

Key Board activities






Board meeting agendas are agreed in advance by the Chair, Chief Executive and Group Company Secretary, and are structured to ensure that key standing items are considered across the year, while providing time for deep-dives and flexibility for additional matters to be considered where appropriate.

The Board considers a number of standing items at each meeting, including:

- Chief Executive’s report
- Chief Financial Officer’s report
- Reports from the Board Committees
- Company Secretary’s report, including updates on governance matters and legal updates

The key matters considered by the Board during the year are set out below.

Link to strategy

-  Enable the energy transition for all
-  Build the networks of the future now
-  Deliver for customers
-  Operate safely and efficiently
-  Build tomorrow’s workforce today

Our stakeholders considered in Board discussions

- Customers
- Investors
- Colleagues
- Supply chain and delivery partners
- Communities
- Political and regulatory

The Board considers our key stakeholders in its decision making and, in doing so, ensures that the Directors comply with their duty under section 172 of the Companies Act 2006. Our section 172 statement and further information on our key stakeholders can be found on pages 22 to 24.

Strategy



Strategy, purpose and regulatory



The Board sets our strategy and spent significant time in the year considering the Company’s strategic execution. During the year, the Board:

- approved the Strategic Business Plan 2024;
- considered regulatory filings, including the filing for a multi-year rate agreement with the New York Public Service Commission (NYPSC);
- considered the potential impact to regulation and energy policy brought by changes in the political landscape in the US and the UK;
- considered the RIIO-T3 business plan submission for Electricity Transmission;
- oversaw the progress of transactions, including the sale of Grain LNG and National Grid Renewables;
- discussed capital allocation and financing strategy following the completion of the 2024 Rights Issue; and
- oversaw strategic infrastructure major project delivery, including those within the ASTI framework.



Responsible Business



Through the Safety & Sustainability Committee, the Board is responsible for considering the following throughout the year:

- the Responsible Business review contained within the Annual Report;
- progress against the Group’s key Responsible Business goals;
- progress against the Group’s sustainability strategy and emissions targets; and
- the setting and progress of business targets for the LTPP in relation to non financial metrics, specifically net zero transition measures.



Strategy offsite

The Board’s annual strategy meeting was held in February 2025 at an offsite location in Menlo Park, California where our National Grid Partners business is based. We reviewed the Company’s progress against its strategy, taking into consideration the considerable changes to the environment we’re operating in. It was also an opportunity to outline forward-looking priorities. Focus was given to AI and potential developments in this area and we met external influencers in this market, including Google and Nvidia, to hear about new developments and the impact on the energy market. We also met the following National Grid Partners portfolio companies around how our investments in these different companies and technologies are being utilised:

- LineVision;
- TS Conductor; and
- Veir.

This was followed by a number of deep dives into areas of the business, including our customer strategy, US businesses and potential opportunities for growth in our non-regulated businesses.

Financial



Financial



The Board receives updates on the Company's financial performance at each meeting and oversees the financial strategy across the Group. During the year, the Board:

- approved the 2024/25 budget;
- reviewed and approved the Strategic Business Plan, the five-year framework and the comprehensive financing plan aligned with the five-year framework, including the £7 billion Rights Issue announced in May 2024;
- recommended the 2023/24 final dividend to shareholders and approved the 2024/25 interim dividend;
- discussed and approved the Viability and Going Concern statements;
- considered and approved the Annual Report and Accounts, including Form 20-F;
- reviewed the bid defence and shareholder activism process;
- considered our Investor Relations strategy, including stock performance and engagement with investors and analysts, in particular in light of the completion of the £7 billion Rights Issue in May 2024; and
- reviewed the tax and insurance strategy and the performance of the Group sponsored defined benefit pension plans.

People and culture

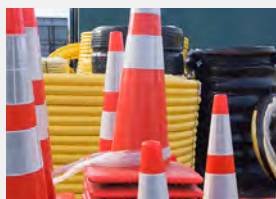


People, culture and values



Through the People & Governance Committee and the Remuneration Committee, the Board is responsible for monitoring and assessing the culture of the Group, as well as reviewing succession and executive remuneration in the context of the wider workforce. During the year, the Board:

- considered and approved an updated Workforce Engagement Plan and Non-executive Directors undertook workforce engagement activities;
- received updates on culture, including the results of Grid:Voice, our annual review of employee engagement and an overview of the Company's culture diagnostic;
- considered succession planning for senior management including the CEO, and the programmes that support the future talent pipeline;
- approved for publication the Gender and Ethnicity Pay Gap Report;
- approved the Remuneration Policy which is recommended for shareholder approval at the 2025 AGM;
- approved the grant of the 2025 Sharesave Plan; and
- reviewed the progress of the Company's Ethics Campaign roll-out.



Safety



Through the Safety & Sustainability Committee, the Board is responsible for the oversight of safety and wellbeing strategies and their implementation across the Group. During the year, the Board:

- conducted a review of our Safety, Health and Environment performance across the Group;
- conducted a review of Group Engineering performance;
- reviewed the results of the Group's 2024 Safety Culture Survey;
- received an update on climate adaptation and asset resilience strengthening efforts; and
- considered the initial reflections from the newly appointed Chief Health, Safety and Wellbeing Officer.

Oversight



Risk, controls and governance



The Board sets the approach to risk management and oversees the effectiveness of our internal controls, including our governance framework. During the year, the Board with the support of the Audit & Risk Committee:

- considered and approved the Annual Report and Accounts, including Form 20-F, as well as our Notice of AGM;
- approved the 2024 Rights Issue prospectus and related documentation;
- considered the Group's internal control and risk management processes;
- approved the GPRs, emerging risks and our risk appetite;
- considered compliance with the 2024 UK Corporate Governance Code;
- approved the Group's Modern Slavery Statement;
- undertook an annual refresh of the Group's Statement of Delegations of Authority;
- carried out an annual review of the Board Governance documents which included our Committees' Terms of Reference and Matters Reserved for the Board; and
- undertook an internal Board evaluation to review the effectiveness of the Chair, the Board and its Committees.