

Chair's statement



Dear Shareholders,

I am pleased to present the 2024/25 Corporate Governance Report which provides an overview of how our Board operates for the benefit of shareholders and other stakeholders. This year will be our final year of reporting against the 2018 UK Corporate Governance Code (the 'Code'), with which we are fully compliant. During the year, we have looked at our governance practices alongside the UK Corporate Governance Code 2024 (the '2024 Code'), to both ensure that we are compliant from 1 April 2025 and that we are aligned with the spirit of the Code in promoting good governance. We were pleased to note that we are already compliant with the updated provisions of the 2024 Code which we are required to report on next year.

Year in review

The Board has engaged with several key topics during the year. We carefully reviewed all elements of the 2024 Rights Issue, which concluded successfully. All of the representations regarding the Company and its strategy were scrutinised, including operations and future commitments. Leading up to the offering, our diligence included consideration of the delivery of our capital plans, disposals of non-core businesses, and regulatory matters. We periodically undertake 'deep-dives' into topics that require the devotion of extra time, often over several meetings or in off-cycle enrichment sessions. Among the topics under review during the year were: customer service strategy; adoption of, and investment in, technology; AI-related demand; connections policy; and the net zero policies of our various jurisdictions.

We also undertook an internally-facilitated evaluation of the Board's effectiveness, following three years in which we utilised independent external advice. The key observations from this review can be found on page 108.

Board composition and changes

Since our refreshment process began in 2021, seven new Board members have been inducted, including me. The service of only four current Board members pre-dates 2021, two of whom are Executive Directors. With this much change in expertise and outlook, Board members agreed that continuing to develop deeper expertise and collaboration was more important than further refreshment. As noted elsewhere in this Annual Report, a substantial amount of time was focused on succession and talent development. This responsibility is best undertaken by a board that has had some time to have contact with key managers and leaders in the organisation.

We had one notable change to the overall operation of the Board in the year under review. Julian Baddeley joined as Group Company Secretary in July 2024 following the creation of a standalone Group Company Secretary role, reflecting the wider remit and responsibilities of the new Chief Legal Officer role held by Justine Campbell. On 1 May 2025, we announced that Zoë Yujnovich will become our next Chief Executive upon the retirement of John Pettigrew. Zoë will join the Board on 1 September 2025, when she begins her employment as CEO Designate.

Employee engagement

We have continued with our programme of employee engagement through the year. This has included engaging with our employee resource groups, meeting high potential colleagues, and inviting leaders across the business to join the Board for informal discussions. Our Directors, and the Board as a whole, have also undertaken site visits across the business. These visits allow the Board to assess the ethos and culture of our business units and encourage open and honest communication.

In November 2024, the Board considered our alternative Board workforce engagement arrangement of 'Full Board Employee Voice' and determined that it continues to provide meaningful engagement across the business. Further information on the Board's interactions with employees and site visits can be found on pages 106 and 107.

Engagement with other stakeholders

As Chair, I engaged with investors across the year, particularly as part of the 2024 Rights Issue. As part of our Directors' Remuneration Policy review, Martha Wyrsh, Remuneration Committee Chair, reached out to large shareholders and investor bodies to seek constructive dialogue on the changes being proposed to Directors' remuneration.

All of our Committee Chairs make themselves available to meet with investors and investor bodies to discuss areas within the remit of their Committees. The Board also met with various external stakeholders during the year, including the Chair and CEO of the National Energy System Operator and the CEO of the New York Independent System Operator, so that we can understand matters and issues of concern first-hand.

Further information on our engagement with key stakeholders can be found in the 'Our stakeholders' section on pages 22 to 24.

AGM

I look forward to welcoming shareholders to our AGM on 9 July 2025, which will again be held in Warwickshire as a hybrid meeting, providing the opportunity for shareholders to join online or in person. Further details can be found in the Notice of AGM, which is available on our website.

Paula Rosput Reynolds

Chair

14 May 2025

Governance at a glance

UK Corporate Governance Code (the 'Code') – 2024/25 Compliance Statement

The Company is subject to the Principles and Provisions of the Code, published by the Financial Reporting Council in July 2018 (available at [frc.org.uk](https://www.frc.org.uk)). For the year ended 31 March 2025, the Board considers that the Company has complied in full with the Provisions of the Code. This Corporate Governance Report, taken as a whole, explains how the Company has applied the Principles and complied with the Provisions of the Code. The table below provides a guide to where the most relevant explanations are given:







Principles of the Code

1 Board leadership and company purpose		3 Composition, succession and evaluation	
A. The role of the Board and long-term sustainable success	4, 98	J. Board appointments and succession planning	110 – 111
B. Purpose, values, strategy and culture	2 – 3, 8 – 10, 14 – 17, 51 – 54, 106	K. Board and Committee skills, experience, knowledge and tenure	99 – 102, 110 – 111
C. Resources and prudent and effective controls	34 – 41	L. Board evaluation	108
D. Shareholder and stakeholder engagement	22 – 24, 104 – 107	4 Audit, risk and internal controls	
E. Workforce policies and practices	23, 51 – 54, 107	M. Independence and effectiveness of internal and external audit functions	117
2 Division of responsibilities		N. Fair, balanced and understandable assessment	113
F. Chair's leadership	4, 96 – 98	O. Risk management, internal control and determining the nature and extent of principal risks	34 – 41, 116
G. Board composition and division of responsibilities	99 – 102	5 Remuneration	
H. Time commitment and role of Non-executive Directors	99 – 102, 109	P. Remuneration policies and practices	121 – 149
I. Policies, processes, information and resources	96 – 98, 107, 276	Q. Director and senior management remuneration	121 – 149
		R. Independent judgement and discretion in remuneration outcomes	121 – 125

Details on information required for our US Securities and Exchange Commission (SEC) filing and the Form 20-F can be found on page 271.



Meeting attendance

The table below sets out Directors' attendance at the seven scheduled Board meetings also held during the year ended 31 March 2025. Two ad hoc meetings were held in the year.

Directors	Committee Chair	Board	People & Governance Committee	Audit & Risk Committee	Safety & Sustainability Committee	Finance Committee	Remuneration Committee
Paula Rosput Reynolds		7/7	3/3	–	–	–	–
John Pettigrew		7/7	–	–	–	3/3	–
Andy Agg		7/7	–	–	–	3/3	–
Ian Livingston		7/7	–	5/5	–	–	4/4
Jacqui Ferguson ¹		6/7	–	5/5	2/2	–	–
Iain Mackay ²		6/7	–	5/5	–	3/3	4/4
Anne Robinson ³		6/7	–	–	3/4	–	4/4
Earl Shipp		7/7	3/3	–	4/4	–	–
Jonathan Silver ⁴		7/7	3/3	1/1	–	3/3	–
Tony Wood		7/7	3/3	–	4/4	–	–
Martha Wyrsh		7/7	–	–	4/4	–	4/4

- Jacqui Ferguson was unable to attend the July 2024 Board meeting due to illness. Jacqui received all Board papers and had the opportunity to provide comments to the Board prior to the meeting. Jacqui Ferguson joined the Safety & Sustainability Committee on 5 July 2024 and attended all meetings held after her appointment.
- Iain Mackay was unable to attend the May 2024 Board meeting due to a pre-existing commitment. Iain received all Board papers and had the opportunity to provide comments to the Board prior to the meeting.
- Anne Robinson was unable to attend the July 2024 Board and the March 2025 Safety & Sustainability Committee meetings due to pre-existing commitments. Anne received all Board and Committee papers and had the opportunity to provide comments prior to the meetings.
- Jonathan Silver stepped down from the Audit & Risk Committee effective 5 July 2024.

Committee

 Audit & Risk Committee	 People & Governance Committee	 Safety & Sustainability Committee
 Finance Committee	 Remuneration Committee	 Group Executive Committee

Corporate governance overview

We have a high-functioning and balanced Board. Our governance framework ensures that the Board is effective in its decision making and in its oversight of the Group’s activities, complementing our values of do the right thing, find a better way and make it happen.

Governance structure

The schedule of matters reserved for the Board and the Terms of Reference for each of our Board Committees are available in our Board Governance document which can be found on our website.

Our governance framework

Board of Directors

The Board is responsible for the effective oversight of the Group. It determines the Group's strategic direction and objectives, business plan, dividend policy, viability and governance structure to help achieve long-term success and deliver sustainable shareholder value. It is also responsible for establishing the Company's strategy, purpose, values and culture. The Board considers key stakeholders in its decision making and, in doing so, ensures that Directors comply with their duty under section 172 of the Companies Act 2006 (see page 22).

To operate efficiently and maintain appropriate oversight and consideration over relevant matters, the Board delegates certain responsibilities to the Board Committees. The Chair of each Committee reports to the Board on their respective Committee's activities, and Committee papers and minutes are available to all Directors unless there is an actual or perceived conflict of interest.

Board Committees


People & Governance Committee

- Composition of the Board and its Committees
- Succession planning
- Corporate governance Framework
- Board workforce engagement strategy

 pages 110 – 111

Audit & Risk Committee

- Financial reporting
- Internal control and risk management framework
- Compliance
- Internal and external audit
- Whistleblowing
- Responsible Business disclosures and assurance

 pages 112 – 118

Safety & Sustainability Committee

- Safety, including occupational, public and process safety
- Sustainability, including the impact of the Group's operations on stakeholders

 page 119

Finance Committee

- Treasury
- Tax
- Pensions and post-retirement plans
- Insurance
- Commodities

 page 120

Remuneration Committee

- Remuneration framework for the Chair, Executive Directors and Group Executive Committee members
- Remuneration practices and policies for the wider workforce

 pages 121 – 125

Board composition and roles

As at the date of this report, the Board comprises a Non-executive Chair (independent on appointment), two Executive Directors (Chief Executive and Chief Financial Officer) and eight independent Non-executive Directors. Biographies for each of our Directors can be found on pages 99 to 102.

There is a clear division of responsibilities between the Chair, the Chief Executive and the Senior Independent Director. The key responsibilities of each role are set out in our [Board Governance document](#) which can be found on our website.

Group Executive Committee and other management committees				
<p>The Group Executive Committee oversees the safety, operational and financial performance of the Company. It is responsible for making the day-to-day management and operational decisions it considers necessary to safeguard the interests of the Company and to execute the strategy, business objectives and targets established by the Board.</p> <p>Biographies for the Group Executive Committee members can be found on our website. The Group Executive Committee is supported by management committees, including:</p>				
<p>Safety, Health & Sustainability Committee</p> <p>Provides oversight and strategic guidance on Group-wide safety, health and sustainability matters affecting the Company and its stakeholders.</p>	<p>Reputation & Stakeholder Management Executive Committee</p> <p>Assesses the broader external context in which the Company operates and provides strategic oversight for external engagement.</p>	<p>Ethics, Risk & Compliance Committee</p> <p>Oversees the implementation of the Group’s risk management and compliance framework and assessment of the Group’s principal risks.</p>	<p>Policy & Regulation Committee</p> <p>Agrees and provides strategic oversight of Group public policy priorities and positions.</p>	<p>Investment Committee</p> <p>Has delegated authority to approve investment decisions across the Group.</p>

Our Board



Paula Rosput Reynolds
Chair

Appointed: Independent Non-executive Director on 1 January 2021 and Chair on 31 May 2021

Age: 68

Skills and competencies: Paula brings a wealth of board-level experience to National Grid, having led global companies in the energy and financial sectors. She has over 20 years' experience as a Non-executive Director in both the UK and US across multiple sectors and businesses, and has brought a strategic and regulatory lens on issues to the Board. During her career, Paula has played a vital role with several company-wide transformations and mergers. She is recognised for having transformed AGL Resources from a local utility into a multi-state energy and telecommunications company, and for materially enhancing the operating and financial performance of Safeco Corp, a US insurance company that was ultimately acquired by Liberty Mutual.

External appointments:

- Non-executive Director of GE Vernova and Chair of the Safety & Sustainability Committee
- Non-executive Director of Linde plc

Committee membership:



John Pettigrew
Chief Executive

Appointed: Executive Director on 1 April 2014 and Chief Executive on 1 April 2016

Age: 56

Skills and competencies: John has extensive experience in the utility sector. He joined National Grid as a graduate in 1991 and has progressed through many senior management roles. As Chief Executive, John is responsible for executive leadership and day-to-day management of the Group, bringing significant know-how and commerciality to ensure delivery of the strategy. He has delivered transformational organisational and portfolio change, positioning National Grid strongly for the energy transition. John engages widely with governments, policy makers and other stakeholders, helping to shape energy policy. He is a Fellow of the Energy Institute and of the Institution of Energy and Technology.

External appointments:

- Senior Independent Director of Rentokil Initial plc

Committee membership:



Andy Agg
Chief Financial Officer

Appointed: 1 January 2019

Age: 55

Skills and competencies: Andy trained and qualified as a Chartered Accountant with PricewaterhouseCoopers and is a member of the Institute of Chartered Accountants in England and Wales. Joining National Grid in 2008, Andy has significant financial experience and commercial acumen, having held a number of senior finance leadership roles across the Group, including Group Financial Controller, UK Chief Financial Officer and Group Tax and Treasury Director. Andy has in-depth knowledge of National Grid, in both the UK and the US, and has broad experience across operational and corporate finance roles, including a proven track record of leading and delivering value-creating strategies, significant transformation programmes, and significant transactional experience. Andy is also a member of the 100 Group Main Committee contributing to domestic and international finance and regulatory matters.

External appointments:

- Non-executive Director of The Weir Group plc

Committee membership:



Committee membership



Audit & Risk Committee



People & Governance Committee



Safety & Sustainability Committee



Committee Chair



Finance Committee



Remuneration Committee



Group Executive Committee

Biographies, tenure and age as at 14 May 2025

Our Board continued



Ian Livingston
Senior Independent Non-executive Director

Appointed: 1 August 2021

Age: 60

Skills and competencies: Ian brings a wealth of experience to National Grid, having been both CEO and CFO of BT Group plc, and CFO of Dixons Group. In addition to a highly successful executive career, he has also had extensive non-executive experience in large UK and US public companies as board, audit and remuneration committee chair.

Ian also has significant experience of large, regulated companies operating in both the UK and internationally. He is a member of the House of Lords and has also previously served in the UK Government as Minister of State for Trade and Investment. He is a qualified Chartered Accountant.

External appointments:

- Chair of S&P Global Inc.
- Chair of BGF Group plc
- Member of the House of Lords

Committee membership:



Jacqui Ferguson
Independent Non-executive Director

Appointed: 1 January 2024

Age: 54

Skills and competencies: Jacqui has significant non-executive experience in complex science and technology-centric businesses and in her executive career as a divisional CEO in the technology industry. She has global broad business experience, including in mergers and acquisitions, and has worked across numerous international and emerging markets. Jacqui has expertise in leading technology-enabled transformations, digital, cyber security, technology and business process solutions. Jacqui has formerly held various senior positions with Hewlett Packard (HP), including Chief of Staff to the Chairman and CEO, Senior Vice President HP Enterprise Services, Electronic Data Systems (which was acquired by HP) and KPMG.

External appointments:

- Senior Independent Director and Remuneration Committee Chair of Croda International plc
- Senior Independent Director at Softcat plc

Committee membership:



Iain Mackay
Independent Non-executive Director

Appointed: 11 July 2022

Age: 63

Skills and competencies: Iain has significant financial experience, gained in a range of sectors and operating in regulated environments globally. He was most recently Chief Financial Officer at GSK plc, where he was responsible for several of its key global functions, including Finance, Investor Relations and Technology. Prior to this, Iain was Group Finance Director at HSBC Holdings plc for eight years, working across Asia, the US and Europe, and previously worked at General Electric, Dowell Schlumberger and Price Waterhouse. Iain's extensive background knowledge and financial expertise allow him to effectively chair the Audit & Risk Committee. Iain is a member of the Institute of Chartered Accountants of Scotland, holds an MA in Business Studies and Accounting, and received an Honorary Doctorate from Aberdeen University in Scotland.

External appointments:

- Non-executive Director of Schroders plc
- Non-executive Director of UK Government Investments Ltd
- Non-executive Director of O-I Glass, Inc.

Committee membership:



Committee membership

- Audit & Risk Committee
- People & Governance Committee
- Safety & Sustainability Committee
- Committee Chair
- Finance Committee
- Remuneration Committee
- Group Executive Committee

Biographies, tenure and age as at 14 May 2025



Anne Robinson
Independent Non-executive Director

Appointed: 19 January 2022

Age: 54

Skills and competencies: Anne has over 20 years' legal experience in the financial services industry, where she has counselled senior executives on a wide range of legal, regulatory and business issues. She currently serves as Senior Vice President and Chief Legal Officer at IBM. Anne brings to the Board expansive and varied legal experience in the financial services and consulting fields as well as experience of working closely with boards and investors on a broad range of ESG issues. Anne earned a BS from Hampton University and a JD from Columbia University Law School, and is an advocate for sponsorship and mentorship of other women in the legal profession.

External appointments:

- Senior Vice President and Chief Legal Officer at IBM

Committee membership:



Earl Shipp
Independent Non-executive Director

Appointed: 1 January 2019

Age: 67

Skills and competencies: Earl has substantial experience in the global industrial and energy sectors as an Executive and Non-executive Director. With a career of over 40 years in the chemical industry, he has a track record of successfully leading transformative growth projects and driving pioneering technology innovation.

Earl is a former chair of the US Federal Reserve Bank of New Orleans and was a member of the Federal Reserves Energy Advisory Committee for several years. He has an enhanced knowledge of cyber risk having graduated from the Carnegie Mellon University Cyber-Risk Oversight Program for Corporate Directors.

External appointments:

- Non-executive Director of Olin Corporation
- Non-executive Director of Great Lakes Dredge and Dock Co.

Committee membership:



Jonathan Silver
Independent Non-executive Director

Appointed: 16 May 2019

Age: 67

Skills and competencies: Jonathan has considerable knowledge of the US-regulated energy environment, and experience and understanding of integrating public policy and technology into a utility. Jonathan's previous work in the US Department of Energy included leading the Federal Government's \$40 billion clean energy investment fund and a \$20 billion fund focused on electric vehicles. Jonathan's strong background in finance and Government policy, along with his long career at the intersection of policy, technology, finance and energy, brings innovative insight to the Board's policy discussions and to its interaction with management.

Jonathan's former roles include consultant at McKinsey in the Financial Institutions practice, COO of Tiger Management, Senior Advisor to Guggenheim Securities and Senior Policy Advisor to the US Secretary of Commerce and the US Secretary of the Interior.

External appointments:

- Advisor at Apollo Global Management, Inc.
- Chair of Terram Lab

Committee membership:



Committee membership

A Audit & Risk Committee

P People & Governance Committee

S Safety & Sustainability Committee

◆ Committee Chair

F Finance Committee

R Remuneration Committee

E Group Executive Committee

Biographies, tenure and age as at 14 May 2025

Our Board continued



Tony Wood
Independent Non-executive Director

Appointed: 1 September 2021
Age: 59
Skills and competencies: Tony has proven business leadership credentials as an experienced Chief Executive and brings to the Board significant engineering experience. Tony is also a Fellow of the Royal Aeronautical Society. He was most recently Chief Executive of Meggitt plc and led the operational and cultural transformation of the company, transitioning from an industrial holding structure to a focused and customer-led business, leveraging technology investment.
Tony was formerly President of the Aerospace division of Rolls Royce plc and developed a strong reputation as an operator, turning around and growing several challenging business units and internationalising the company’s footprint.

- External appointments:**
- Non-executive Director of Airbus SE
 - Chair of Chemring Group plc

Committee membership:

P S



Martha Wyrsh
Independent Non-executive Director

Appointed: 1 September 2021
Age: 67
Skills and competencies: Martha has held a number of senior positions in the energy industry and has significant experience of the US market. She has served as General Counsel of energy and utility companies and was CEO of the divisions of major energy companies, including a major international gas transmission business, as well as leading the growth and development of the renewables business of Vestas in the US.
As an accomplished Director for publicly listed companies in both the UK and the US, Martha brings to the Board relevant experience across the renewable energy sector, as well as a strong understanding of the US regulatory environment, having previously held leadership roles in large US-regulated utility businesses.

- External appointments:**
- Director of Quanta Services, Inc.
 - Director of First American Financial Corp
 - Advisor to Summit Carbon Solutions

Committee membership:

R S



Julian Baddeley
Group Company Secretary

Appointed: 1 July 2024
Age: 44
Skills and competencies: Julian is a Chartered Company Secretary and corporate lawyer. Prior to joining National Grid, Julian served as Group Company Secretary of abrdn plc, previously known as Standard Life Aberdeen. He has extensive Board, C-suite, transactional and regulatory experience in, or advising, large FTSE100 organisations from his former roles at Aviva, Clifford Chance, Friends Life and Cadbury plc. Julian is responsible for guiding the Board in governance matters and leading the Company Secretariat function.

- External appointments:**
- Independent Director/Trustee of ShareGift and Chair of the Audit Committee

Committee membership:

None

Committee membership

- A** Audit & Risk Committee
- P** People & Governance Committee
- S** Safety & Sustainability Committee
- Committee Chair**
- F** Finance Committee
- R** Remuneration Committee
- E** Group Executive Committee
- Biographies, tenure and age as at 14 May 2025

Group Executive Committee



John Pettigrew
Chief Executive



Andy Agg
Chief Financial Officer



Justine Campbell
Chief Legal Officer



Alice Delahunty
President, UK Electricity Transmission



Courtney Geduldig
Chief Corporate Affairs Officer



Sally Librera
President, National Grid New York



Talvis Love
Chief Information and Digital Officer



Cordi O'Hara
President, UK Electricity Distribution



Will Serle
Chief People Officer



Steve Smith
Chief Strategy and Regulation Officer



Carl Trowell
President, UK Strategic Infrastructure



Lisa Wieland
President, National Grid New England



Ben Wilson
President, National Grid Ventures

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





Responsible Business





Strategy offsite

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.

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.

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

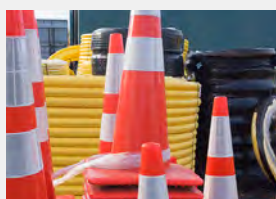


People, culture and values



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.

Culture and workforce engagement

The Board's role in establishing and promoting the Group's culture

The Board is responsible for ensuring that the Group's culture is aligned with its purpose, values and strategy and for assessing and monitoring how the desired culture has been embedded across the Group. The Board is committed to embedding the culture needed to support the delivery of our five-year plan.

The Board is supported in this by the People & Governance Committee which monitors the effectiveness of workforce engagement and reports to the Board on alignment with the Company's strategy, purpose, values and culture.

The Board assesses and monitors how the Company's desired culture has been embedded by:

- considering feedback from the People & Governance Committee on its review of the annual culture diagnostic;
- discussing and reviewing reports at Board meetings related to culture, engagement and employee conduct;
- considering the results of the twice-yearly engagement surveys and onboarding and exit surveys, which drive further insight and understanding of culture and colleague sentiment;
- overseeing management's delivery of a wide range of culture engagement and conduct programmes, including our 'Living our Values' recognition programme, and monitoring the impact of these programmes via management's regular reports to the Board; and
- considering feedback from the Remuneration Committee on its approach to investing in and rewarding the workforce.

The Chief People Officer attended the Board meeting in March 2025 to present the results of the annual culture diagnostic which showed a continued shift towards a more results and purpose-led culture. This followed a similar presentation in November on the half-year employee survey. Clarity, pride and motivation were identified as clear strengths for the organisation, pointing to the unique role that National Grid plays in the communities it serves.

The Chief People Officer also provided an update on progress made against the Group's People Strategy, including the Group's ambition to 'Build Tomorrow's Workforce Today'. Based on previous feedback received, management has continued to evolve the Group's communication channels to ensure that all colleagues are provided with useful, relevant and targeted information, and has strengthened focus on seeking feedback from town halls, site visits and engagement surveys.

Senior management supports the Board in embedding and reinforcing the Group's culture across various forums, including:

- regular CEO webcasts to provide feedback on performance at an organisational level while reinforcing performance expectations; and
- regular meetings of the Senior Leadership Group (SLG) focusing on performance, aligning and engaging senior leaders on the challenges ahead.

Several campaigns support the Board in embedding the Company's culture; 'BIG Work' which targeted all colleagues to help them to understand the impact of their role and contribution on the overall performance on the organisation, and the 'Living our Values' recognition campaign, which surfaces and celebrates Company values in action. Our established 'Appreciate' recognition scheme allows colleagues to recognise peers who have demonstrated our values in their work all year round.



Further information on culture can be found on [page 110](#).



Board and workforce engagement

During the year, the Board took the opportunity to review and refresh its workforce engagement programme while continuing with the 'Full Board Employee Voice' approach. Four key pillars of engagement were created to support this: talent, site visits, wider workforce (including Employee Resource Groups) and Board and Committee reporting. The Board agreed that our four pillar structure provided a variety of engagement opportunities, reaching a breadth of colleagues while maintaining a focus on distilling colleague sentiment to the Board. Examples of the Board's engagement during the year are set out below.

Engagement activity	Engagement in action
Talent Provides engagement opportunities with various talent cohorts across the Company and increases familiarity between the Board and succession candidates.	<ul style="list-style-type: none"> In July 2024, the Board held an informal dinner with the UK SLG, providing an opportunity for engagement with UK senior leaders. A similar event was then held with the US SLG in March 2025. Two Non-executive Directors and the Chief Executive attended the Company's engineering dinners and met with our engineering talent in the UK in July 2024 and the US in March 2025. In November 2024, the Board attended an informal lunch with individuals from the Next Generation Development Programme, a programme aimed at strengthening senior management succession planning. High-potential individuals also accompany the Board on certain site visits as well as taking part in wider workforce engagement events.
Site visits Provides the Board exposure to the workforce based at key sites across the organisation and the opportunity to hear from the workforce on the ground and 'in real time'.	Our Non-executive Directors visited a number of operational sites during the year, including: <ul style="list-style-type: none"> the Hinkley Connection Project, in April 2024; the Bramley to Melksham Overhead Line Upgrade Project across the East Coast of England, in July 2024; the Electricity Distribution Customer Contact Centre in Leicestershire, in August 2024; the Northport Power Station in Long Island, in November 2024; and the Floyd Bennett Field Hanger in New York, in March 2025.
Wider workforce Ensures that the Board has the opportunity to hear from a wide cross section of the workforce, including those colleagues who may not be captured through the other pillars of the Board's engagement programme.	<ul style="list-style-type: none"> In June 2024, one of our Non-executive Directors attended our annual ERG summit held in Warwick, which included discussions on executive sponsorship and leadership development. For Black History Month, senior leaders across the Group were joined by two of our Non-executive Directors in a roundtable discussion webcast, hosted by the Alliance of Black Professionals ERG. The Chief Executive hosted Grid:live all employee webcasts through the year. In July 2024, a webcast focused on opening up a 'Big Conversation' based around the 'Big Work' ongoing across the organisation. In December 2024, our Chief Executive and other senior leaders hosted a webcast to introduce our 'Living our Values' campaign. Both webcasts provided colleagues from across the organisation with an opportunity to ask questions in an informal forum. In February 2025, the Board met with our National Grid Partners leadership team, as part of the strategy offsite, to hear about the work ongoing to find and develop innovative technology that will aid the Company in achieving its deliverables and play its part in the energy transition. In February 2025, the Chair of the Remuneration Committee met with employees, to hear their views on workforce remuneration and to discuss how executive remuneration aligned with wider Company pay policy. Employees shared their thoughts on the Company's remuneration policies and the meeting discussions included the alignment of remuneration with the Company's desired culture and strategy.
Board and Committee reporting Provides the Board and its Committees with the relevant data to support the other engagement pillars.	The Board and Committees received various updates as part of their usual cadence of reporting which provided data to support the previous three pillars of engagement. This reporting is used to tailor engagement across specific areas. Three areas of focus during the year have been: <ul style="list-style-type: none"> Grid:Voice - this outlined results from the employee survey, held annually as well as a snapshot at the mid-year point; Culture diagnostic analysis - this provided an overview of the perceived and actual culture within the organisation and actions to aid with achieving desired cultural behaviours; and Succession planning - updates were received outlining the Company's succession framework as well as including progress of individuals within different talent cohorts.

Feedback and engagement insight

Following engagement activities, the Directors provide feedback in subsequent Board meetings. The Board takes the time to discuss the views of the workforce and takes these views into consideration in wider Board and Committee discussions.



Further details on Grid:Voice can be found on [page 20](#).

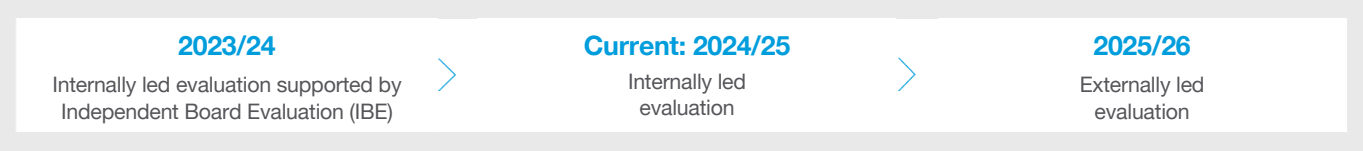
Board evaluation

Our annual evaluation process provides the Board and its Committees with an opportunity to consider and reflect on the quality and effectiveness of decision making and the contribution and performance of individual members.

Approach, methodology and outcomes

For 2024/25, the Board undertook an internal evaluation in the form of a confidential and anonymised questionnaire, considering the effectiveness of the Chair, the Board and its Committees. The format of the evaluation was agreed by the Chair with the support of the Group Company Secretary. The Board agreed that the internal evaluation should be focused on building on the views and feedback received from the previous year’s evaluation.

The evaluation concluded that the Chair, the Board and its Committees had performed well and had continued to be effective over the past year. As 2024/25 is the last year of the three-year cycle, the 2025/26 evaluation will be an externally led evaluation, in line with the Code requirements.



Progress against our 2023/24 evaluation actions		
Recommendations	Actions	Progress
Succession planning	Focus on engagement and succession planning for executive talent.	<ul style="list-style-type: none">Revised forward planners for the People & Governance Committee to appropriately spread succession and executive talent updates.Implemented an enhanced Board engagement plan for executive talent.Developed a succession framework for senior management roles.
Committee structure	Ensure Committee structure is appropriate for increasing focus on sustainability and the energy transition.	<ul style="list-style-type: none">Undertook benchmarking to consider the Committee structure and responsibilities. This was considered and determined as fit for purpose for the 2024/25 year but with a commitment to ongoing review.
Risk reporting	Review risk reporting to the Board.	<ul style="list-style-type: none">New Chief Risk Officer appointed.Review of GPR allocation to Board and Committees.Updated risk reporting framework implementation to better demonstrate risk assessments at Group and Business Unit level.
Board support	Continue to focus on Board material improvements to ensure clarity, conciseness and efficient use of Board time.	<ul style="list-style-type: none">A new paper writing portal with additional AI features implemented to assist paper authors.Board paper writing training made available to paper authors.

Outcomes from our 2024/25 evaluation	
Recommendations	Actions
Succession Continue to give focus to senior leadership succession and the Board’s exposure to senior management.	<ul style="list-style-type: none">In 2024/25 dedicated deep-dives were introduced for the following areas i) CEO succession ii) senior management iii) wider workforce development programmes. Providing these focused opportunities will continue to form part of 2025/26 planning.Continue the frequency and variety of engagement, both formal and informal, between the Board and senior management and the wider talent pipeline.
Governance framework Following the completion of the 2024 Rights Issue and the commencement of the Company’s capital delivery programme, assess the Board Committee structure to ensure its scope evolves in line with the Company’s operations and external environment.	<ul style="list-style-type: none">Review the Committee structure particularly in respect of risk, sustainability, reputation, operational and financing matters.Assess if the continued ownership of all the Company’s GPRs by the Audit & Risk Committee remains the most optimal and time efficient oversight model.

Directors' induction, development and training



The Group Company Secretary supports the Chair of the Board in ensuring that each Non-executive Director receives a comprehensive induction programme on appointment. The induction programme is designed to align with each Non-executive Director's role on the Board, their background and existing experience. The programme includes introductory meetings with the other Board Directors, overviews of each business unit led by the relevant President, site visits, and roundtable discussions with key teams around the business, tailored to the Director's Committee memberships.

In order to support ongoing training and development and to ensure the Board has the depth of knowledge required across different areas of the business, a number of enrichment sessions were offered throughout the year covering different matters. These are used to complement areas of focus on the Board agenda or to provide an opportunity for further detailed discussion from a previous report to the Board.

- July 2024 – Connections
- August 2024 – Environmental provisions
- September 2024 – US Transmission networks
- January 2025 – Generative AI
- January 2025 – Remuneration Policy review, including financial performance measures and the Company's Annual Performance Plan (APP) and Long-Term Performance Plan (LTPP)

The Board is also regularly briefed on corporate governance and regulatory matters by the Group Company Secretary.

Time commitment

The Board monitors external appointments and considers any potential conflicts of interest prior to approving the appointment of a Director. On accepting their appointment with the Company, Directors must confirm they are able to allocate sufficient time to discharge their responsibilities effectively. Directors are expected to attend meetings of the Board and any Committees of which they are members and devote sufficient time to prepare for this in advance. Directors are also encouraged to undertake site and office visits.

Before accepting any new external appointments, Directors are required to obtain the prior approval of the Board. The Board considers new external appointments in light of each Director's other appointments and roles on the Board. For each new external appointment approved by the Board during the year, the Board concluded that it would not impact each Director's ability to perform their duties and, accordingly, the Board gave its prior approval in each instance.

Re-election of Directors

The People & Governance Committee considers, in respect of each Director, their skills and experience, time commitment and tenure as part of the Board's recommendation to shareholders for their election or re-election of Directors. The Board believes that each Director who is being put forward for re-election at the 2025 AGM brings considerable knowledge, wide-ranging skills and experience to the Board, makes an effective and valuable contribution, and continues to demonstrate commitment to their role. The Board also considered the continued independence of all Non-executive Directors and considers them all to be independent in line with the Code.