hire cars, rail, private car service, sea travel, freighted goods used for company business, etc.) but excludes National Grid company vehicles, as this is included in Scope 1.	
Calculation and reporting method	Category 6 emissions are the sum of all activities listed under section 1.3 that have 'Scope 3 Cat. 6: Business Travel - excluding air travel' listed under the 'Metric' section of the activity table. Each BU collects activity data and converts it into tCO ₂ e using appropriate emission factors, as described within each table under section 1.3. The tCO ₂ e is then consolidated into the relevant subsets of information within our Group environmental reporting tool.	
Scope 3 Category 6 (Business Travel - air travel only)		ktCO ₂ e
Definitions	Category 6 emissions related to the air transportation of US and UK employees for business related activities.	
Calculation and reporting method	Category 6 emissions are the sum of all activities listed under section 1.3 that have 'Scope 3 Cat. 6: Business Travel - air travel only' listed under the 'Metric' section of the activity table. Each BU collects activity data and converts it into tCO ₂ e using appropriate emission factors, as described within each table under section 1.3. The tCO ₂ e is then consolidated into the relevant subsets of information within our Group environmental reporting tool.	

Scope 3 Category 7 (Employee Commuting)		Distance/Miles
Definitions	Category 7 emissions are associated with National Grid's UK and US employee's travel from home to their place of work.	
Calculation and reporting method	<p>Category 7 emissions are calculated using survey results that polled daily commute behaviours (frequency and miles travelled) and travel methods (e.g. car, train, bus, etc.) amongst a sample of employees in August 2023. Each method's one way mileage is then:</p> <ul style="list-style-type: none"> Multiplied by the number of months worked per year (factoring in average time off), average commuting days per month, one-way commuting distance, two (to account for round trip), and divided by the number of commuters (including the employee) to account for carpooling, resulting in an average annual mileage per employee by travel mode Multiplied by the count of employees to obtain total annual mileage for commuting by transport mode <p>In the UK, the total mileage is multiplied by DESNZ conversion factors while in the US, EPA emission factors are used to convert into tCO₂e.</p>	
Scope 3 Category 11 (Use of Sold Products)		ktCO ₂ e
Definitions	Category 11 emissions are from the combustion of gas that is purchased by National Grid and sold to customers. This excludes combustion from third party sold gas which is disclosed separately.	
Calculation and reporting method	Total natural gas delivered is extracted from our customer billing system and is multiplied by EPA emission factors for CO ₂ , CH ₄ and N ₂ O, and then by the GWP for each gas, before being summed to calculate total emissions in tCO ₂ e. warming potentials to convert to CO ₂ e.	
Scope 3 Category 15 (Investments)		GBP
Definitions	This includes the emissions (on an average financial/tCO ₂ e-based environmentally-extended input-output (EEIO)) from our partially owned subsidiaries, associates and UK/US joint ventures where our ownership investment is below 50% and we do not have operational control.	
Calculation and reporting method	<p>Using our companies list held by General Counsel and Company Secretariat we identify:</p> <ul style="list-style-type: none"> The sectors the investee company operates in – to define the appropriate CO₂e/\$ revenue EEIO The revenue of the investee company The proportional share of equity in the investee <p>Emission factor: EEIO Spend Category kgCO₂e/\$, Spend to Spend Category mapping, GBP to USD where applicable.</p>	

Scope 3 Category 15 (Investments) is not included in National Grid's current SBTi target boundary. This decision is based on the assessment that Category 15 emissions are not material to the overall Scope 3 emissions of our organisation. By excluding this category, we can focus our resources and efforts on addressing the most significant emission sources within our Scope 3 emissions. We will provide additional information on Category 15 emissions in our 2025 CDP response, using estimated emission calculations.

1.2 Science Based Targets initiative (SBTi) - sub-targets

Scope 1 and 2 excluding generation

ktCO₂e

Definitions	The sum of Scope 1 and 2 activities, excluding fossil fuel generation.
Calculation and reporting method	(Scope 1 + Scope 2) - Scope 1 generation.

Scope 1 generation intensity

tCO₂e/MWh

Definitions	The carbon intensity of our generation activities, including gas and fuel powered electricity generation on Long Island under the Long Island Power Authority (LIPA) agreement, US wind-powered electricity generation and US solar-powered electricity generation.
Calculation and reporting method	tCO ₂ e/MWh, using the relevant emission conversion factors.

Scope 1 generation and Scope 3 sold electricity intensity

tCO₂e/MWh

Definitions	The carbon intensity of our combined generation and sold electricity. Refer to 'Scope 1 generation intensity' for scope of activities.
Calculation and reporting method	Scope 1 generation + Scope 3 Cat. 3 sold electricity in tCO ₂ e / The total gross electricity generation (MWh) and sold electric energy (MWh).

Scope 3 excluding sold electricity

ktCO₂e

Definitions	The sum of Scope 3 activities, excluding sold electricity.
Calculation and reporting method	Total Scope 3 - Scope 3 Cat. 3 (WTT).

Third party sold gas

ktCO₂e

Definitions	Third party sold gas are downstream emissions associated with the combustion of natural gas delivered through our network but sold by a company other than National Grid. This differs from Scope 3 Cat.11 GHG Protocol guidance, which otherwise advises to consider only the end use of goods sold by the reporting company itself.
Calculation and reporting method	Data on non-customer consumption is pulled from multiple sources, using EPA emission factors to convert the consumption in dekatherms to tCO ₂ e.

1.3 GHG activities

US NGV generation Tier 4 stationary combustion		Mass/US short tons; Energy/MMBtu
Definitions	The combustion of residual fuel oil, natural gas and distillate fuel oil within our electricity generation plants.	Metric Scope 1 Fossil fuel generation Scope 3 Cat. 3 (WTT)
Base activity calculation method	Combustion data is collected manually or using continuous emissions monitoring software (CEMS), and is converted into CO ₂ mass tons, in line with EPA methodology. Year-end estimate: A reasonable estimate is used to calculate tons per fuel type for the last quarter of the fiscal year, due to timing and availability of data. The estimates are based on historical data and trend analysis.	
Metric reporting method	Scope 1 emissions are calculated by multiplying CO ₂ short tons by the Code of Federal Regulations (CFR) emission factors for CO ₂ , CH ₄ and N ₂ O depending on fuel type, and then by the GWP for each gas, before being summed to calculate total emissions in tCO ₂ e. Scope 3 emissions are calculated by converting base data to MWh which is then converted using DEFRA factors.	
US NGV generation Tier 2 stationary combustion		Volume/MMScf
Definitions	Natural gas combustion in gas heaters/house boilers at the following US generation sites: <ul style="list-style-type: none"> • EF Barrett Power Station • Northport • Port Jefferson Power Station 	Metric Scope 1 Fossil fuel generation Scope 3 Cat. 3 (WTT)
Exceptions to Reporting Foundations	This activity is reported on a calendar year basis due to the availability of information. The calendar year is used as a representation of the data for the financial year.	
Base activity calculation method	Gas usage is calculated using monthly gas flow meter readings from each site.	
Metric reporting method	Scope 1 emissions are calculated by multiplying the volume of gas used by the Code of Federal Regulations (CFR) emission factors for CO ₂ , CH ₄ and N ₂ O depending on fuel type, and then by the GWP for each gas, before being summed to calculate total emissions in tCO ₂ e. Scope 3 emissions are calculated by multiplying the gas usage by DEFRA conversion factors for natural gas.	
US gas distribution fugitives from mains		Length/miles
Definitions	Leaks from distribution mains.	Metric Scope 1 Natural gas emissions from fugitives and venting
Exceptions to Reporting Foundations	This activity is reported as at a date in February (date of data extraction). However, it is deemed to be representative of the financial year end position due to immaterial changes expected during February and March.	
Base activity calculation method	Mains mileage is extracted from mapping software and collated into the annual Department of Transportation (DOT) reports. This activity requires estimation as fugitive emissions are not directly monitored.	
Metric reporting method	Mileage by pipe type is multiplied by EPA emission factors for CO ₂ , CH ₄ and N ₂ O, and then by the GWP for each gas, before being summed to calculate total Scope 1 emissions in tCO ₂ e.	
US gas distribution fugitives from services		Count
Definitions	Leaks from distribution services.	Metric Scope 1 Natural gas emissions from fugitives and venting
Exceptions to Reporting Foundations	This activity is reported as at a date in February (date of data extraction). However, it is deemed to be representative of the financial year end position due to immaterial changes expected during February and March.	
Base activity calculation method	Number of services is extracted from mapping software and collated into the annual DOT reports. This activity requires estimation as fugitive emissions are not directly monitored.	
Metric reporting method	Number of services by material type are multiplied by EPA emission factors for CO ₂ , CH ₄ and N ₂ O, and then by the GWP for each gas, before being summed to calculate total Scope 1 emissions in tCO ₂ e.	

US gas distribution fugitives from meters		Count
Definitions	Leaks of natural gas from customer meters.	Metric Scope 1 Natural gas emissions from fugitives and venting
Base activity calculation method	The number of meters per configuration type are extracted from the customer billing system. An EPA estimate is applied to calculate the number of outdoor residential meters, as it is assumed there are negligible emissions from indoor residential meters. This activity requires estimation as fugitive emissions are not directly monitored.	
Metric reporting method	Counts by meter configuration type are multiplied by EPA emission factors for CO ₂ , CH ₄ and N ₂ O, and then by the GWP for each gas, before being summed to calculate total Scope 1 emissions in tCO ₂ e.	
US gas distribution non-routine venting from pipelines		Length/miles
Definitions	Non-routine venting of natural gas from distribution mains and services pipelines.	Metric Scope 1 Natural gas emissions from fugitives and venting
Exceptions to Reporting Foundations	This activity is reported as at a date in February (date of data extraction). However, it is deemed to be representative of the financial year end position due to immaterial changes expected during February and March.	
Base activity calculation method	The total mileage of distribution mains and services pipelines are added together from values provided in the distribution DOT report. The count of services is converted to mileage using the average service length. This activity requires estimation as fugitive emissions are not directly monitored.	
Metric reporting method	Mileage is multiplied by EPA emission factors for CO ₂ , CH ₄ and N ₂ O, and then by the GWP for each gas, before being summed to calculate total Scope 1 emissions in tCO ₂ e.	
US gas transmission non-routine venting from pipelines		Length/miles
Definitions	Non-routine venting of natural gas from transmission pipelines in the gas system.	Metric Scope 1 Natural gas emissions from fugitives and venting
Exceptions to Reporting Foundations	This activity is reported as at a date in February (date of data extraction). However, it is deemed to be representative of the financial year end position due to immaterial changes expected during February and March.	
Base activity calculation method	The total mileage of transmission pipelines are added together from values provided in the distribution DOT report. This activity requires estimation as fugitive emissions are not directly monitored.	
Metric reporting method	The total mileage is multiplied by EPA emission factors for CO ₂ , CH ₄ and N ₂ O, and then by the GWP for each gas, before being summed to calculate total Scope 1 emissions in tCO ₂ e.	
US gas compressors venting		Count
Definitions	Venting of natural gas from compressors in the gas system.	Metric Scope 1 Natural gas emissions from fugitives and venting
Base activity calculation method	Asset inventories are extracted from databases/spreadsheets, and compressor counts totalled. This activity requires estimation as fugitive emissions are not directly monitored.	
Metric reporting method	Counts are multiplied by EPA emission factors for CO ₂ , CH ₄ and N ₂ O, and then by the GWP for each gas, before being summed to calculate total Scope 1 emissions in tCO ₂ e.	
US gas pneumatic venting		Count
Definitions	Venting of natural gas from pneumatic devices in the gas system.	Metric Scope 1 Natural gas emissions from fugitives and venting
Base activity calculation method	Asset inventories are extracted from databases/spreadsheets, and pneumatic device counts totalled. This activity requires estimation as fugitive emissions are not directly monitored.	
Metric reporting method	Counts are multiplied by EPA emission factors for CO ₂ , CH ₄ and N ₂ O, and then by the GWP for each gas, before being summed to calculate total Scope 1 emissions in tCO ₂ e.	

US gas fugitives from transmission pipelines		Length/miles
Definitions	Leaks of natural gas from transmission pipelines in the gas system.	Metric Scope 1 Natural gas emissions from fugitives and venting
Exceptions to Reporting Foundations	This activity is reported as at a date in February (date of data extraction). However, it is deemed to be representative of the financial year end position due to immaterial changes expected during February and March.	
Base activity calculation method	Values are extracted from mapping software and collated into the annual DOT reports. This activity requires estimation as fugitive emissions are not directly monitored.	
Metric reporting method	Mileage by pipe type is multiplied by EPA emission factors for CO ₂ , CH ₄ and N ₂ O, and then by the GWP for each gas, before being summed to calculate total Scope 1 emissions in tCO ₂ e.	
US gas LNG venting		Volume/scf
Definitions	Venting of natural gas from LNG tanks, LNG pumping, truck hoses and trucks.	Metric Scope 1 Natural gas emissions from fugitives and venting
Base activity calculation method	Volume of gas vented is based on hours of venting for tanks and counts of venting releases for pumps, truck hoses, and truck blowdowns. Engineering records are used to convert the releases to estimated volumes.	
Metric reporting method	Volumes of gas are used to calculate volumetric emissions (CO ₂ and CH ₄ scf/yr), which are then used to calculate mass emissions. Mass emissions are converted to tCO ₂ e by multiplying by EPA emission factors for CO ₂ , CH ₄ and N ₂ O, and then by the GWP for each gas, before being summed to calculate total Scope 1 emissions.	
US gas fugitives from above grade stations		Volume/scf
Definitions	Leaks of natural gas from above ground Metering & Regulation (M&R) and Transfer-Distribution (T-D) transfer stations.	Metric Scope 1 Natural gas emissions from fugitives and venting
Exceptions to Reporting Foundations	The data for this activity is collected on a calendar year basis and is used as a proxy for the financial year.	
Base activity calculation method	Surveys are performed at transfer stations to calculate equipment leak emissions per component type.	
Metric reporting method	The survey results are used to calculate volumetric emissions (CO ₂ and CH ₄ scf/yr), which are then used to calculate mass emissions. Mass emissions are converted to tCO ₂ e by multiplying by EPA emission factors for CO ₂ , CH ₄ and N ₂ O, and then by the GWP for each gas, before being summed to calculate total Scope 1 emissions.	
US gas fugitives from below grade stations		Count
Definitions	Leaks of natural gas from below ground Metering & Regulation (M&R) and Transfer-Distribution (T-D) transfer stations.	Metric Scope 1 Natural gas emissions from fugitives and venting
Base activity calculation method	Asset inventories are extracted from databases/spreadsheets, with station counts of various pressure ranges totalled. This activity requires estimation as fugitive emissions are not directly monitored.	
Metric reporting method	Counts by pressure range are multiplied by EPA emission factors for CO ₂ , CH ₄ and N ₂ O, and then by the GWP for each gas, before being summed to calculate total Scope 1 emissions in tCO ₂ e.	
UK NGV Grain compressor venting		Mass/kg
Definitions	Intentional releases of LNG conducted for operational or safety reasons.	Metric Scope 1 Natural gas emissions from fugitives and venting Scope 3 Cat. 3 (WTT)
Base activity calculation method	Venting volumes are measured and collated into a cumulative quarterly vent mass of methane (CH ₄).	
Metric reporting method	Scope 1 emissions are calculated by converting CH ₄ to tCO ₂ e by multiplying by the GWP. Scope 3 emissions are calculated by multiplying CH ₄ by the WTT DEFRA conversion factor.	

US NGV generation fugitives from mains		Distance/miles
Definitions	Leaks from pipeline delivering natural gas to EF Barrett, Northport, and Port Jefferson power plants.	Metric
Base activity calculation method	Total mileage of gas mains that supply the EF Barrett, Northport, and Port Jefferson power plants is taken from historic records. This activity requires estimation as fugitive emissions are not directly monitored.	Scope 1 Natural gas emissions from fugitives and venting
Metric reporting method	Scope 1 emissions, in tCO ₂ e, are calculated by multiplying the total mileage of gas mains by the EPA conversion factor for CH ₄ leaks per mile of pipeline and the GWP for CH ₄ . Scope 3 emissions are calculated by estimating annual leaks and then multiplying by the DEFRA conversion factors for natural gas.	Scope 3 Cat. 3 (WTT)
UK ED SF ₆ emissions		Mass/kg
Definitions	SF ₆ leaks from 1) assets connected to the system 2) decommissioned assets and 3) return to manufacturer assets, on the NGED network.	Metric
Base activity calculation method	Mass of SF ₆ measured from SF ₆ cylinders used to top up equipment (as a proxy for the fugitive leaks from the equipment) is added to the mass of SF ₆ lost from redundant plant taken off the network, provided by third party asset recovery contractors.	Scope 1 SF ₆ emissions
Metric reporting method	The total mass of SF ₆ is multiplied by the SF ₆ GWP to calculate the Scope 1 emissions in tCO ₂ e.	
US electricity SF ₆ emissions		Mass/lbs
Definitions	Leaks of SF ₆ from equipment in the New England and New York electrical systems.	Metric
Base activity calculation method	Q1-Q3 SF ₆ leakage is calculated using the EPA Mass balance approach, which considers changes in inventory, purchases and sales, and change in nameplate capacity of equipment. Q4 leakage is calculated based on equipment top-ups of SF ₆ mass, which is assumed to have been lost by the equipment to the atmosphere.	Scope 1 SF ₆ emissions
Metric reporting method	The total mass of SF ₆ is multiplied by the SF ₆ GWP to calculate the Scope 1 emissions in tCO ₂ e.	
UK NGV interconnector SF ₆ emissions		Mass/kg
Definitions	SF ₆ leaks from equipment in IFA1, IFA2, NSL and Viking Link interconnectors.	Metric
Base activity calculation method	SF ₆ leaks are measured by in-built meters and are recorded within Maximo.	Scope 1 SF ₆ emissions
Metric reporting method	The total mass of SF ₆ is multiplied by the SF ₆ GWP to calculate the Scope 1 emissions in tCO ₂ e.	
US NGV NG Renewables SF ₆ emissions		Mass/kg
Definitions	Leaks of SF ₆ from equipment connected to our wind turbines.	Metric
Base activity calculation method	As the asset is relatively new, there has not been a need for topping off of SF ₆ to date. However, a process is in place to record when it is required.	Scope 1 SF ₆ emissions
Metric reporting method		
UK ET SF ₆ emissions		Mass/kg
Definitions	Leaks of SF ₆ from equipment in National Grid's UK transmission system.	Metric
Base activity calculation method	SF ₆ top ups are carried out with calibrated meters and the weight of SF ₆ topped up is used as a proxy for the amount of gas leaked to the atmosphere.	Scope 1 SF ₆ emissions
Metric reporting method	The total mass of SF ₆ is multiplied by the SF ₆ GWP to calculate the Scope 1 emissions in tCO ₂ e.	

Global HFC emissions		Mass/kg
Definitions	Leaks of HFCs and perfluorinated compounds under the Group BUs.	Metric
Base activity calculation method	Data is estimated using the mass of HFCs where the asset HFC capacity and HFC type in the asset is known. An assumed annual 2% leak rate and prorated to the total number of HFC containing assets. This is pro-rated for all the HFC containing assets (known and unknown HFC asset capacity). The mass of HFCs leaked is estimated based on the number of assets known to contain HFCs and an assumed annual leak rate.	Other Scope 1 GHG emissions
Metric reporting method	Mass of gases released is multiplied by the corresponding GWP to calculate Scope 1 emissions in tCO ₂ e.	
UK NGV Grain stationary gas combustion		Energy/kWh
Definitions	The combustion of gas at Grain LNG's phases for regasification of LNG to its original gaseous state.	Metric
Base activity calculation method	Volumes of gas used in the compressors is measured using gas meters and recorded within Grain's internal application system. The gas consumed is converted to energy using a calorific value specific to each of the Grain Phases.	Other Scope 1 GHG emissions
Metric reporting method	Scope 1 emissions, in tCO ₂ e, are calculated by multiplying energy by an internally generated emission factor. Scope 3 emissions are calculated by multiplying energy by the DEFRA conversion factor for LNG.	Scope 3 Cat. 3 (WTT) Total operational consumption
UK NGV Grain stationary domestic gas combustion		Energy/kWh
Definitions	The gas used for domestic heating at Grain LNG.	Metric
Base activity calculation method	Volume of gas used in heating is measured via meters, recorded within Grain's internal application system and converted to energy using a calorific value.	Other Scope 1 GHG emissions
Metric reporting method	Scope 1 emissions, in tCO ₂ e, are calculated by multiplying energy by an internally generated emission factor. Scope 3 emissions are calculated by multiplying energy by the DEFRA conversion factor for natural gas.	Scope 3 Cat. 3 (WTT) Total operational consumption
UK NGV Grain stationary diesel/propane combustion		Volume/litres
Definitions	Diesel consumed in Grain's alternative power source (generator) and fire system pump.	Metric
Exceptions to Reporting Foundations	Carbon emissions are calculated using calendar year data.	Other Scope 1 GHG emissions
Base activity calculation method	Diesel consumed is measured using meter readings.	Scope 3 Cat. 3 (WTT)
Metric reporting method	Scope 1 emissions, in tCO ₂ e, are calculated by multiplying the total consumption by DEFRA conversion factors. Scope 3 emissions are calculated by multiplying the total consumption by the DEFRA conversion factor for diesel.	Total operational consumption
US NGV NG Renewables onsite fuel		Volume/US gallons
Definitions	Fuel used for company owned tractors, mowers and UTVs at the NG Renewables' operating sites.	Metric
Base activity calculation method	Fuel consumption (diesel and gasoline) is estimated using historical data from the calendar years 2021-2022, at wind and solar sites, considering that each site type uses different amounts of fuel.	Other Scope 1 GHG emissions
Metric reporting method	Scope 1 emissions are calculated by multiplying total consumption by the corresponding EPA emission factors for CO ₂ , CH ₄ and N ₂ O, and then by the GWP for each gas, before being summed to calculate total emissions in tCO ₂ e. Scope 3 emissions are calculated by multiplying total consumption by the DEFRA conversion factors for diesel and gasoline.	Scope 3 Cat. 3 (WTT) Total operational consumption

UK utility stationary combustion		Energy/kWh
Definitions	Gas usage, for heating, at UK National Grid sites and offices (excluding NGV Grain and NGED).	Metric
Base activity calculation method	A third party energy management organisation manages our utilities. They provide a monthly usage balance calculated using the consumption on our energy provider's invoices. A reasonable year-end estimate is used based on historical data and trend analysis, where required.	Other Scope 1 GHG emissions Scope 3 Cat. 3 (WTT)
Metric reporting method	Scope 1 emissions, in tCO ₂ e, are calculated by multiplying total consumption by UK Government conversion factors. Scope 3 emissions are calculated by multiplying total consumption by the DEFRA conversion factors for natural gas.	Total operational consumption
US facilities Tier 1 stationary gas fuel combustion		Energy/therms
Definitions	Burning of natural gas fuel by boilers, furnaces, or other stationary equipment at sites operated by New England and New York. Consumption for a mixture of heating and operations at sites where equipment is not separately metered.	Metric
Base activity calculation method	Where gas is supplied by National Grid, the amount consumed is extracted from the customer billing system. Where National Grid is billed by a third party utility, the amount is extracted from bills. At the few sites where measured data is not available, estimates are calculated based on square footage and average consumption factors provided by the EIA Commercial Buildings Energy Consumption Survey (CBECS). Year-end estimate: A reasonable estimate is used to calculate consumption data for the last quarter of the fiscal year, due to timing and availability of data. The estimates are based on historical data and trend analysis.	Other Scope 1 GHG emissions Scope 3 Cat. 3 (WTT) Total heating consumption
Metric reporting method	Scope 1 emissions are calculated by multiplying the volume of natural gas combusted by EPA emissions factors for CO ₂ , CH ₄ and N ₂ O, and then by the GWP, before being summed to calculate total emissions in tCO ₂ e. Scope 3 emissions are calculated by multiplying the volume of natural gas combusted by DESNZ WTT emission factors for natural gas.	
US NGP office Tier 1 stationary combustion		Energy/therms
Definitions	Burning of natural gas fuel during operation of boilers, furnaces, or other stationary equipment at sites operated by National Grid Partners in California.	Metric
Base activity calculation method	The volume of gas is provided by landlords and pro-rated based on National Grid occupancy (square footage) of any shared site.	Other Scope 1 GHG emissions Scope 3 Cat. 3 (WTT)
Metric reporting method	Scope 1 emissions are calculated by multiplying the volume of gas by EPA emissions factors for CO ₂ , CH ₄ and N ₂ O, and then by the GWP, before being summed to calculate total emissions in tCO ₂ e. Scope 3 emissions are calculated by multiplying the volume of gas by DESNZ WTT emission factors for natural gas.	Total heating consumption
UK ED gas consumption		Energy/kWh
Definitions	Utility gas usage for heating within NGED depots and vehicle maintenance units.	Metric
Base activity calculation method	Gas usage is calculated using the amount recorded on invoices received from our third party gas supplier.	Other Scope 1 GHG emissions
Metric reporting method	Total consumption is multiplied by the DESNZ natural gas conversion factor to calculate Scope 1 emissions, in tCO ₂ e. Scope 3 emissions are calculated using DESNZ WTT emission factors.	Scope 3 Cat. 3 (WTT) Total heating consumption
US gas distribution stationary combustion		Volume/mscf
Definitions	Burning of natural gas during operation of line heaters and standby generators operated at gas operation sites.	Metric
Base activity calculation method	Total heat input is calculated based on the volume of liquid fuel combusted, which is collected from various sources including internal systems and external reports.	Other Scope 1 GHG emissions Scope 3 Cat. 3 (WTT)
Metric reporting method	Scope 1 emissions are calculated by multiplying total heat input by EPA emissions factors for CO ₂ , CH ₄ and N ₂ O, and then by the GWP, before being summed to calculate total emissions in tCO ₂ e. Scope 3 emissions are calculated by multiplying total heat input by DESNZ WTT factors for natural gas.	Total operational consumption

UK ET bottled gas consumption		Weight/kg
Definitions	Use of bottled gas (propane and butane) in NGET's operations for earthing work and brazing activities. Scope 3 Cat. 3 (WTT) emissions associated with it are calculated using DESNZ emission factors.	Metric
Base activity calculation method	Weight of used bottled gas is obtained from invoices issued by our gas supplier.	Other Scope 1 GHG emissions
Metric reporting method	Scope 1 emissions are calculated by converting the weight to tCO ₂ e using DESNZ emission factors. Scope 3 emissions are calculated using DESNZ WTT emission factors.	Scope 3 Cat. 3 (WTT) Total operational consumption
UK ED fleet fuel consumption		Volume/litres
Definitions	Fuel usage in NGED's road commercial fleet vehicles.	Metric
Base activity calculation method	Fuel used to fill the vehicles at external stations is recorded on fuel cards and fuel dispensed at site is separately reported.	Other Scope 1 GHG emissions
Metric reporting method	Scope 1 emissions are calculated by multiplying total fuel consumption by DESNZ conversion factors to convert to tCO ₂ e. Scope 3 emissions are calculated by multiplying total fuel consumption by DESNZ WTT factors.	Scope 3 Cat. 3 (WTT) Total transport consumption
UK ED helicopter fuel consumption		Volume/litres
Definitions	Helicopter fuel usage by NGED, including external charters and testing.	Metric
Base activity calculation method	The volume of fuel used is calculated from the number of reported flying hours and a standard use of fuel per hour (205 litres).	Other Scope 1 GHG emissions
Metric reporting method	Scope 1 emissions, in tCO ₂ e, are calculated by multiplying the total volume by the DESNZ conversion factor for aviation fuel. Scope 3 emissions are calculated by multiplying the total volume by the WTT factor for aviation fuel.	Scope 3 Cat. 3 (WTT) Total transport consumption
UK ED mobile generator diesel consumption		Volume/litres
Definitions	Diesel combusted in mobile generators, back-up generators and small plant equipment.	Metric
Base activity calculation method	The volume of diesel delivered to NGED non-operational sites is recorded and collated into a total consumption balance.	Other Scope 1 GHG emissions
Metric reporting method	Scope 1 emissions, in tCO ₂ e, are calculated by multiplying the total consumption by the DESNZ conversion factor for liquid fuels. Scope 3 emissions are calculated by multiplying the total consumption by the WTT factor for liquid fuels.	Scope 3 Cat. 3 (WTT) Total operational consumption
UK ED Isle of Scilly backup generators		Energy/kWh
Definitions	Fuel used for the Isle of Scilly backup generators.	Metric
Base activity calculation method	The amount of fuel consumed is recorded at the generator power station and is collated into an annual total.	Other Scope 1 GHG emissions
Metric reporting method	Scope 1 emissions, in tCO ₂ e, are calculated by multiplying the total consumption by the DESNZ conversion factor. Scope 3 emissions are calculated by multiplying the total consumption by the DESNZ WTT factor.	Scope 3 Cat. 3 (WTT) Total operational consumption
UK ED company car fuel consumption		Distance/miles
Definitions	Fuel combusted when operating NGED company cars.	Metric
Base activity calculation method	The total distance travelled is taken from business travel claims, recorded within the payroll system.	Other Scope 1 GHG emissions
Metric reporting method	Scope 1 emissions, in tCO ₂ e, are calculated by applying the appropriate DEFRA conversion factors to the mileage per fuel type. Scope 3 emissions are calculated by multiplying mileage by the WTT factor for an average car.	Scope 3 Cat. 3 (WTT) Total transport consumption

US Nantucket generators Tier 1 stationary combustion		Volume/US gallons
Definitions	Burning of liquid fuels during operation of backup generators on the Island of Nantucket.	Metric
Base activity calculation method	The volume of liquid fuel combusted is determined by generator usage or is estimated based on runtime. Volume is converted to heat input by multiplying by the average gross heat content.	Other Scope 1 GHG emissions
Metric reporting method	Scope 1 emissions are calculated by multiplying total heat input by EPA emissions factors for CO ₂ , CH ₄ and N ₂ O, and then by the GWP, before being summed to calculate total emissions in tCO ₂ e. Scope 3 emissions are calculated by multiplying heat input by DESNZ WTT factors.	Scope 3 Cat. 3 (WTT) Total operational consumption
UK company car fuel consumption		Distance/miles
Definitions	Fuel usage in company cars for employees in the UK, excluding NGED.	Metric
Base activity calculation method	Mileage is recorded within the expense system after each trip. Cars are registered against an employee and are assigned a category dependent on size and fuel type.	Other Scope 1 GHG emissions
Metric reporting method	Scope 1 emissions, in tCO ₂ e, are calculated by multiplying mileage by UK Government conversion factors. Scope 3 emissions are calculated by multiplying mileage by UK Government WTT factors.	Scope 3 Cat. 3 (WTT) Total transport consumption
UK ET aviation fuel consumption		Volume/litres
Definitions	Fuel used in helicopters by NGET. Scope 3 Cat 3(WTT) emissions associated with it are calculated using DESNZ emission factors.	Metric
Base activity calculation method	Litres of aviation fuel used are recorded in a log book for every journey.	Other Scope 1 GHG emissions
Metric reporting method	Scope 1 emissions, in tCO ₂ e, are calculated by multiplying total fuel usage in litres by the UK Government conversion factor for aviation turbine fuel.	Scope 3 Cat. 3 (WTT) Total transport consumption
UK commercial fleet fuel consumption		Volume/litres
Definitions	Diesel and petrol used in the operations of our UK commercial fleet such as vans, trucks and other machinery (excluding NGED).	Metric
Base activity calculation method	Fuel cards are used to record the volumetric metric of fuel (in litres) when a vehicle is filled up, as well as the fuel type. The total monthly volume of each fuel type is collated into one balance.	Other Scope 1 GHG emissions
Metric reporting method	Scope 1 emissions, in tCO ₂ e, are calculated by multiplying the volume, by fuel type, by the corresponding UK Government conversion factor. Scope 3 emissions are calculated by multiplying the total volume by the UK Government WTT factor for the relevant fuel type.	Scope 3 Cat. 3 (WTT) Total transport consumption
UK ET bottled diesel consumption		Volume/litres
Definitions	Diesel used in running our substation equipment, like generators. Scope 3 Cat. 3 (WTT) emissions associated with it are calculated using DESNZ emission factors.	Metric
Base activity calculation method	Our third party diesel supplier provides a monthly consumption figure based on the amount delivered to operational sites.	Other Scope 1 GHG emissions
Metric reporting method	Scope 1 emissions, in tCO ₂ e, are calculated by multiplying the total diesel consumption figure by the UK Government conversion factors for liquid fuel. Scope 3 emissions are calculated using DESNZ WTT emission factors.	Scope 3 Cat. 3 (WTT) Total operational consumption

US fleet fuel consumption		Volume/US gallons; Distance/miles
Definitions	The burning of fuels during operation of on-road vehicles such as cars, trucks, and construction equipment owned and finance leased by National Grid in the US.	Metric
Base activity calculation method	Volume of fuels used in our vehicles is aggregated from fuel cards (which record all purchases made). Mileage is taken from each vehicle's odometer.	Other Scope 1 GHG emissions
Metric reporting method	Scope 1 emissions are calculated by multiplying the volume of liquid fuel consumed/combusted and miles driven by EPA emission factors for CO ₂ , CH ₄ and N ₂ O, and then by the GWP for each gas, before being summed to calculate total Scope 1 emissions in tCO ₂ e. Scope 3 emissions are calculated by multiplying the volume of liquid fuel consumed/combusted and miles driven by DESNZ WTT factors.	Scope 3 Cat. 3 (WTT) Total transport consumption
US aviation fuel consumption		Volume/US gallons
Definitions	The burning of fuels during operation of our company-owned helicopter, in the US.	Metric
Base activity calculation method	Aviation gasoline fuel used for the helicopter is recorded by pilots and equipment managers in flight logs. Data from the fuel logs is collated monthly.	Other Scope 1 GHG emissions
Metric reporting method	Scope 1 emissions are calculated by multiplying the volume of liquid fuel consumed/combusted by EPA emissions factors to convert to CO ₂ e. Scope 3 emissions are calculated by multiplying the volume of liquid fuel consumed/combusted by DESNZ WTT factors.	Scope 3 Cat. 3 (WTT) Total transport consumption
US NGV NG Renewables fleet fuel consumption		Volume/US gallons; Distance/miles
Definitions	The combustion of gasoline used for NG Renewables-owned fleet vehicles.	Metric
Base activity calculation method	Gasoline consumption data is tracked through company fleet cards and the fleet management system (MyFleetLink), while travelled distance data is obtained from the vehicles' odometers.	Other Scope 1 GHG emissions
Metric reporting method	Scope 1 emissions are calculated by multiplying total gasoline consumption by EPA emission factors for CO ₂ , CH ₄ and N ₂ O, and then by the GWP for each gas, before being summed to calculate total Scope 1 emissions in tCO ₂ e. Scope 3 emissions are calculated by multiplying total gasoline consumption by the DEFRA Conversion Factors for gasoline.	Scope 3 Cat. 3 (WTT) Total transport consumption
US NGV NG Renewables utilities site stationary combustion		Energy/therms
Definitions	The combustion of natural gas for domestic heating at NG Renewables' operating sites.	Metric
Base activity calculation method	Gas consumption data is estimated for the entire year based on historical data from wind and solar sites collected from 2019 till 2022, the eGrid sub-region and site location.	Other Scope 1 GHG emissions
Metric reporting method	Scope 1 emissions are calculated by multiplying total gas consumption by EPA emission factors for CO ₂ , CH ₄ and N ₂ O, and then by the GWP for each gas, before being summed to calculate total Scope 1 emissions in tCO ₂ e. Scope 3 emissions are calculated by multiplying total gas consumption by the corresponding DEFRA conversion factor.	Scope 3 Cat. 3 (WTT) Total heating consumption
US NGV NG Renewables utilities office stationary combustion		Energy/MMBtu
Definitions	The combustion of natural gas for domestic heating at NG Renewables' headquarter office.	Metric
Base activity calculation method	Gas consumption data is estimated for the entire year based on historical data collected in 2021 and 2022 and reflects seasonal demand.	Other Scope 1 GHG emissions
Metric reporting method	Scope 1 emissions are calculated by multiplying total gas consumption bby EPA emission factors for CO ₂ , CH ₄ and N ₂ O, and then by the GWP for each gas, before being summed to calculate total Scope 1 emissions in tCO ₂ e. Scope 3 emissions are calculated by multiplying total gas consumption by the corresponding DEFRA conversion factor.	Scope 3 Cat. 3 (WTT) Total heating consumption

UK NGV interconnectors onsite fuel consumption		Volume/litres
Definitions	The combustion of diesel in backup diesel generators used for electricity generation at interconnector sites.	Metric
Base activity calculation method	Fuel consumption data is collected from each interconnector site based on receipts or tank readings.	Other Scope 1 GHG emissions
Metric reporting method	Scope 1 emissions are calculated by converting the fuel usage into tCO ₂ e using UK Government emission factors. Scope 3 emissions are calculated by multiplying fuel usage by the corresponding DEFRA conversion factors.	Scope 3 Cat. 3 (WTT) Total operational consumption
US facilities Tier 1 stationary liquid fuel combustion		Volume/US gallons
Definitions	The burning of liquid fuels during operation of backup generators operated at National Grid US sites.	Metric
Base activity calculation method	Volume of liquid fuel combusted is collected from procurement bills and in house records, and is used to calculate total heat input.	Other Scope 1 GHG emissions
Metric reporting method	Total heat input is multiplied by EPA emission factors for CO ₂ , CH ₄ and N ₂ O, and then by the GWP for each gas, before being summed to calculate total Scope 1 emissions in tCO ₂ e. Scope 3 emissions are calculated by multiplying total heat input by DESNZ WTT factors.	Scope 3 Cat. 3 (WTT) Total heating consumption
US LNG stationary combustion		Volume/scf
Definitions	The burning of natural gas during operation of various equipment at LNG plants, test centres, and portable vaporisation sites, in the US.	Metric
Base activity calculation method	Volume of liquid fuel combusted is collected from equipment meter reads on a monthly basis, and is used to calculate total heat input.	Other Scope 1 GHG emissions
Metric reporting method	Total heat input is multiplied by EPA emission factors for CO ₂ , CH ₄ and N ₂ O, and then by the GWP for each gas, before being summed to calculate total Scope 1 emissions in tCO ₂ e. Scope 3 emissions are calculated by multiplying total heat input by DESNZ WTT factors.	Scope 3 Cat. 3 (WTT) Total operational consumption
UK NGV interconnector line losses		Energy/kWh
Definitions	The electricity generation to accommodate the electrical losses experienced on NGV's High Voltage Direct Current (HVDC) IFA1/IFA2/NSL/Viking interconnectors.	Metric
Base activity calculation method	Line losses are calculated using GB import and export data, provided by Elexon.	Scope 2 Electricity line losses emissions
Metric reporting method	Scope 2 emissions are calculated by taking the average intensity per hour of the exporting market multiplied by the energy losses per hour on the Interconnector for both imports and exports. The hourly figures are aggregated together to give the total carbon from line losses for the time period required. Scope 3 emissions are calculated using IEA's Lifecycle Upstream Emissions for the source country for imports and exports.	Scope 3 Cat. 3 (WTT)
UK ET line losses		Energy/kWh
Definitions	The generation of electricity to replace lost energy through NGET's transmission network losses.	Metric
Base activity calculation method	Transmission losses are calculated by National Energy System Operator (NESO) for GB's entire electricity transmission network, and then is apportioned to each Transmission Operator.	Scope 2 Electricity line losses emissions
Metric reporting method	Scope 2 emissions are calculated by converting losses in kWh to tCO ₂ e using DESNZ conversion factors. Scope 3 emissions are calculated by applying DESNZ WTT factors to the losses.	Scope 3 Cat. 3 (WTT)

UK ED line losses		Energy/MWh
Definitions	The generation of electricity to replace lost energy through NGED's distribution network losses.	Metric
Base activity calculation method	Distribution line losses are calculated as the difference between the exports onto and imports off the distribution network, using meter data received from third parties. A reasonable year-end estimate is used based on historical data and trend analysis, where required.	Scope 2 Electricity line losses emissions Scope 3 Cat. 3 (WTT)
Metric reporting method	Scope 2 emissions are calculated by converting losses in kWh to tCO ₂ e using DESNZ conversion factors. Scope 3 emissions are calculated by applying DESNZ WTT factors to the losses.	
US line losses		Energy/kWh
Definitions	The additional generation required to compensate for energy losses during US electricity transmission and distribution.	Metric
Base activity calculation method	Line losses are determined as the difference between the energy coming into the electric system (resettled wholesale data, or supplier energy) and the energy leaving the system (resettled retail data, or customer energy). In New York, total losses incorporate transmission losses provided by the NYISO. For New England, the line losses include an estimate of National Grid's share of losses at Pool Transmission Facilities (PTF) based on a historical study. Year-end estimate: A reasonable estimate is used to calculate GHG emissions for the last quarter of the fiscal year, due to timing and availability of data. The estimates are based on historical data and trend analysis.	Scope 2 Electricity line losses emissions Scope 3 Cat. 3 (WTT)
Metric reporting method	Scope 2 emissions are calculated by multiplying total electricity lost by EPA emission factors for CO ₂ , CH ₄ and N ₂ O, and then by the GWP for each gas, before being summed to calculate total emissions in tCO ₂ e. Scope 3 emissions are calculated by multiplying total electricity lost by IEA Upstream emission factors.	
UK ED telecom electricity consumption		Energy/kWh
Definitions	Electricity consumption at NGED telecom sites.	Metric
Base activity calculation method	Electricity consumption is calculated by summing the usage provided on invoices received from the Telecom electricity provider.	Other Scope 2 GHG emissions Scope 3 Cat. 3 (WTT)
Metric reporting method	Scope 2 emissions are calculated by multiplying total electricity consumption by DESNZ emission factors. Scope 3 emissions are calculated by multiplying total electricity consumption by DESNZ WTT factors.	Total electricity consumption
UK ED office electricity consumption		Energy/kWh
Definitions	NGED's office's electricity consumption.	Metric
Base activity calculation method	Smart meters are installed at all offices. On a monthly basis, usage is extracted into a report.	Other Scope 2 GHG emissions
Metric reporting method	Scope 2 emissions are calculated by multiplying total consumption for the year by DESNZ emission factors. Scope 3 emissions are calculated by multiplying total electricity consumption by DESNZ WTT factors.	Scope 3 Cat. 3 (WTT) Total electricity consumption
UK ED substation electricity consumption		Energy/kWh
Definitions	Electricity consumption at NGED's substations.	Metric
Base activity calculation method	Our third party electricity supplier provides an estimation of the unmetered supply which is our electricity consumption at substations.	Other Scope 2 GHG emissions Scope 3 Cat. 3 (WTT)
Metric reporting method	Total consumption is multiplied by the DESNZ conversion factor to calculate Scope 2 emissions in tCO ₂ e. Scope 3 emissions are calculated by multiplying total electricity consumption by DESNZ WTT factors.	Total electricity consumption

UK utilities electricity consumption		Energy/kWh
Definitions	Electricity usage in our UK offices and substations, excluding NGED and NGV Grain.	Metric
Base activity calculation method	A third party energy management organisation manages our utilities. They provide a monthly usage balance calculated using the consumption on our energy provider's invoices. A reasonable year-end estimate is used based on historical data and trend analysis, where required.	Other Scope 2 GHG emissions Scope 3 Cat. 3 (WTT)
Metric reporting method	Scope 2 emissions are calculated by multiplying the total electricity consumption for the year by UK Government conversion factors for electricity. Scope 3 emissions are calculated by multiplying the total electricity consumption for the year by UK Government WTT factors.	Total electricity consumption
US LNG electricity consumption		Energy/kWh
Definitions	Electricity consumed at LNG plants, test centers, and portable vaporization sites.	Metric
Base activity calculation method	Electricity consumption is manually collected from utility bills received from our third party suppliers. A reasonable year-end estimate is used based on historical data and trend analysis, where required.	Other Scope 2 GHG emissions Scope 3 Cat. 3 (WTT)
Metric reporting method	Scope 2 emissions are calculated by multiplying total electricity consumed by EPA emission factors for CO ₂ , CH ₄ and N ₂ O, and then by the GWP for each gas, before being summed to calculate emissions in tCO ₂ e. Scope 3 emissions are calculated by multiplying total electricity consumed by IEA's upstream emission factors.	Total electricity consumption
UK NGV Grain electricity consumption		Energy/kWh
Definitions	Electricity consumed at Grain LNG for industrial and office needs.	Metric
Base activity calculation method	Total electricity consumption is calculated using data reported on monthly supplier bills and/or internal meter readings.	Other Scope 2 GHG emissions Scope 3 Cat. 3 (WTT)
Metric reporting method	Scope 2 emissions are calculated by multiplying total electricity consumed by UK Government conversion factors to convert to tCO ₂ e. Scope 3 emissions are calculated by multiplying total electricity consumed by DEFRA conversion factors for WTT.	Total electricity consumption
US NGV generation utilities electricity consumption		Energy/kWh
Definitions	Electricity consumed at the following US generation facilities: 1) E F Barrett, 2) Northport, 3) Glenwood, 4) Port Jefferson and 5) Oceanside and Shoreham.	Metric
Base activity calculation method	Total electricity consumed is collected through the usage on third party bills.	Other Scope 2 GHG emissions Scope 3 Cat. 3 (WTT)
Metric reporting method	Scope 2 emissions are calculated by multiplying the total kWh of electricity consumption by EPA emission factors for CO ₂ , CH ₄ and N ₂ O, and then by the GWP for each gas, before being summed to calculate total emissions in tCO ₂ e. Scope 3 emissions are calculated by multiplying total electricity consumed by IEA's upstream emission factors.	Total electricity consumption
US NGV NG Renewables site electricity consumption		Energy/kWh
Definitions	Electricity consumed at NG Renewables' operating sites.	Metric
Base activity calculation method	Consumption is collected from bills received from third party electricity suppliers. For Nordic I, II, and III, consumption is estimated for the entire year based on monthly average data calculated from historical consumption records collected from 2020 to 2022.	Other Scope 2 GHG emissions Scope 3 Cat. 3 (WTT)
Metric reporting method	Scope 2 emissions are calculated by multiplying total consumption by EPA emission factors for CO ₂ , CH ₄ and N ₂ O, and then by the GWP for each gas, before being summed to calculate total emissions in tCO ₂ e. Scope 3 emissions are calculated by multiplying total electricity consumed by IEA's upstream emission factors.	Total electricity consumption

US NGV NG Renewables office electricity consumption		Energy/kWh
Definitions	Electricity consumed at NG Renewables' headquarter office.	Metric
Base activity calculation method	Electricity consumption is estimated as 6% of the total building's usage (NG Renewables use one floor out of the building's 18) and uses historical data collected in 2021 and 2022.	Other Scope 2 GHG emissions
Metric reporting method	Scope 2 emissions are calculating by EPA emission factors for CO ₂ , CH ₄ and N ₂ O, and then by the GWP for each gas, before being summed to calculate total emissions in tCO ₂ e. Scope 3 emissions are calculated by multiplying total electricity consumed by IEA's upstream emission factors.	Scope 3 Cat. 3 (WTT) Total electricity consumption
UK NGV interconnector electricity consumption		Energy/kWh
Definitions	Electricity consumption at our interconnectors.	Metric
Base activity calculation method	Electricity consumption is determined from both third party utility bills and meter readings from the transformer tertiary.	Other Scope 2 GHG emissions
Metric reporting method	Scope 2 emissions are calculated by multiplying the total electricity consumption by the appropriate DESNZ emission factor. Scope 3 emissions are calculated by multiplying total electricity consumption by the DEFRA WTT conversion factors.	Scope 3 Cat. 3 (WTT) Total electricity consumption
US facilities electricity consumption		Energy/kWh
Definitions	Electricity consumed at facilities managed by US property services in New England and New York, as well as other US facilities that fall outside of US property services management such as in Washington DC. Facilities include both operational and office sites, but exclude LNG operations and unmetered substations, which are included in other activities.	Metric
Base activity calculation method	Electricity consumption is extracted from our customer billing system (where we are the provider) or utility bills. Where data is not available, consumption is estimated based on square footage and average consumption factors provided by the EIA Commercial Buildings Energy Consumption Survey (CBECS). Year-end estimate: A reasonable estimate is used to calculate consumption for the last quarter of the fiscal year, due to timing and availability of data. The estimates are based on historical data and trend analysis.	Other Scope 2 GHG emissions Scope 3 Cat. 3 (WTT) Total electricity consumption
Metric reporting method	Scope 2 emissions are calculated by multiplying total electricity consumed by EPA emission factors for CO ₂ , CH ₄ and N ₂ O, and then by the GWP for each gas, before being summed to calculate total emissions in tCO ₂ e. Scope 3 emissions are calculated by multiplying total electricity consumed by IEA's upstream emission factors.	
US NGP office electricity consumption		Energy/kWh
Definitions	Electricity consumed at facilities operated by NGP in California.	Metric
Base activity calculation method	Total electricity consumed is provided by landlords and pro-rated based on National Grid occupancy (square footage) of any shared site.	Other Scope 2 GHG emissions
Metric reporting method	Scope 2 emissions are calculated by multiplying total electricity consumed by EPA emission factors for CO ₂ , CH ₄ and N ₂ O, and then by the GWP for each gas, before being summed to calculate total emissions in tCO ₂ e. Scope 3 emissions are calculated by multiplying total electricity consumed by IEA's upstream emission factors.	Scope 3 Cat. 3 (WTT) Total electricity consumption
US NGV NG Renewables personal car use		Currency/US dollars; Distance/miles
Definitions	Vehicles owned by employees and used for business-related activities at NG Renewables.	Metric
Base activity calculation method	Mileage is calculated by extracting the cost of personal car mileage expenses from the expense system and converting it to distance using the conversion factor provided by the US Department of the Treasury Internal Revenue Service (IRS) for the reporting year.	Scope 3 Cat. 6: Business Travel - excluding air travel
Metric reporting method	Scope 3 emissions are calculated by multiplying total mileage by EPA emission factors for CO ₂ , CH ₄ and N ₂ O, and then by the GWP for each gas, before being summed to calculate total emissions in tCO ₂ e.	

UK personal car use		Distance/miles
Definitions	The use of personal vehicles for business travel that National Grid UK based shared services and Electricity Transmission personnel undertake.	Metric Scope 3 Cat. 6: Business Travel - excluding air travel
Base activity calculation method	Total mileage travelled in private vehicles is extracted from the expense system.	
Metric reporting method	Scope 3 emissions are calculated by converting mileage to tCO ₂ e using DESNZ conversion factors.	
UK private car service use		Distance/km
Definitions	The private car service that National Grid UK based employees (excluding NGED) can book for business travel.	Metric Scope 3 Cat. 6: Business Travel - excluding air travel
Base activity calculation method	Private car service can be booked via the internal travel system. The car provider retains a log of miles from each journey.	
Metric reporting method	The car provider calculates Scope 3 emissions by converting mileage into tCO ₂ e using UK Government emission factors.	
UK hire car use		Distance/miles
Definitions	Hire car use by UK based employees (excluding NGED) for business-related activities.	Metric Scope 3 Cat. 6: Business Travel - excluding air travel
Base activity calculation method	All hire car bookings are made through one third party provider who retains a log of the mileage travelled during each journey.	
Metric reporting method	The third party hire car provider supplies the total mileage as well as an average gCO ₂ e/km. They calculate Scope 3 emissions by converting km to miles by multiplying by 1.6, multiplying the mileage by the emission factor and dividing by 1000 to convert to kg.	
UK rail travel		Distance/km
Definitions	Train journeys that National Grid UK based employees (excluding NGED) booked for business travel.	Metric Scope 3 Cat. 6: Business Travel - excluding air travel
Base activity calculation method	All rail travel is booked through a central travel management system which provides a monthly report detailing the total distance travelled.	
Metric reporting method	The provider of the travel management system calculates Scope 3 emissions by converting distance into tCO ₂ e using UK Government conversion factors, or the International rail emission factor for Eurostar journeys.	
UK ED operational sea travel		Distance/miles
Definitions	The transport of fuel from the UK mainland to the NGED generating power stations in St Marys on the Isles of Scilly.	Metric Scope 3 Cat. 6: Business Travel - excluding air travel
Base activity calculation method	The number of journeys between UK mainland at the NGED power station on the Isle of Scilly are logged throughout the year. The distance travelled is multiplied by the number of journeys to get the total mileage.	
Metric reporting method	Scope 3 emissions are calculated by multiplying the total mileage by the DESNZ conversion factor for cargo ship freighted goods.	
UK ED hire car use		Currency/GB Pound (GBP)
Definitions	Hire car use by NGED employees for business-related activities.	Metric Scope 3 Cat. 6: Business Travel - excluding air travel
Base activity calculation method	All hire car bookings are made through one third party provider who retains a log of the expenditure in GBP (£).	
Metric reporting method	Hire car emissions are estimated by multiplying GBP (£) by the relevant Risilience (a specialised climate analytics company) conversion factor.	

UK ED rail travel		Distance/miles
Definitions	Train journeys that NGED employees booked for business travel.	Metric
Base activity calculation method	All rail travel is booked through a third party travel management company, who provide a monthly report detailing all rail travel booked and the distance of the journeys. Additionally, the NGED finance team prepare a log of all rail travel booked on company credit cards. The NGED environment team use the details of the travel booked to determine the distance of the journey.	Scope 3 Cat. 6: Business Travel - excluding air travel
Metric reporting method	The third party provider calculates the Scope 3 emissions attributable to the rail travel booked through them and the NGED environment team calculates the emissions from the journeys booked through credit cards, by multiplying mileage by the appropriate DESNZ conversion factor. The two sources are added together to calculate total emissions.	
US hire car use		Distance/miles
Definitions	Rental cars used by US employees for business-related travel.	Metric
Base activity calculation method	All hire car bookings are made through a centralised travel hub using one third party rental car provider, who provides the total mileage.	Scope 3 Cat. 6: Business Travel - excluding air travel
Metric reporting method	Scope 3 emissions are calculated by multiplying total mileage by EPA emission factors.	
US rail travel		Distance/miles
Definitions	Train journeys that National Grid US-based employees booked for business travel.	Metric
Base activity calculation method	Rail travel spend is collected from our internal expense system or third party provider and is converted into travel miles using a conversion factor based on DOT data.	Scope 3 Cat. 6: Business Travel - excluding air travel
Metric reporting method	Scope 3 emissions are calculated by multiplying total mileage by EPA emission factors.	
US personal car use		Distance/miles
Definitions	The use of personal vehicles for business travel by National Grid's US employees.	Metric
Base activity calculation method	Total mileage travelled in personal cars is collected from our internal expense system.	Scope 3 Cat. 6: Business Travel - excluding air travel
Metric reporting method	Scope 3 emissions are calculated by converting mileage to emissions by multiplying by the EPA emission factor.	
US NGV NG Renewables car use		Currency/US Dollars; Distance/miles
Definitions	The transportation of NG Renewables' employees for business-related activities in vehicles owned or operated by third parties, such as public transport and taxis.	Metric
Base activity calculation method	The cost incurred for vehicle use is extracted from our expense system and is converted into miles using the conversion factor from the US Department of the Treasury Internal Revenue Service (IRS).	Scope 3 Cat. 6: Business Travel - excluding air travel
Metric reporting method	Scope 3 emissions are calculated by multiplying the total travelled miles by EPA emission factors for CO ₂ , CH ₄ and N ₂ O, and then by the GWP for each gas, before being summed to calculate total emissions in tCO ₂ e.	
US NGV NG Renewables public transport use		Currency/US Dollars; Distance/miles
Definitions	The transportation of NG Renewables' employees for business-related activities in vehicles owned or operated by third parties, such as public transport and taxis.	Metric
Base activity calculation method	The cost incurred for using public transport and taxis is exported from our expense system. The spend data is then converted to distance using the conversion factor from the US DOT. For taxi ride expenses, the USA taxi fare calculator 2024 is used.	Scope 3 Cat. 6: Business Travel - excluding air travel
Metric reporting method	Scope 3 emissions are calculated by multiplying the total mileage by EPA emission factors for CO ₂ , CH ₄ and N ₂ O, and then by the GWP for each gas, before being summed to calculate total emissions in tCO ₂ e.	

US NGV NG Renewables air travel		Distance/miles
Definitions	The air transportation of NG Renewables' employees for business-related activities.	Metric
Base activity calculation method	All air travel is booked through a centralised travel hub. Total spend is exported from our expense system and is converted to distance using the conversion factor from the US DOT consumer airfare report.	Scope 3 Cat. 6: Business Travel - air travel only
Metric reporting method	Scope 3 emissions are calculated by multiplying total mileage by EPA emission factors for CO ₂ , CH ₄ and N ₂ O, and then by the GWP for each gas, before being summed to calculate total emissions in tCO ₂ e.	
UK air travel		Distance/km
Definitions	The air transportation of UK based employees (excluding NGED) for business-related activities.	Metric
Base activity calculation method	All air travel is booked through a third party provided travel system, who logs the distances of each flight booked and the seat class.	Scope 3 Cat. 6: Business Travel - air travel only
Metric reporting method	The service provider calculates Scope 3 emissions by multiplying the distance by the appropriate UK Government conversion factor based on the specific departure/arrival location and seat class.	
UK ED air travel		Distance/miles
Definitions	The air transportation of NGED employees for business-related activities.	Metric
Base activity calculation method	All air travel is reported to the Insurance Manager who collates all the travel details into a monthly report. Credit card transactions and reports from the company travel agent are also reviewed to identify additional air travel.	Scope 3 Cat. 6: Business Travel - air travel only
Metric reporting method	Scope 3 emissions are calculated by multiplying the total distance travelled by the appropriate DESNZ conversion factor.	
US air travel		Distance/miles
Definitions	The air transportation of US employees for business-related activities.	Metric
Base activity calculation method	All air travel is booked through a third party provided travel system, who logs the distances of each flight booked.	Scope 3 Cat. 6: Business Travel - air travel only
Metric reporting method	Scope 3 emissions are calculated by multiplying the distance travelled in each category of short, medium or long haul by the relevant EPA emission factor.	
UK waste		Mass/kg and tonnes; Volume/litres and cubic meters
Definitions	The production of waste generated in UK operations, managed by UK shared services (excludes NGED).	Metric
Base activity calculation method	<p>National Grid has a number of contracts with waste collection organisations, covering the UK businesses, who provide the mass or volume of waste collected and hence generated by National Grid business.</p> <p>If the waste data is provided in volume, it is converted to mass using density conversion factors provided by the Environment Agency. Where the volume is in litres the density of water value is assumed to carry out the conversion.</p> <p>The contractors provide waste class and disposal method when they provide the data (in line with DESNZ and European waste classification definitions). A reasonable year-end estimate is used based on historical data and trend analysis, where required.</p>	Scope 3 Cat. 5: Waste Generated in Operations
Metric reporting method	Scope 3 emissions are calculated by multiplying the mass of waste in each type/disposal method by the appropriate DESNZ emission factors.	
ET waste		Mass/tonnes
Definitions	The production of waste generated in NGET's operations.	Metric
Base activity calculation method	NGET uses waste contractors who provide waste tonnage data on a monthly basis, which is summed to generate an annual figure.	Scope 3 Cat. 5: Waste Generated in Operations
Metric reporting method	Scope 3 emissions are calculated by multiplying the mass of waste in each type/disposal method by the appropriate DESNZ emission factors.	

ED waste		Mass/tonnes
Definitions	The production of waste generated in NGED's operations.	Metric
Base activity calculation method	NGED uses waste contractors who provide waste tonnage data on a monthly basis, which is summed to generate an annual figure.	Scope 3 Cat. 5: Waste Generated in Operations
Metric reporting method	Scope 3 emissions are calculated by multiplying the mass of waste in each type/disposal method by the appropriate DESNZ emission factors.	
US waste		Weight/lbs and US short tons; Mass/kg and metric tonnes; Volume/cubic yards
Definitions	The production of waste generated in National Grid's US operations.	Metric
Exceptions to Reporting Foundations	EPA emission factors used for waste are based on AR4.	Scope 3 Cat. 5: Waste Generated in Operations
Base activity calculation method	Waste data is collected from RTS or other third party providers. For RTS, waste is either weighed directly or estimated using a combination of bin size (i.e., volume) and frequency of service drops. Other providers have their waste data estimated by JLL (outside consulting firm) based on the facility square footage, using the RTS data in the conversion of square footage-to-waste. A reasonable year-end estimate is used based on historical data and trend analysis, where required.	
Metric reporting method	Scope 3 emissions are calculated by multiplying the mass of waste in each type/disposal method by the appropriate EPA emission factors.	
US NGV NG Renewables Waste		Weight/lbs; Mass/US short tons and kg; Volume/cubic yards and US gallons
Definitions	The production of waste generated at NG Renewables' operating sites and headquarter office.	Metric
Exceptions to Reporting Foundations	EPA emission factors used for waste are based on AR4.	Scope 3 Cat. 5: Waste Generated in Operations
Base activity calculation method	Operational waste data is obtained from waste reports provided by third party waste management companies. Municipal waste data is estimated using factors such as dumpster size, average removal frequency, and average capacity (usually around 50-75% full). The number of dumpsters, their capacity, and pickup frequency are provided by site managers or representatives for each site.	
Metric reporting method	Scope 3 emissions are calculated by multiplying the mass of waste in each type/disposal method by the appropriate EPA emission factors.	
UK NGV Grain waste		Mass/tonnes
Definitions	The production of waste generated at Grain LNG.	Metric
Exceptions to Reporting Foundations	EPA emission factors used for waste are based on AR4.	Scope 3 Cat. 5: Waste Generated in Operations
Base activity calculation method	Grain uses waste contractors who provide summaries of waste type and quantity.	
Metric reporting method	Scope 3 emissions are calculated by multiplying the mass of waste in each type/disposal method by the appropriate UK Government emission factors.	

Our environment

In addition to our GHG metrics, we also report the following suite of non-GHG environmental metrics.

1.4 Air quality

Air quality - emissions from stationary sources (NOx)		Mass/tonnes
Definitions	<p>Emissions from nitrous oxides (NOx).</p> <p>NOx: air polluting gases released from combustion processes, including the burning of natural gas and fuel oil to generate electricity (US generation) and submerged combustion vaporisers (SCV) at Grain LNG. Includes NO₂ and NO.</p>	
Calculation and reporting method	<p>NOx emissions are calculated differently at each site:</p> <p>US NGV Generation:</p> <ul style="list-style-type: none"> • CEMS: automatically log actual NOx emissions on an hourly basis • Non-CEMS: Fuel Consumption x NOx emission factor. <p>Grain LNG:</p> <ul style="list-style-type: none"> • Phase 1: Quarterly measurement of kg NOx per tonne of LNG throughput, quarterly data is summed to calculate the annual figure. • Phase 2 and 3: CEMS, an hourly mean NOx for each submerged combustion vaporiser (SCV) is multiplied by the number of operational hours. <p>Calculation: (US NGV generation: CEMS + Non-CEMS) + (Grain LNG: Phase 1 + Phase 2 and 3) = Total NOx.</p>	
Air quality - emissions from stationary sources (SOx)		Mass/tonnes
Definitions	<p>Emissions from sulphur oxides (SOx).</p> <p>SOx: air polluting gas released from combustion processes, including burning of natural gas and fuel oil to generate electricity. Includes SO₂.</p>	
Calculation and reporting method	<p>Fuel consumption is measured by fuel meters or manually by fuel storage tank readings.</p> <p>Emission factor(s): EPA</p> <p>Calculation: Fuel consumption x SOx emission factor.</p>	
Air quality - emissions from stationary sources (PM)		Mass/tonnes
Definitions	<p>Emissions from particular matter (PM)</p> <p>PM: air polluting gas released from combustion processes, including burning of natural gas and fuel oil to generate electricity. Includes PM10 and PM 2.5.</p>	
Exceptions to Reporting Foundations	This activity is reported on a calendar year basis due to the availability of information. The calendar year is used as a representation of the data for the financial year.	
Calculation and reporting method	PM emissions from each stack are periodically measured in accordance with our permit requirements. Measurements are taken by an independent third party and test reports provided. The highest average emission factor from the stack report tests are used. Calculation: Fuel consumption x PM emission factor.	

1.5 EV fleet

Electric vehicle fleet % (light-duty only)

%

Definitions	<p>Percentage of National Grid's light-duty vehicle (LDV) qualifying fleet that are electric vehicles (EV).</p> <p>EVs: Vehicles 100% powered by electricity and produce zero carbon emissions at the tailpipe.</p> <p>ICEs: Internal combustion engine, powered by fuel.</p> <p>Light-duty: Vehicles with a gross weight equal or lower than 3.85 or 3.5 metric tonnes in US and UK respectively qualify as LDV.</p> <p>Fleet: Vehicles owned or financially leased by National Grid.</p>
Calculation and reporting method	<p>Light-duty EVs within the US for the purpose of this metric may exceed 8,500 lbs, however will be included with the assessment of the LDV fleet as they replace their ICE model counterpart. Fleet data is continually recorded, tracked and reported via our fleet management systems and teams.</p> <p>Calculation: $(\text{Total LDV's EV's} / \text{Total LDV's}) \times 100$.</p>

1.6 Our energy consumption

Total energy consumption excluding fossil fuel generation and electricity system losses

Energy/GWh

Definitions	Total energy from the electricity/heating/transport/operational energy categories.
Calculation and reporting method	All sources of energy (this includes all those energy sources that also result in emission coupled with any energy sources that do not have associated emissions e.g. Photovoltaic (PV) cells on offices and sites).

Total electricity consumption

Energy/GWh

Definitions	Total energy from electricity consumption including utility electricity energy, unmetered supply energy and renewable generation sources at offices and sites (e.g. PV).
Calculation and reporting method	This metric is the sum of all activities listed under section 1.3 that have 'Total electricity consumption', within the 'Metric' section of the activity table. The base activity data is collected as described within each activity table before being converted into GWh and consolidated within our Group environmental reporting tool. Solar PV consumption at our sites and offices is also recorded and added to our total electricity consumption.

Total operational consumption

Energy/GWh

Definitions	Total energy from sources used in the operations of the business (not included in the other categories).
Calculation and reporting method	This metric is the sum of all activities listed under section 1.3 that have 'Total operational consumption', within the 'Metric' section of the activity table. The base activity data is collected as described within each activity table before being converted into GWh and consolidated within our Group environmental reporting tool. We additionally add in consumption from Grain waste heat.

Total heating consumption

Energy/GWh

Definitions	Total energy from sources used in heating within the of the business (not included in the other categories). This will usually include utility energy sources and predominantly gas (as any electricity used for heating will be in the electricity category).
Calculation and reporting method	This metric is the sum of all activities listed under section 1.3 that have 'Total heating consumption', within the 'Metric' section of the activity table. The base activity data is collected as described within each activity table before being converted into GWh and consolidated within our Group environmental reporting tool.

Total transport consumption

Energy/GWh

Definitions	Total energy from sources used in transport within the of the business. This includes company car, commercial fleet and aviation fleet.
Calculation and reporting method	This metric is the sum of all activities listed under section 1.3 that have 'Total transport consumption', within the 'Metric' section of the activity table. The base activity data is collected as described within each activity table before being converted into GWh and consolidated within our Group environmental reporting tool.

Total fuel consumption from non-renewable sources**Energy/GWh**

Definitions	Total energy from non-renewable sources those sources within the electricity/operational/heating/transport categories that are from non-renewable sources. Most of our energy in these categories are from non-renewable sources.
Calculation and reporting method	The same calculation method as used in the electricity/operational/heating/transport energy where the activity/ energy source is considered non-renewable.

Total fuel consumption from renewable sources**Energy/GWh**

Definitions	Total energy from renewable sources those sources within the electricity/operational/heating/transport categories that are from renewable sources. Currently only electricity energy used within National Grid can be considered from renewable sources (PV generation at out offices and sites).
Calculation and reporting method	The same calculation method as used in the electricity/operational/heating/transport energy where the activity / energy source is considered renewable.

Total energy consumed - US Generation data**Energy/GWh**

Definitions	The fuel energy used in the net generation. Net generation is the total electricity generated by the plant minus any electricity that is used at the plant for auxiliary power needs.
Calculation and reporting method	Fuel energy used by the generation plant (gas and oil) minus the net self-supply electricity (i.e. the fuel energy used by the generation plant to produce the electricity that was exported to LIPA).

Flagship office energy consumption**Energy/GWh**

Definitions	<p>Total energy consumed at flagship offices in each location, UK and US.</p> <p>Energy consumption: Electricity, heating and cooling purchased or self-generated, along with total fuel consumed.</p> <p>Flagship office: National Grid's workplace experience and property services team in the UK and US are responsible for defining 'Flagship offices' in their locations using their knowledge of the property portfolios and utility contracts. Flagship offices are defined separately and are as follows:</p> <p>UK: Property used primarily or in part as an office workspace and where National Grid are directly responsible for paying the energy provider. Solely operational facilities are excluded from this metric.</p> <p>US: Property used primarily as an office workspace. Solely operational facilities are excluded from this metric.</p>
Calculation and reporting method	<p>National Grid's workplace experience and property services team provides the data to the sustainability team in the US and UK separately. Sources of data for this metric vary between the UK and US, largely because there are several instances where National Grid supplies the energy for its own sites.</p> <p>UK:</p> <ul style="list-style-type: none"> • Utility bills in most cases • Direct meter data portals • Manual site meter readings and fuel delivery notes. <p>US</p> <ul style="list-style-type: none"> • Utility bills where energy is provided by another utility. Values are recorded from bills received. • Where National Grid is the utility, data from internal billing systems is utilised in most cases. • Landlords provide billing data for some locations and estimates of National Grid's proportion are based on the percentage of building area (square footage) National Grid occupies. This methodology is utilised for both electricity and gas where applicable. • At the few sites at which measured data is not currently available, estimates are made based on the square footage of sites according to industry-standard methodologies. Each site is assigned an appropriate use type based on the categories of emission factors available. The emission factors are sourced from the EIA Commercial Buildings Energy Consumption Survey (CBECS). • In cases where a site may lack data for a particular month, a value will be estimated based on historical data. <p>Due to the availability of utility bills at the end of the reporting period, the calculations may include some reasonable estimates. The estimates are based on historical data and trend analysis. The UK and US energy consumption metrics are aggregated at the end of the year to report against our group office energy consumption target.</p>

% Renewable electricity purchased - Total**%**

Definitions	<p>Renewable energy purchased, UK and US.</p> <p>Renewable energy: Energy Attribute Certificates are contractual instruments (such as RECs, Renewable Energy Guarantee of Origin (REGOs) and Power Purchase Agreements (PPAs)) through which consumers of electricity can credibly claim the provenance their renewable energy consumption credentials. Electricity supplied is the total in-scope electricity supply contracts, measured in kWh.</p>
Calculation and reporting method	<p>The total in-scope electricity purchased and consumed, and the total in-scope renewable supply contracts are aggregated by the UK and US. The US and UK totals are reported separately and also combined to create the Group total.</p> <p>Calculation: (Total electricity supplied with Renewable Energy Attribute Certificates) / (Total in-scope electricity consumption) × 100 = % Renewable energy purchased.</p>

1.7 Renewable energy connections in year

Renewable energy connections in year**Energy/Mw**

Definitions	<p>The metrics we report are as follows:</p> <ul style="list-style-type: none"> • Renewable energy connected to US distribution grid • Renewable energy connected to US transmission grid • Renewable energy connected to UK distribution grid • Renewable energy connected to UK transmission grid. <p>Renewable energy: energy from sources that are zero carbon and naturally replenishing, including solar, wind, hydropower and geothermal generation and may include sites supplemented with energy storage systems. Nuclear and biomass are not included.</p> <p>Connections: generation connected to our distribution and transmission grids. Connections are counted from the in-service date, when National Grid provides back-feed service to the facility, with the exception of UK ED where the amount reported includes amounts defined as 'connected' per the public Embedded Capacity Register (but may not yet be fully energised by customers).</p>
Calculation and reporting method	Data is collected and monitored continuously through the course of operations. The new annual connections made to each network within the financial year are extracted and summed.

1.8 Interconnector capacity

Interconnector capacity**Energy/GW**

Definitions	<p>Total Capacity of our operational UK interconnectors, transmitting electricity to and from various countries in Europe.</p> <p>Capacity: Intended maximum, full-load and sustained output of National Grid's interconnectors.</p> <p>Interconnectors: High voltage cables that are used to connect electricity systems of neighbouring countries.</p> <p>Operational: Fully operational, construction completed by 31 March of the reporting period.</p>
Calculation and reporting method	<p>Capacity data is included in construction specification documents for each interconnector.</p> <p>Calculation: Total Interconnector Capacity = Sum of NGV interconnectors commissioned as at period end.</p>

1.9 Emissions intensity

Total Scope 1 and 2 GHG emissions in tCO₂e per million £ of revenue

tCO₂e/£m

Definitions	Definitions of Scope 1 and Scope 2 emissions can be found in Section 1.1.
Calculation and reporting method	Calculation: Total Scope 1 and 2 location-based GHG emissions / £ million total Group revenue taken from our Group consolidated financial statements. 2024/25 revenue excludes ESO.

1.10 Water

Total water withdrawn

Volume/Mm³

Definitions	<p>Total water withdrawn from all key water sites.</p> <p>Withdrawn: Sum of all water drawn from the following sources: surface water, groundwater, seawater or third party.</p> <p>Key water sites:</p> <p>All: Operational sites.</p> <p>UK: Electricity transmission cable cooling.</p> <p>US: Well extraction water and once-through seawater cooling water.</p>
Exceptions to Reporting Foundations	NGR and NGED are excluded as water usage is immaterial.
Calculation and reporting method	Water data is continually tracked and recorded via metering systems. Where applicable in US facilities volume estimations are performed. Data is extracted and consolidated for the UK and US and summed together to give the group total.

Total water consumed

Volume/Mm³

Definitions	<p>Total water consumption at National Grid sites.</p> <p>Consumption: Sum of all water withdrawn that has been used by the company and is not released back into surface water, groundwater, seawater or to a third party.</p>
Exceptions to Reporting Foundations	NGR is excluded as water usage is immaterial.
Calculation and reporting method	<p>Water withdrawn data is utilised as a basis and assumptions are applied based on the usage of the water.</p> <ul style="list-style-type: none"> In a closed loop system consumption is zero At operational sites consumption is estimated at 22.3% of water withdrawn based on EPA sources which suggest on average people consume between 1-2 litres of water/day and 22% water withdrawal is used for landscaping. <p>Calculation: water withdrawn x assumptions = water consumed.</p>

Total water discharged

Volume/Mm³

Definitions	<p>Total water discharged at National Grid sites.</p> <p>Discharged: Sum of all water withdrawn, that has not been consumed and therefore has been released into surface water, groundwater, seawater or to a third party.</p>
Exceptions to Reporting Foundations	NGR and NGED are excluded as water usage is immaterial.
Calculation and reporting method	Calculation: water withdrawn - water consumed = water discharged.

1.11 Waste

Total waste generated		Mass/tonnes
Definitions	<p>Waste generated in operations, we report the following metrics:</p> <ul style="list-style-type: none"> • Non-hazardous waste • Hazardous waste • Reused and recycled waste 	
Exceptions to Reporting Foundations	NGED, UK Interconnectors and Grain LNG are excluded, due to data constraints.	
Calculation and reporting method	<p>Waste data is recorded, tracked and managed by a number of waste disposal vendors and where applicable reasonable estimates are made. Data is centrally compiled and converted into metric tonnes in the group system, and each waste category is summed. For reused and recycled waste:</p> <p>Calculation: (reused + recycled waste) / total waste x 100.</p>	

1.12 Nature and biodiversity

% natural environment improved on the land we manage in the UK (cumulative)		%
Definitions	<p>Percentage improvement in the natural environment on the land we manage in the UK, NGET only.</p> <p>Improvement in natural environment: improvement in the natural capital value of the natural environment, compared with its baseline.</p> <p>Natural capital value: the part of nature which directly or indirectly underpins value to people, including ecosystems, specials, freshwater, soils, minerals, the air and oceans, as well as natural processes and functions.</p> <p>Land we manage: non-operational land, which is land owned by NGET where we own a freehold or a long leasehold (>21 years), it includes the land that is subleased to others.</p> <p>Natural capital improvement: uplift associated with individual sites in the non-operational land holding once contracts are secured to deliver the physical work or at an appropriate point that signified a change in activity e.g. the point at which work begins at a site, the date at which a legal agreement is signed with a third party that obliges them to make changes/carry out works at a given site, or, the date when land management practices are formally changed and documented.</p> <p>Natural capital baseline: NGET's baseline was assessed at 1 April 2021 at £281.6m.</p>	
Exceptions to Reporting Foundations	<p>NGET is included. NGED and NGV methodologies and baselines are being developed.</p> <p>NGET scope applies to non-operational land.</p>	
Calculation and reporting method	<p>All natural capital work is recorded and inputted into NGET's natural capital tool, which is used to measure the improvement in the environmental and societal value of our non-operational land. The tool monetises the 'ecosystem services' that are provided by our non-operational land. The natural capital value represented by the tool is estimated over 30 years, and reflects the present value and uses a discount rate of 3.5%. The cumulative percentage improvement against the baseline is reported.</p> <p>Calculation: % of non-operational land enhanced = ((Sum of site interventions-sum of baselines)/NGET portfolio baseline).</p>	

US nature - enrolled acres		Area/acres
Definitions	Acres enrolled in US integrated vegetation management (IVM) system and nature related projects.	
Exceptions to Reporting Foundations	NY and NE business are included, NGV US is not in scope.	
Calculation and reporting method	Calculation: Number of acres enrolled in IVM + Number of acres enrolled in nature-related projects = total enrolled acres.	

Enrolled acres in US integrated vegetation management system (IVM) programme**Area/acres**

Definitions	<p>Number of acres enrolled in IMV programmes.</p> <p>IVM: is defined as the practices of promoting desirable, stable, low-growing plant communities that will resist invasion by tall growing tree species through the use of appropriate, environmentally-sound, and cost-effective control methods. IVM methods are proven to improve the environment around rights of way (ROWs) by avoiding excessive tree cutting, reducing risk of forest fires, decreasing invasives and increasing natural species diversity.</p>
Exceptions to Reporting Foundations	NY and NE business are included, NGV US is not in scope.
Calculation and reporting method	The number of acres enrolled is summed.

Enrolled acres in US nature-related projects**Area/acres**

Definitions	<p>Number of acres enrolled in nature-related projects.</p> <p>Nature-related projects: are environmental projects which look to protect and enhance nature. The categories reported against are as follows:</p> <p>Wetland mitigation: wetland preservation under the environmental permits.</p> <p>Vegetation enhancement or restoration: planting and enhancement of vegetated areas.</p> <p>Rare, threatened, and endangered species protection: according to federal and state regulations.</p>
Exceptions to Reporting Foundations	NY and NE business are included, NGV US is not in scope.
Calculation and reporting method	<p>Projects will be included if they are in the 'in operation' phase during the reporting period.</p> <p>The number of acres enrolled in each category is summed and the total is aggregated.</p>

1.13 Green investment and financing

EU Taxonomy aligned green capex as a percentage of total capex**%**

Definitions	Percentage of EU Taxonomy aligned green capex over total group capex.
Calculation and reporting method	<p>Calculation: $\text{Green Capex (£)} / \text{Total Capex (£)} = \% \text{ Green Capex}$.</p> <p>For further detail please refer to our EU Taxonomy report.</p>

1.14 Sustainable supply chain

% of top 80% of UK suppliers by emissions committed to the Science Based Targets initiatives

%

Definitions

UK carbon strategic supplier is defined at the start of the reporting period at a Group level for National Grid plc. All carbon strategic suppliers are directly managed and influenced by our procurement teams. For expenditures invoiced through incorporated joint ventures entities classified as 'joint operations' (e.g., Eastern Green Link 1 Limited), we attribute these expenditures to the supplier of the joint operations. The list of carbon strategic suppliers represents 80% of prior period Scope 3 GHG emissions for category 1 (Purchased goods and services) and category 2 (Capital goods) across our UK corporate entities.

Commitment to Science-Based Targets demonstrates an organisation's intention to develop targets and submit these for validation within 24 months. They are indicated by the word 'committed' in the Science-Based Targets initiatives (SBTi) dashboard. These organisations do not yet have validated science-based targets.

We recognise several ways to set SBT, and we highly recommend our carbon strategic suppliers to commit to setting SBT through the SBTi. The SBTi develop standards, tools and guidance which allow companies to set greenhouse gas (GHG) emissions reduction targets in line with what is needed to keep global heating below catastrophic levels and reach net-zero by 2050 at the latest.

Science-Based Targets or SBT are science-based pathways for companies and financial institutions to reduce greenhouse gas (GHG) emissions, which have been reviewed and validated by the SBTi or other third parties.

Calculation and reporting method

(Number of UK carbon strategic suppliers with SBTi commitment / Total number of UK carbon strategic suppliers) x 100.

% of top 50% US suppliers by emissions with an established roadmap towards Science Based Targets

%

Definitions

US carbon strategic supplier is defined at the start of the reporting period at a Group level for National Grid plc. All carbon strategic suppliers are directly managed and influenced by our procurement teams. The list of carbon strategic suppliers represents 50% of prior period Scope 3 GHG emissions for category 1 (Purchased goods and services) and category 2 (Capital goods) across our US corporate entities.

A decarbonisation roadmap or action plan outlines a supplier's ambition and related timeline to establish science-based targets. This roadmap may include but be not limited to carbon baseline, hotspots, reduction targets, expected dates to set, review and validate the company's science-based targets.

Calculation and reporting method

(Number of US carbon strategic suppliers with a decarbonisation roadmap or action plan / Total number of UK carbon strategic suppliers) x 100.

Our customers and communities

2.1 UK consumer bills

Contribution of NG UK's transmission and distribution costs to consumer bills

£

Definitions

For the UK, we report National Grid's contribution to customer bills:

- UK National Grid transmission element of the average domestic consumer bill (£)
- UK National Grid distribution element of the average domestic consumer bill (£)

UK average domestic bill: average gas/electric bill for domestic customers in the UK. The National Grid element is the portion of the average UK domestic bill associated with the transmission and distribution costs for the electricity attributable to National Grid.

Calculation and reporting method

UK ET: Transmission Use of System Charges (TNUoS) data is derived from charges published by the NESO, loss adjustment factors and domestic demands derived from OFGEM, both on an annual basis.

Calculation: $\text{TNUoS} \times \text{charges per customer} \times \text{average loss adjustment factor} \times \text{average domestic demand} = \text{average cost to UK household}$.

Average cost to UK household \times portion attributable to UK ET = Average costs to UK.

UK ED: Revenue data is derived from Distribution Connection and Use of System Charges (DCUSA) in schedules 16, 17, 18 and 32 (distribution charging methodologies) and average domestic consumer bill data derived from OFGEM, both on an annual basis.

Calculation: $\text{DCUSA charges} \times \text{average domestic consumer bill} = \text{Average cost to UK households for UK ED}$.

2.2 US energy bills

Average energy bill charged to US households

\$

Definitions

Average cost per US household. This metric separates the costs to electricity and gas customers as well as low-income and other customers due to the distinct characteristics of these consumer groups.

Average US electricity customer bill is the average total bill charged to all National Grid US residential electricity customers, excluding those who participated in a low-income programme.

Average US gas customer bill is the average total bill charged to all National Grid US residential gas customers, excluding customers who participated in a low-income programme.

Average low-income (only) electricity customer bill is the average total bill charged to National Grid US residential electricity customers who have participated in a low-income programme.

Average low-income (only) gas customer bill is the average total bill charged to National Grid US residential gas customers who have participated in a low-income programme.

The metrics represent the total bill charged to National Grid customers, including taxes and fees (the 'fully loaded bill total'). Low-income customers are defined as those who qualify for the Low Income Home Energy Assistance Program (LIHEAP).

Calculation and reporting method

Billing data is continually recorded, tracked and reported via our billing systems. For customer accounts that met with respective metric definitions, the total of the last 12 months of billing data is extracted and consolidated.

Calculation: $(\text{Total charged to customers} (\$) / \text{Total number of customers}) = \text{Average cost per US household}$. The equation is adapted to reflect each respective metric in terms of the product sold and customer group.

Assumptions: The metrics only include residential customers who have received a service from National Grid for 12 consecutive months. Average low-income customer bill metrics only include residential customers who have participated in a low-income programme for 12 consecutive months. The metrics do not include adjustments made to the bills after the reporting date.

2.3 Skills development

Number of people provided with access to skills development

Number

Definitions	<p>Total people provided with access to skills development since 1 October 2020.</p> <p>Skills development: Programmes operated by National Grid intended to meaningfully upskill participants. The programmes are not restricted to STEM (Science, Technology, Engineering and Mathematics) skills; however, STEM skills are expected to make up the majority of our programmes.</p> <p>Participant: a participant comes from one of the disadvantaged communities we serve and, the majority are under 25.</p>
Calculation and reporting method	Data is continually recorded, tracked and reported via internal reporting systems and from charity partner reports. On an annual basis data is extracted, consolidated, reviewed and approved, then summed. The annual unique participants in our skills development programmes are added to the total participants reported since 1 October 2020 for the cumulative total.

2.4 Volunteering

Number of qualifying volunteering hours

Number

Definitions	<p>Total qualifying volunteering hours completed on behalf of National Grid since 1 April 2020.</p> <p>Qualifying volunteering hours: any time spent volunteering on behalf of National Grid (including any preparation).</p>
Calculation and reporting method	Data is continually recorded, tracked and reported via internal reporting systems. On an annual basis data is extracted, reviewed and approved and then summed. The annual volunteering hours are added to the total hours reported since 1 April 2020 for the cumulative total.

2.5 Customer Trust Survey (US)

Customer Trust Survey (US)

%

Definitions	<p>Trust advice is a customer perception metric of trust in National Grid. This is measured continuously in the Brand Image, and through Relationship survey; an online survey to residential customers and a telephone survey to commercial customers.</p> <p>Metric is based on responses to: 'Considering everything you may know about National Grid, how much do you trust National Grid to provide you the advice you need to make good energy decisions?' scored on a 1-10 point scale, where 1 is 'Do not trust advice at all' and 10 is 'Trust advice completely'.</p> <p>The reported score is the percent of respondents who answer 8, 9 or 10, referred to as 'Top Three Box'.</p>
Calculation and reporting method	<p>Data is collected by a third party research vendor and is extracted and reported to National Grid on a monthly basis. This data is aggregated on a yearly basis for reporting.</p> <p>Calculation: $(\text{Total respondents who answer 8-10 in the survey question} / \text{total survey respondents}) = \% \text{ Customer trust}$</p> <p>Based on an equal weighting of residential and commercial customers responses.</p>

Our people

3.1 Diversity

Diversity of permanent employees, management, senior management and new talent

%

Definitions

Percentage of gender and ethnically diverse employees in the following groups: permanent employees; management; senior management; and new talent hires. The metrics we report are as follows:

- % ethnically diverse employees
- % female employees
- % ethnically diverse employees in management
- % female employees in management
- % female employees in senior management
- % ethnically diverse employees in senior management
- % ethnically diverse employees in new talent
- % female employees in new talent.

Ethnically diverse: Refer to diversity table.

Female: Refer to diversity table.

Employees: All permanent National Grid employees, including those on parental leave or on a short/long-term leave of absence, part-time workers, graduates and interns. Excluded are temporary employees, contractors, contingent workers, managed service providers and Non-executive Board Members.

Management: Top levels of management, Directors and executives (Band A-C).

Senior Management: Group executives and their direct reports.

New Talent: Hires in new talent programmes, which refer to all new graduates, interns, trainees, apprentices and power network craft assistants.

Calculation and reporting method

Data is continually recorded and tracked via our HR systems and extracted on an annual basis as at 31 March. Gender diverse are colleagues who identify themselves as female when applying for a role at National Grid. Ethnically and racially diverse colleagues are those who have self-declared their ethnicity/race. Gender is a mandatory and binary field and therefore the disclosure rate is 100%. Ethnicity/race is not a mandatory field and declaration rate is 90+%.

Calculation: (diversity parameter / employee count parameter) x 100.

Diversity of Board and Group Executive

%

Definitions

Diverse Board and Group Executive Committee members are individuals who have identified themselves as female, and ethnic minority. Individuals are only counted once if they are diverse based on multiple categories. Refer to diversity tables.

Board: Members defined on company website: <https://www.nationalgrid.com/about-us/our-leadership-team/the-board>.

Group Executive Committee: Members defined on company website: <https://www.nationalgrid.com/about-us/our-leadership-team/the-executive-committee>.

Calculation and reporting method

Data on both the Group Executive Committee and Board is continually recorded and tracked via our HR systems and extracted on an annual basis as at 31 March.

Calculation: Diverse Board/Group Executive members / Total Board/Group Executive members = % Diversity of Board/Group Executive.

3.2 Grid:voice

'Safe to say' score (from Grid:voice)

%

Definitions	Safe to say score, as measured by National Grid's annual employee engagement survey, Grid:voice.
	Safe to say: a measure of how safe employees feel to say what they think, based on average responses to the statement 'Where I work it is safe to say what I think'.
	Likert Scale: psychometric scale is a five or seven point scale which is used to allow the individual to express how much they agree or disagree with a particular statement. Ranging from strongly agree to strongly disagree.
	Favourable response: agree and strongly agree.
Calculation and reporting method	All employees who are permanently employed as at 1 December of the relevant financial year are provided the survey. Data is extracted from the Grid:voice platform on an annual basis.
	Calculation: $(\text{total favourable responses} / \text{total responses}) \times 100 = \text{'Safe to say' score.}$

Employee engagement score (from Grid:voice)

%

Definitions	Employee engagement score, as measured by National Grid's annual employee engagement survey, Grid:voice.
	Employee engagement score: a measure of how engaged our employees are based on a favourable responses to five questions repeated annually related to employee engagement.
	Likert Scale: psychometric scale is a five or seven point scale which is used to allow the individual to express how much they agree or disagree with a particular statement. Ranging from strongly agree to strongly disagree.
	Favourable response: agree and strongly agree.
Calculation and reporting method	All employees who are permanently employed as at 1 December of the relevant financial year are provided the survey. Data is extracted from the Grid:voice platform on an annual basis.
	Calculation: $(\text{total favourable responses} / \text{total responses}) \times 100 = \text{Employee engagement score.}$

Wellbeing index score (from Grid:voice)

%

Definitions	Wellbeing index score, as measured by National Grid's annual employee engagement survey, Grid:voice.
	Wellbeing Index Score: a measure of wellbeing at National Grid based on favourable responses to a number of questions relating to wellbeing.
	Likert Scale: psychometric scale is a five or seven point scale which is used to allow the individual to express how much they agree or disagree with a particular statement. Ranging from strongly agree to strongly disagree.
	Favourable response: agree and strongly agree.
Calculation and reporting method	All employees who are permanently employed as at 1 December of the relevant financial year are provided the survey. Data is extracted from the Grid:voice platform on an annual basis.
	Calculation: $(\text{total favourable responses to all relevant questions} / \text{total responses to all relevant questions}) \times 100 = \text{Wellbeing index score.}$

3.3 Gender pay gap

UK gender pay gap

%

Definitions

The UK gender pay gap metrics we report are:

- UK mean 'base' gender pay gap
- UK mean 'incentive' gender pay gap.

Gender: Refer to diversity table - gender.

Gender pay gap: the difference in average earnings between female colleagues and male colleagues.

Exceptions to Reporting Foundations

Pay gap metrics are reported one year in arrears.

Our gender pay gap and ethnicity pay gap disclosures are prepared on an annual basis using the snapshot date of 5 April each year for base/ordinary pay, and for the 12-month period (from 6 April the previous year up to the 5 April snapshot date) for bonus pay.

Calculation and reporting method

Data is continually recorded, tracked and extracted via our HR and payroll systems and extracted on an annual basis as at 31 March.

Pay Gap disclosures are calculated in line with the Equality Act 2010 (Gender Pay Gap Information) Regulations 2017 and the Advisory, Conciliation and Arbitration Service (Acas) Managing Gender Pay Reporting Guide 2017 ('Acas guidance').

We publish our UK gender pay gap as part of our Annual Report and Accounts and as a standalone report on our website, including a methodology document.

US gender pay gap

%

Definitions

The US gender pay gap metrics we report are:

- US mean 'base' gender pay gap
- US mean 'incentive' gender pay gap.

Gender: Refer to diversity table - gender.

Gender pay gap: the difference in average earnings between female colleagues and male colleagues.

Exceptions to Reporting Foundations

Pay gap metrics are reported one year in arrears.

Our gender pay gap disclosures are prepared on an annual basis using the snapshot date of 5 April each year for base/ordinary pay, and for the 12-month period (from 6 April the previous year up to the 5 April snapshot date) for bonus pay.

Calculation and reporting method

Data is continually recorded, tracked and extracted via our HR and payroll systems and extracted on an annual basis as at 31 March.

Pay Gap disclosures are calculated in line with the Equality Act 2010 (Gender Pay Gap Information) Regulations 2017 and the Advisory, Conciliation and Arbitration Service (Acas) Managing Gender Pay Reporting Guide 2017 ('Acas guidance'). Some adaptations have been made to ensure its suitability for US gender pay gap reporting. The ordinary pay of all US employees, regardless of pay frequency, is taken for the full month of April.

3.4 Ethnicity pay gap

US and UK ethnicity pay gap		%
Definitions	<p>The ethnicity pay gap metrics we report are:</p> <ul style="list-style-type: none">• UK mean 'base' ethnicity pay gap• UK mean 'incentive' ethnicity pay gap• US mean 'base' ethnicity pay gap• US mean 'incentive' ethnicity pay gap. <p>Ethnicity: Refer to diversity table - ethnicity (UK and US).</p> <p>Ethnicity pay gap: the difference in average earnings between ethnically diverse colleagues and non-ethnically diverse colleagues.</p>	
Exceptions to Reporting Foundations	<p>Pay gap metrics are reported one year in arrears.</p> <p>Our gender pay gap and ethnicity pay gap disclosures are prepared on an annual basis using the snapshot date of 5 April each year for base/ordinary pay, and for the 12-month period (from 6 April the previous year up to the 5 April snapshot date) for bonus pay.</p>	
Calculation and reporting method	<p>Data is continually recorded, tracked and extracted via our HR and payroll systems and extracted on an annual basis as at 31 March.</p> <p>Pay Gap disclosures are calculated in accordance with the Equality Act 2010 (Gender Pay Gap Information) Regulations 2017 and the Advisory, Conciliation and Arbitration Service (Acas) Managing Gender Pay Reporting Guide 2017 ('Acas guidance'). This methodology has been adapted to use ethnicity information rather than gender information in the calculation. Some adaptations have been made to ensure its suitability for US pay gap reporting. The ordinary pay of all US employees, regardless of pay frequency, is taken for the full month of April.</p>	

3.5 Total employee headcount

Total employee headcount		Number
Definitions	<p>The employee headcount statistics we report are:</p> <ul style="list-style-type: none">• Total employee headcount• UK: full-time• UK: part-time• UK: female• UK: male• US: full-time• US: part-time• US: female• US: male. <p>Total employee headcount: All permanent National Grid employees, including those on parental leave or on a short/long-term leave of absence, part-time workers, graduates and interns. Excluded are temporary employees, contractors, contingent workers, managed service providers and Non-executive Board Members.</p> <p>Full time employment: An employee working a total number of hours in a week considered by National Grid as full time. Any employee who works fewer hours than this is considered part time.</p>	
Calculation and reporting method	<p>Data is continually recorded, tracked and extracted via our HR systems and extracted on an annual basis as at 31 March.</p>	

3.6 Temporary employees and agency workers

Temporary employees and agency workers		Number
Definitions	<p>Headcount by employment type is reported against the following categories:</p> <ul style="list-style-type: none">• UK: regular employees• UK: temporary employees• UK: agency employees• US: regular employees• US: temporary employees• US: agency employees. <p>Temporary employees: interns/trainees and seasonal hires, hired as temporary employees or hired for a specific duration of time.</p> <p>Agency employees: non-employees with vendor (Pontoon or UK Pertemps). This does not include managed service providers, consultants and other non-employees.</p>	
Calculation and reporting method	<p>Data is continually recorded, tracked and extracted via our HR systems and extracted on an annual basis as at 31 March.</p>	

Diversity tables

Parameter	Diversity status
Gender	
Male	non-diverse
Female	diverse
Ethnicity UK	
Any other	diverse
Asian – Bangladeshi	diverse
Asian – Indian	diverse
Asian – Pakistani	diverse
Asian – any other background	diverse
Black – African	diverse
Black – Caribbean	diverse
Black – any other background	diverse
Chinese	diverse
Gypsy or Irish Traveller	diverse
Mixed – White and Black African	diverse
Mixed – White and Black Caribbean	diverse
Mixed – White and Asian	diverse
Mixed – any other mixed background	diverse
White – any other White	non-diverse
White British/English/Scottish/Welsh/Northern Irish	non-diverse
White Irish	non-diverse
Prefer not to say	n/a
<null>	n/a
Ethnicity US	
American Indian or Alaskan Native	diverse
Asian	diverse
Black or African American	diverse
Hispanic / Latino	diverse
Native Hawaiian or Other Pacific Islander	diverse
Prefer not to say / Did not disclose	n/a
Two or more Races	diverse
White	non-diverse
<null>	n/a

Parameter	Diversity status
Disability UK	
Dyslexia	diverse
Hearing	diverse
Long-term health condition	diverse
Mental health	diverse
Mobility	diverse
More than one	diverse
Musculoskeletal	diverse
No disability	non-diverse
Other	diverse
Other 'neurodiverse'	diverse
Prefer not to say	n/a
Speech	diverse
Visual	diverse
<null>	n/a
Disability US	
Yes	diverse
No	non-diverse
Prefer not to say	n/a
<null>	n/a
Sexual orientation	
Heterosexual	non-diverse
Gay	diverse
Bisexual	diverse
Lesbian	diverse
I prefer to use my own term	diverse
Prefer not to say	n/a
<null>	n/a

Responsible business fundamentals

4.1 Safety

Fatalities		Number
Definitions	<p>Number of fatal injuries associated with work or activity undertaken by National Grid.</p> <p>Fatal injuries: Work-related injuries that directly result in death. Fatalities due to pre-existing conditions are not included unless where aggravated by a work-related incident.</p>	
Exceptions to Reporting Foundations	Employees, contractors, agency staff and members of the public are included. We do not include member of the public fatalities relating to our installed and properly functioning assets, for example, if an individual trespasses on a National Grid asset and is fatally injured, or a road traffic accident occurs where the vehicle came in contact with an asset and there was a fatality. i.e. where the presence of our asset was incidental rather than its failure being the cause of the fatality. Incidents are reported based on the incident date, with the exception of UK ED, where incidents are reported according to the date the incident was recorded. We are continuing to assess UK ED processes to align methods in the future.	
Calculation and reporting method	Data is recorded, tracked and extracted from our incident management systems, reviewed internally and summed.	
Lost time injury frequency rate (LTIFR)		Number
Definitions	<p>Total number of lost time incidents (LTIs) incurred as a portion of total hours worked by the workforce, multiplied by 100,000 to give a frequency rate which is per 100,000 hours worked.</p> <p>Lost time incident: events which cause injury and a loss of time over the next shift or following day from when the incident occurred. Some US specific reporting uses a different lost time definition where the time lost need not be immediate. This is consistent with local legislation, but for this purpose, we use a common definition which does require immediate time loss. In the US business this is referred to as an 'NG LTI.' Deferred lost time days or weeks after an incident is not included. In the UK weekends are included and in the US weekends are included if a doctor's note covers the weekend.</p>	
Exceptions to Reporting Foundations	Employees, contractors and agency staff are included. Incidents are reported based on the incident date, with the exception of UK ED, where incidents are reported according to the date the incident was recorded. We are continuing to assess UK ED processes to align methods in the future.	
Calculation and reporting method	<p>Data is recorded, tracked and extracted from our incident management systems and consolidated via the group incident management system.</p> <p>Calculation: $\text{total lost time incidents} / \text{total hours worked} \times 100,000 = \text{LTIFR}$.</p>	
Member of the public injuries as a result of National Grid work		Number
Definitions	<p>Number of injuries to a member of the public, associated with National Grid work or activity requiring direct hospitalisation for treatment.</p> <p>Associated with National Grid: If National Grid operations or the failure of National Grid assets contributed to the incident.</p>	
Exceptions to Reporting Foundations	<p>Members of the public are included. We do not include member of the public injuries where they relate to an unauthorised infringement on our asset, for example, if an individual trespasses on a National Grid asset and is injured, or a road traffic accident where the vehicle came in contact with an asset and there was an injury. i.e. where the presence of our asset was incidental rather than its failure being the cause of the injury. Weather events outside of National Grid's control are also out-of-scope.</p> <p>Incidents are reported based on the incident date, with the exception of UK ED, where incidents are reported according to the date the incident was recorded. We are continuing to assess UK ED processes to align methods in the future.</p>	
Calculation and reporting method	Data is recorded, tracked and extracted from our incident management systems, reviewed internally and summed.	

4.2 Network reliability

Network reliability

%

Definitions

The percentage reliability of our systems over the last year for: US ET; US ED; UK ET; and UK ED.

UK definitions:

- Total energy that would have been supplied to the system: Estimated unsupplied energy + total energy transmitted
- Estimated unsupplied energy: The operational volume not delivered over the relevant period
- Time in period: total minutes in the financial year
- The Customer Minutes Lost (excluding exceptions) data is based on planned and unplanned events and is calculated before exceptional events as finalised by Ofgem.

US definitions:

- Time in period: total calendar year minutes in financial year
- Total circuits: the total number of transmission lines in system
- Total Duration of Circuit Outages: the accumulated duration of transmission outages sustained in the system for the financial year, in minutes
- Total Customer Outage Duration: the accumulated customer hours impacted for the financial year
- Total Customer Hours serviced: a product of total customer count and total calendar year hours in financial year.

Calculation and reporting method

Data is continually recorded, tracked and extracted in their respective system operating systems.

Calculations:

- UK ET percentage reliability = $(1 - (\text{Estimated unsupplied energy} / \text{Total energy that would have been supplied by the transmission system})) \times 100$
- UK ED percentage reliability = $(\text{Total minutes in a year} - \text{Total customer minutes lost}) / \text{Total minutes in a year} \times 100$
- US ET percentage reliability = $(\text{Time in period} \times \text{Total Circuits} - \text{Total Duration of Circuit Outages}) / (\text{Time in period} \times \text{Total Circuits}) \times 100$
- US ED percentage reliability = $1 - (\text{Total Customer Outage Duration} / \text{Total Customer hours serviced}) \times 100$.

Assumptions: US ET and ED reliability includes major storm days.

4.3 Interconnector availability

Interconnector availability

%

Definitions

Availability: The percentage available of our interconnectors over the last year.

Total potential capacity (MWh): total energy that would be available for transmission if the interconnector operated at a nominal capacity continuously for the year.

MWh unavailable: energy that was not available for transmission, due to outages, calculated by multiplying the unavailable capacity by the duration of the outage.

Calculation and reporting method

Data is continually recorded, tracked and extracted at the respective interconnector control centres. The calculation is validated by the respective operations director and verified by either the director or an internal management accountant.

Calculation: $\% \text{ availability} = ((\text{Total potential MWh} - \text{MWh unavailable}) / \text{Total potential MWh}) \times 100$.

4.4 Supplier payments

Percentage of supplier payments paid to contractual term		%
Definitions	<p>Percentage of UK and US supplier payments made within the contractual term.</p> <p>Contractual term: period between the date an invoice is received and when the invoice is due to be paid. Note these vary across contracts/suppliers; the standard term is 42 days in the UK and 30 in the US. If suppliers' contractual terms are not defined, or vary between invoices, a judgement is made as to the primary overriding payment term. If an invoice is reversed, cancelled or paid outside of the purchase order process (non-standard payments), it is excluded from the calculation. Vendors who are in breach of their contractual terms are excluded.</p>	
Calculation and reporting method	<p>Data is continually recorded, tracked and extracted via our financial management systems.</p> <p>Calculation: (Total invoices paid within the contractual payment term/Total invoices paid within the reporting period) x 100.</p>	

4.5 National Grid Partners (NGP) investment

Responsible business aligned National Grid Partners (NGP) investment		£
Definitions	<p>Annual investment by NGP that supports our RBC.</p> <p>NGP is our dedicated corporate innovation and investment function.</p>	
Calculation and reporting method	<p>Data on amounts invested is recorded, tracked and extracted on a monthly basis via our financial management systems. All investments are evaluated as to whether it supports our RBC.</p> <p>Annual investment supporting our RBC approved on an annual basis by NGV CFO and summed.</p>	

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