



nationalgrid

nationalgrid

Responsible Business

Our Reporting Methodology

2025/26



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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 2025/26 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, the UK and US responsible business reporting year aligns with the financial year (1 April and 31 March). 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
- Significant 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 of our GHG emissions are reported on a gross basis. While our focus is on decarbonising our business in line with a 1.5°C reduction pathway, we do not plan to use carbon offsetting to meet our near-term science base targets. However, we do use limited carbon offsets to help our emission reduction efforts. We follow Science Based Targets initiative (SBTi) guidelines and buy high quality carbon credits to offset GHG emissions we cannot reduce further, as per our internal carbon offsetting policy.

Joint operations

As of 31 March 2026, the Group's incorporated joint operations are as follows:

- Eastern Green Link 1 Limited and Eastern Green Link 4 Limited (joint party: SP Transmission)
- Eastern Green Link 2 Limited and Eastern Green Link 3 Limited (joint party: Scottish Hydro Electric Transmission plc)
- 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

In the Annual Report and Accounts, we present two comparative financial years to align with the financial periods included in that report and to support consistency and comparability of financial performance. In contrast, the Responsible Business Data Tables are designed to support sustainability performance tracking and therefore provide one prior-year comparative, alongside progress measured against approved baseline years and targets. This approach ensures clarity of trend analysis while remaining proportionate and aligned to the purpose of each reporting output. The main changes to our global operations within the last three years are as follows:

- Grain LNG and National Grid Renewables were disposed of in November 2025 and May 2025 respectively and are excluded from 2025/26 Responsible Business reporting, in line with our disposals policy (see 'Acquisitions, mergers and disposals' section below).
- The Electricity System Operator (ESO) separated from National Grid on 1 October 2024, with the National Energy System Operator (NESO) established under government ownership; ESO data is excluded from 2024/25 reporting in accordance with our disposals policy.
- Viking Link, the UK–Denmark subsea interconnector, became operational in December 2023 and is fully included across all relevant Responsible Business metrics from 2024/25, following inclusion of 'Interconnector capacity' metric for 2023/24, as it was operational by 31 March 2024.

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 financial year 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 financial 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. For 2025/26, we have engaged Deloitte to provide independent limited assurance (ISAE 3000 and 3410) for our most significant RB metrics. For 2024/25 and 2023/24 periods, Deloitte and PricewaterhouseCoopers LLP (PwC) provided independent limited assurance (ISAE 3000 and 3410) for selected RB metrics, respectively. 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 at the time of target validation, 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 with quantified targets, 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 commitments, 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)

2025/26 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 APLMA, LMA and LSTA Green Loan Principles published in March 2025. 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 ninth 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 2025/26.

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.

Scope 1

ktCO₂e

Definitions

Scope 1 emissions are direct emissions from the operational activities of National Grid and are broken down into:

- (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 tCO₂e using appropriate emission factors, as described within each table under section 1.3. The tCO₂e is then consolidated into the relevant subsets of information within our Group environmental reporting tool.

Scope 2 market-based

ktCO₂e

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

All activities feeding into Other Scope 2 GHG emissions are reviewed to identify whether they are in scope of the market-based inventory.

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.

Line Losses are calculated with the location based factor or relevant grid average factors as they are not considered to be a Scope 2 emission source that is subject to market or competitive purchasing conditions.

Scope 2 location-based

ktCO₂e

Definitions

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's transmission 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:

- (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 tCO₂e using appropriate emission factors, as described within each table under section 1.3. The tCO₂e is then consolidated into the relevant subsets of information within our Group environmental reporting tool.

Our environment

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)

ktCO₂e

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. Spendcube converts spend from GBP to USD using daily conversion rates sourced from our accounting system. 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)

ktCO₂e

Definitions	Category 5 emissions includes all waste generated from our operations, including office waste, operational waste and construction waste by National Grid field operations. For specific exclusions refer to individual BU waste tables under section 1.3.
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)

ktCO₂e

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.

Our environment

Scope 3 Category 6 (Business Travel – air travel only)

ktCO₂e

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 for CO₂, CH₄ and N₂O are then multiplied by the GWP for each gas, before being summed to calculate total emissions in tCO₂e.</p>

Scope 3 Category 11 (Use of Sold Products)

ktCO₂e

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.

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. Spend amounts exchanged using average FY26 GBP USD rates.</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 2026 CDP response, using estimated emission calculations.

Our environment

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.

Calculation and reporting method tCO₂e/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 tCO₂e / 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. Applicable to our US business only. 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 tCO₂e.

Our environment

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
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.	Scope 1 Fossil fuel generation Scope 3 Cat. 3 (WTT)
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 kWh 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: – 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 gas higher heating value, 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	Emissions from leaks from natural gas distribution mains pipeline.	Metric
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.	Scope 1 Natural gas emissions from fugitives and venting
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 and CH ₄ , and then by the GWP for each gas, before being summed to calculate total Scope 1 emissions in tCO ₂ e.	

Our environment

US gas distribution fugitives from services

		Count
Definitions	Emissions from leaks from natural gas distribution services pipeline.	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 and CH ₄ , 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	Emissions from leaks of natural gas from customer meters.	Metric Scope 1 Natural gas emissions from fugitives and venting
Exceptions to Reporting Foundations	Counts will be reported as of February. This data sufficiently represents the fiscal year timeline with a negligible difference between actual year-end results after March as fluctuations in counts do not vary significantly.	
Base activity calculation method	The number of customer accounts by customer type are extracted from the customer billing system and are used as a proxy for the number of meters. 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 customer type are multiplied by EPA emission factors for CO ₂ and CH ₄ , and then by the GWP for each gas, before being summed to calculate total Scope 1 emissions in tCO ₂ e.	

US gas distribution venting from pipelines

		Length/miles
Definitions	Emissions from 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 and CH ₄ , and then by the GWP for each gas, before being summed to calculate total Scope 1 emissions in tCO ₂ e.	

US gas transmission venting from pipelines

		Length/miles
Definitions	Emissions from 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 and CH ₄ , and then by the GWP for each gas, before being summed to calculate total Scope 1 emissions in tCO ₂ e.	

Our environment

US gas pneumatic venting

		Count
Definitions	Emissions from 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 and CH ₄ , 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	Emissions from 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	Mileage 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	Mileage by pipe type is multiplied by EPA emission factors for CO ₂ and CH ₄ , 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	Emissions from 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. This activity requires estimation as fugitive emissions are not directly measured.	
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 and CH ₄ , 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	Emissions from 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. Data for NE is collected every 5 years.	
Base activity calculation method	Surveys are performed at transfer stations to calculate equipment leak emissions per component type. This activity requires estimation as all fugitive emissions are not directly monitored.	
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 and CH ₄ , and then by the GWP for each gas, before being summed to calculate total Scope 1 emissions.	

Our environment

US gas fugitives from below grade stations		Count
Definitions	Emissions from leaks of natural gas from below ground Metering & Regulation (M&R) and Transfer-Distribution (T-D) transfer stations.	Metric
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.	Scope 1 Natural gas emissions from fugitives and venting
Metric reporting method	Counts by pressure range are multiplied by EPA emission factors for CO ₂ and CH ₄ , and then by the GWP for each gas, before being summed to calculate total Scope 1 emissions in tCO ₂ e.	
US NGV generation fugitives from mains		Distance/miles
Definitions	Emissions from 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 (as there has been no new construction). 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 CO ₂ and CH ₄ , and then by the GWP for each gas, before being summed to calculate total Scope 1 emissions.	
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 the mass of equipment top-ups of SF ₆ , which is assumed to replace gas 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.	
UK ET SF ₆ emissions		Mass/kg
Definitions	Leaks of SF ₆ from equipment in the 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.	

Our environment

US HFC emissions		Mass/lbs
Definitions	Leaks of both hydrofluorocarbons (HFCs) and perfluorinated compounds under the NE and NY BUs.	Metric
Base activity calculation method	The mass of gases released is estimated using the EPA's HFC accounting tool and assumptions about refrigerant charge size for each equipment type. Total capacity in NY was estimated using data from eastern NY only due to limited data availability. Equipment was automatically designated as 'Chiller/HVAC' unless otherwise specified, resulting in a conservative estimate.	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 HFC emissions		Mass/kg
Definitions	Leaks of Hydrofluorocarbons (HFCs) from HVAC systems and Hydrofluorocarbons (HFCs) disposal during HVAC unit scrapping at centrally-managed UK Corporate Property Estate sites.	Metric
Base activity calculation method	An assumed leak rate of 2% is applied to the total number of assets with logged F-Gas inventory, taken from the asset list from our third party HVAC inspectors. This figure is pro-rated to the total number of known assets across UK sites (logged and unlogged) to generate a total estimated annual figure.	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 ED HFC emissions		Mass / kg
Definitions	Leaks of Hydrofluorocarbons (HFCs) from HVAC systems at NGED sites.	Metric
Base activity calculation method	Third party air conditioning maintenance contractors provide a breakdown of the type and weight of any refrigerant gases lost or scrapped.	Other Scope 1 GHG emissions
Metric reporting method	The weight of gas lost is multiplied by the corresponding GWP factor to calculate the associated Scope 1 emissions.	
UK ET HFC emissions		Mass / kg
Definitions	Leaks of Hydrofluorocarbons (HFCs) from HVAC systems at NGET sites.	Metric
Base activity calculation method	A reasonable estimate of refrigerant gases lost or scrapped at NGET sites is formed by applying a % to the data collected by NGED, considering expected differences in number of sites and assets containing HFCs.	Other Scope 1 GHG emissions
Metric reporting method	The weight of gas lost is multiplied by the corresponding GWP factor to calculate the associated Scope 1 emissions.	
Global NGV HFC emissions		Mass / kg
Definitions	Leaks of Hydrofluorocarbons (HFC) from HVAC and refrigeration systems at NGV sites.	Metric
Base activity calculation method	Refrigerant top-up data is collected from third party maintenance reports for HVAC and refrigeration systems in the UK and from contractor invoices in the US. Top-up data is used as a proxy for gas lost.	Other Scope 1 GHG emissions
Metric reporting method	The weight of gas lost is multiplied by the corresponding GWP factor to calculate the associated Scope 1 emissions.	

Our environment

UK utility stationary combustion

Energy/kWh

Definitions	Gas usage, for heating, at UK National Grid sites and offices (excluding 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, or consumption is taken directly from meter readings. 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, reasonable estimates are used, including using square footage and average consumption factors provided by the EIA Commercial Buildings Energy Consumption Survey (CBECS) as a basis. Year-end estimate: A reasonable estimate is used to calculate some 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 the site's property management company for the entire location and is 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 Scope 3 Cat. 3 (WTT)
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.	Total heating consumption

Our environment

US gas distribution stationary combustion

Volume/mscf

Definitions	Burning of natural gas during operation of line heaters and standby generators operated at New York based gas operation sites.	Metric	
Base activity calculation method	Total heat input is calculated using the high heating value and the volume of liquid fuel combusted, which is collected from various sources including internal systems and external reports. Certain sites were estimated using historical data and trend analysis.		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 total heat input by DESNZ WTT factors for natural gas.		Scope 3 Cat. 3 (WTT) 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.	Metric	
Base activity calculation method	Weight of used bottled gas is obtained from invoices issued by our gas supplier. The available invoiced amount is averaged across the year to obtain annual usage, due to actual usage information being unavailable for certain quarters in the period.		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 recorded .		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 (excluding external charters).	Metric	
Base activity calculation method	The volume of fuel used is calculated from the number of reported National Grid flying hours and a standard use of fuel per hour (250 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 DESNZ WTT factor for aviation fuel.		Scope 3 Cat. 3 (WTT) Total transport consumption

UK ED plant fuel consumption

Volume/litres

Definitions	Fuel combusted in mobile generators, back-up generators and small plant equipment.	Metric	
Base activity calculation method	The volume of fuel delivered to NGED non-operational sites is recorded and collated into a total consumption balance. Petrol usage under a certain litre threshold is deemed to be plant usage, as it is assumed the small quantities are fill up of fuel cannisters.		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 DESNZ WTT factor for liquid fuels.		Scope 3 Cat. 3 (WTT) Total operational consumption

Our environment

UK ED Isle of Scilly backup generators		Volume/litres
Definitions	Fuel used for the Isle of Scilly backup generators.	Metric
Base activity calculation method	The amount of fuel consumed is calculated using fuel tank meter readings 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 (including private cars and hire cars, for those awaiting company cars).	Metric
Base activity calculation method	The total distance travelled is taken from business travel claims, recorded within the payroll system. A reasonable year end estimate is applied for the final month of data.	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 vehicle 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.	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) emissions associated with it are calculated using DESNZ emission factors.	Scope 3 Cat. 3 (WTT) Total transport consumption

Our environment

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.	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 tCO 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

Our environment

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. In the absence of data for certain sites, consumption from available sites is used as a proxy.	Other Scope 1 GHG emissions Scope 3 Cat. 3 (WTT)
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 WTT conversion factors.	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 Scope 3 Cat. 3 (WTT)
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.	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 Scope 3 Cat. 3 (WTT)
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.	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 third-party 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 are 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)

Our environment

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 (partially 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
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)

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. 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 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 and depot electricity consumption

Energy/kWh

Definitions	NGED's offices' and depots' electricity consumption.	Metric
Base activity calculation method	Meters are installed at all offices and depots. 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

Our environment

UK ED substation electricity consumption

Energy/kWh

		Metric
Definitions	Electricity consumption at NGED's substations.	
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

		Metric
Definitions	Electricity usage in our UK offices, substations, and interconnector sites, and excludes NGED and leased buildings (as these are covered under separate activities).	
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

UK leased buildings electricity consumption

Energy/kWh

		Metric
Definitions	Electricity usage in our leased buildings, in the UK. Excludes fully serviced offices.	
Base activity calculation method	Consumption data is provided via the leased site landlord as a consumption figure or invoice for energy consumed. Where an invoice provided only includes the total charge, the stated price per kWh of usage is used to calculate an estimate of consumption. 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

		Metric
Definitions	Electricity consumed at LNG plants, test centres, and portable vaporisation sites.	
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

Our environment

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
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.	Scope 3 Cat. 3 (WTT) Total electricity consumption

UK NGV interconnector electricity consumption

		Energy/kWh
Definitions	Electricity consumption at our interconnectors, obtained from the transformer tertiary.	Metric
Base activity calculation method	Electricity consumption is determined using 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 reasonably estimated, e.g. 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 some 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 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 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

Our environment

UK ED EV fleet charging		Energy/kWh
Definitions	Electricity consumption for charging of NGED fleet electric vehicles, not at NGED-owned sites.	Metric
Base activity calculation method	Charging data, in kWh, is recorded through company charge cards and is filtered to remove charging at NGED-owned sites (which is included in NGED site electricity consumption).	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
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
Base activity calculation method	Total mileage travelled in private vehicles is extracted from the expense system.	Scope 3 Cat. 6: Business Travel – excluding air travel
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
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. A reasonable year end estimate is applied for the final month of data.	Scope 3 Cat. 6: Business Travel – excluding air travel
Metric reporting method	Scope 3 emissions are calculated by converting mileage to tCO ₂ e using DESNZ conversion factors.	
UK hire car use		Distance/miles
Definitions	Hire car use by UK based employees (excluding NGED) for business-related activities.	Metric
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.	Scope 3 Cat. 6: Business Travel – excluding air travel
Metric reporting method	The third party hire car provider supplies the total mileage as well as an average gCO ₂ e/km. The provider calculates 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
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.	Scope 3 Cat. 6: Business Travel – excluding air travel
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	Transport between the UK mainland to the NGED generating power stations in St Mary's on the Isles of Scilly.	Metric
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 and average weight is multiplied by the number of journeys to get the total mileage.	Scope 3 Cat. 6: Business Travel – excluding air travel
Metric reporting method	Scope 3 emissions are calculated by multiplying the total mileage by the DESNZ conversion factor for cargo ship freighted goods.	

Our environment

UK ED private car use

		Distance/miles
Definitions	The use of personal vehicles for business travel by NGED employees.	Metric
Base activity calculation method	Total distance travelled is taken from business travel claims relating to personal car use. A reasonable year end estimate is used for the final month of data.	Scope 3 Cat. 6: Business Travel – excluding air travel
Metric reporting method	Scope 3 emissions are calculated by multiplying the total mileage by the relevant DESNZ conversion factor.	

UK ED hire car use

		Currency/GBP
Definitions	Hire car use by NGED employees for business-related activities.	Metric
Base activity calculation method	All hire car bookings are made through one third party provider who retains a log of the expenditure in GBP(£). The figure is then converted to dollars (USD), using the average annual USD to GBP FX rate.	Scope 3 Cat. 6: Business Travel – excluding air travel
Metric reporting method	Hire car emissions are estimated by multiplying the USD amount by the relevant Risilience (a specialised climate analytics company) conversion factor.	

UK ED rail travel

		Distance/km
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.	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 by multiplying mileage by the appropriate DESNZ conversion factor.	

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.	

Our environment

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.	
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.	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 each journey's total distance.	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 and NGV interconnectors).	Metric
Base activity calculation method	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 operations. If the waste data is provided in volume, it is converted to mass using density conversion factors provided by the Environment Agency. Tonnage estimates are used in some instances where on board weighing is unavailable. Where the volume is in litres the density of water value is assumed to carry out the conversion. 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.	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. A reasonable year-end estimate is used based on historical data and trend analysis, where required.	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.	

Our environment

ED waste		Mass/tonnes
Definitions	The production of waste generated in NGED's operations.	Metric Scope 3 Cat. 5: Waste Generated in Operations
Base activity calculation method	NGED uses waste contractors who provide waste tonnage data on a monthly basis, the reports are cumulative, the final report of the period providing the tonnage for each month and total annual figure.	
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.	

NGV waste		Mass/tonnes
Definitions	The production of waste generated in NGV's Interconnector operations.	Metric Scope 3 Cat. 5: Waste Generated in Operations
Exceptions to Reporting Foundations	Reporting excludes contractor waste at IFA2, due to data constraints.	
Base activity calculation method	NGV uses waste contractors who provide waste tonnage data on a monthly basis, which is summed to generate an annual figure.	
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 Scope 3 Cat. 5: Waste Generated in Operations
Exceptions to Reporting Foundations	EPA emission factors used for waste are based on AR4.	
Base activity calculation method	Waste data is collected from third party providers and is either weighed directly or estimated using a combination of bin size (i.e., volume), frequency of service drops or facility square footage (using a 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.	

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	Emissions from nitrous oxides (NOx) released from combustion processes at our US Generation site. Includes NO ₂ and NO.
Calculation and reporting method	<p>NOx emissions are calculated as follows:</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>Calculation: CEMS + Non-CEMS = Total NOx.</p>

Air quality – emissions from stationary sources (SOx)

Mass/tonnes

Definitions	Emissions from sulphur oxides (SOx) released from combustion processes at our US Generation site. Includes SO ₂ .
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	Emissions from particulate matter (PM) released from combustion processes at our US Generation site. Includes PM10 and PM 2.5.
Exceptions to Reporting Foundations	This activity is calculated using PM measurements taken every 5 years (approximately) and 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. Light-duty EVs within the US for the purpose of this metric may exceed 3.85 metric tonnes, however will be included with the assessment of the LDV fleet as they replace their ICE model counterpart.</p> <p>Fleet: Vehicles owned or financially leased by National Grid. Does not include off-road/all-terrain vehicles such as forklifts, excavators etc.</p>
Calculation and reporting method	<p>Fleet data is continually recorded, tracked and reported via our fleet management systems and teams.</p> <p>Calculation: (Total LDV's EV's / Total LDV's) x 100.</p>

Our environment

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 emissions 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.

Total heating consumption

Energy/GWh

Definitions	Total energy from sources used in heating 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 business transport. 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.

Group energy consumption from non-renewable sources

Energy/GWh

Definitions	Total energy from non-renewable 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.

Group energy consumption from renewable sources

Energy/GWh

Definitions	Total energy from renewable 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.
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.

Our environment

Group energy consumption from fossil fuel generation

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>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 – Gas use estimates – 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>

Our environment

% Renewable electricity purchased

%

Definitions	<p>Renewable electricity purchased by National Grid. Disclosed for the UK and US individually, as well as a Group total figure.</p> <p>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 of their renewable energy consumption credentials.</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>Collection of electricity consumption activity data is described under section 1.3. Energy Attribute Certificates are obtained to determine which electricity is supplied from renewable sources.</p> <p>Calculation: (Electricity supplied with Renewable Energy Attribute Certificates) / (In-scope electricity consumption) × 100 = % Renewable energy purchased.</p>

1.7 Electrical connections in year

Electrical connections in year

Energy/MW

Definitions	<p>The metrics we report are as follows:</p> <ul style="list-style-type: none"> – Total capacity connected to US distribution grid – Total capacity connected to US transmission grid – Total capacity connected to UK distribution grid – Total capacity connected to UK transmission grid – 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>Total capacity: Total capacity connected to the transmission or distribution grid refers to new electricity system capacity that has been physically connected and energised in the reporting year, comprising transmission or distribution connected generation, energy storage, and interconnectors. New power generation includes fossil fuel-based generation (e.g. Combined Cycle Gas Turbine (CCGT) power plants), nuclear, renewable sources (including solar, wind, hydropower, and geothermal), and other technologies (including biomass and energy-from-waste).</p> <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>Connected: A facility that is 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. For UK Electricity Distribution, reported amounts include only capacity defined as energised in CROWN, National Grid Electricity Distribution's core back-office system for connection enquiries and applications, which is the system of record for the public Embedded Capacity Register.</p>
Calculation and reporting method	<p>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.</p>

Our environment

1.8 Emissions intensity

Total Scope 1 and 2 GHG emissions in tCO₂e per million £ of revenuetCO₂e/£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. 2025/26 revenue excludes NG Renewables and Grain LNG.

1.9 Leak-prone pipe replacement

Leak -prone pipe (LPP) replacement

Miles

Definitions	<p>Length of leak-prone pipe (LPP) replaced in the gas distribution network over the period, reported for New York and New England individually.</p> <p>LPP refers to segments of the gas distribution system identified as having a higher risk of leaks due to their material composition and age. LPP materials include non-cathodically protected steel, cast iron, wrought iron and Aldyl-A plastic.</p>
Exceptions to Reporting Foundations	Data is reported on a calendar year basis due to availability of information.
Calculation and reporting method	<p>Mileage of replaced pipeline is manually taken from completed engineering work packages and/or updated pipeline mapping data stored in our mapping systems, depending on the data available within each region.</p> <p>In New England, only mileage eligible under the state's Gas Safety Enhancement Program (GSEP) is reported. Details of each replacement project are manually assessed against the GSEP eligibility criteria to determine whether the project is GSEP eligible. In New York, all replaced mileage is eligible for reporting.</p> <p>Estimates of mileage, based on initial/planned work orders, may be included in the figures due to timing and availability of data.</p> <p>Total mileage of eligible replaced pipeline is summed and reported for New York and New England individually.</p>

Our environment

1.10 Water

Total water abstracted i.e. withdrawalVolume/Mm³

Definitions	Total water withdrawn from all key water sites. Withdrawn: Sum of all water drawn from the following sources: surface water, groundwater, seawater or third party. Key water sites: All: Operational sites. UK: Electricity transmission cable cooling. US: Well extraction water and once-through seawater cooling water.
Exceptions to Reporting Foundations	NGED is excluded as water usage is immaterial.
Calculation and reporting method	Water data is gathered from a variety of sources including pumping running hours, utility bills and metering systems. Where required due to data availability, estimates are made based on historical data or %s of total building use for shared ownership. Data is extracted and consolidated for the UK and US and summed together to give the Group total.

Total water consumedVolume/Mm³

Definitions	Total water consumption at National Grid sites. 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.
Exceptions to Reporting Foundations	NGED is excluded as water usage is immaterial.
Calculation and reporting method	Water withdrawn data is utilised as a basis and assumptions are applied based on the usage of the water. – 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. Calculation: water withdrawn x assumptions = water consumed.

Total water dischargedVolume/Mm³

Definitions	Total water discharged at National Grid sites. 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.
Exceptions to Reporting Foundations	NGED is excluded as water usage is immaterial.
Calculation and reporting method	Calculation: water withdrawn – water consumed = water discharged.

Our environment

1.11 Waste

Total waste generated		Mass/tonnes
Definitions	Waste generated in operations, by the following waste types: <ul style="list-style-type: none"> – Non-hazardous waste – Hazardous waste – Reused and recycled waste. 	
Exceptions to Reporting Foundations	Contractor waste data is not reported for IFA2 due to data availability.	
Calculation and reporting method	Waste data is recorded, tracked and managed by a number of waste disposal vendors and, where applicable, reasonable estimates are made. For further detail, refer to the Waste tables under section 1.3. Data is centrally compiled and converted into metric tonnes in the Group system, and each waste category is summed.	

1.12 Nature and biodiversity

% natural environment improved on the land we manage in the UK (cumulative)		%
Definitions	Percentage improvement in the natural environment on the land we manage in the UK, NGET only. Improvement in natural environment: improvement in the natural capital value of the natural environment, compared with its baseline. 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. 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. 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.	
Exceptions to Reporting Foundations	Metric covers NGET only.	
Calculation and reporting method	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. Calculation: % of non-operational land enhanced = ((Sum of site interventions – sum of baselines) / NGET portfolio baseline).	

US nature – enrolled acres		Area/acres
Definitions	Total acres enrolled in US integrated vegetation management (IVM) system and nature-related projects. These components are each defined and reported separately in the tables below.	
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.	

Our environment

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

Area/acres

Definitions	Number of acres enrolled in IMV programmes. 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.
Exceptions to Reporting Foundations	NY and NE businesses 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	Number of acres enrolled in nature-related projects. Nature-related projects: are environmental projects which look to protect and enhance nature. The categories reported against are as follows: <ul style="list-style-type: none"> – Wetland mitigation – Vegetation enhancement or restoration – Rare, threatened and endangered species protection.
Exceptions to Reporting Foundations	NY and NE businesses are included, NGV US is not in scope.
Calculation and reporting method	Projects will be included if they are in the 'in operation' phase during the reporting period. The number of acres enrolled in each category is summed and the total is aggregated.

1.13 Green capital expenditure and financing

Related to our Green investment and financing, we disclose the following metrics as totals across the Group for the financial year:

- EU Taxonomy aligned green capex as a percentage of total capex
- Climate change adaptation capex (EU Taxonomy aligned activities, £m)
- Climate change mitigation capex (EU Taxonomy aligned activities, £m)
- Green financing: Invested amount (Green Finance Framework aligned, £'m)
- Green financing: Eligible amount (Green Finance Framework aligned, £'m)
- Green financing: Allocated amount (Green Finance Framework aligned, £'m)
- Green financing: Estimated emissions avoided (Green Finance Framework aligned, ktCO₂e)

For further details, please refer to the EU Taxonomy and Green Financing reports.

Our environment

1.14 Sustainable supply chain

Proportion of UK supplier GHG emissions¹ from UK suppliers that have formally committed to setting a Science Based Target

%

Definitions

UK Carbon strategic suppliers: National Grid's UK supplier engagement targets (Carbon strategic suppliers) are reviewed and set annually using refreshed Scope 3 inventories and supplier data to reflect changes in the supplier base. A list of carbon strategic suppliers are established at the start of each reporting year based on the most recent externally reported Scope 3 GHG emissions data and comprise of suppliers representing at least 80% of the prior period for Category 1 (Purchased goods and services) and Category 2 (Capital goods) across National Grid's UK corporate entities. These suppliers are directly managed by National Grid procurement teams and are selected based on their material contribution to UK Scope 3 emissions and National Grid's ability to engage them on long term emissions reduction initiatives.

Joint operations: Expenditures invoiced through incorporated joint venture entities classified as joint operations are attributed to the relevant supplier associated with the joint operation for the purposes of this metric.

Science-Based Targets: A supplier is classified as 'committed' where it has publicly committed to developing and submitting science-based targets for validation within 24 months, as evidenced by the Science Based Targets initiative (SBTi) dashboard or other recognised third-party disclosures. These suppliers may not yet have validated targets. Validated Science-Based Targets are emissions reduction targets that have been reviewed and approved by the SBTi or another recognised third-party body. National Grid encourages carbon strategic suppliers to set science-based targets through the SBTi, while recognising that alternative reputable and rigorous third-party validation pathways may be used.

SMEs and Group targets: Small and Medium-sized Enterprises (SMEs) are classified as 'committed' where they confirm their intention to submit the SBTi SME Target Setting Form or other recognised third-party disclosures by the relevant target year.

Where a supplier is part of a wider corporate group with an approved group-level science-based target, independently operating legal entities or divisions are treated as separate carbon strategic suppliers where they contract independently with National Grid. Multiple suppliers may therefore be associated with a single group-level science-based target.

1. GHG emissions from Scope 3 Cat. 1 and Cat. 2: 'Purchased goods and services' and 'Capital goods' only.

Calculation and reporting method

(Total prior period Scope 3 GHG emissions for category 1 (Purchased goods and services) and category 2 (Capital goods) across our UK carbon strategic suppliers with SBTi or equivalent commitment) / Total UK prior period Scope 3 GHG emissions for category 1 (Purchased goods and services) and category 2 (Capital goods) x 100.

Proportion of US supplier GHG emissions¹ from US suppliers with an established roadmap towards Science Based Targets

%

Definitions

US Carbon strategic suppliers: National Grid's US supplier engagement targets (Carbon strategic suppliers) are reviewed and set annually using refreshed Scope 3 inventories and supplier data to reflect changes in the supplier base. A list of carbon strategic suppliers are established at the start of each reporting year based on the most recent externally reported Scope 3 GHG emissions data and comprise of suppliers representing at least 50% of the prior period for Category 1 (Purchased goods and services) and Category 2 (Capital goods) across National Grid's US corporate entities. These suppliers are directly managed by National Grid procurement teams and are selected based on their material contribution to US Scope 3 emissions and National Grid's ability to engage them on long term emissions reduction initiatives.

Decarbonisation roadmap: 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. We recognise that suppliers use a variety of templates and formats to develop their decarbonisation roadmaps. However, we strongly encourage our US carbon strategic suppliers to disclose their carbon data through the EcoVadis Carbon Rating questionnaire from FY27.

1. GHG emissions from Scope 3 Cat. 1 and Cat. 2: 'Purchased goods and services' and 'Capital goods' only.

Calculation and reporting method

(Total prior period Scope 3 GHG emissions for category 1 (Purchased goods and services) and category 2 (Capital goods) across our US carbon strategic suppliers with a decarbonisation roadmap or action plan) / Total US prior period Scope 3 GHG emissions for category 1 (Purchased goods and services) and category 2 (Capital goods) 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

UKET: Transmission Use of System Charges (TNUoS) data are derived from charges published by the National Energy System Operator (NESO), with loss adjustment factors and average domestic electricity demand derived from Ofgem, all on an annual basis. The average household cost is then used to determine the portion attributable to UK electricity transmission.

Calculation:

$TNUoS \text{ charge per customer} \times \text{average loss adjustment factor} \times \text{average domestic electricity demand} = \text{average cost to a UK household.}$

UKED: Distribution Use of System Charges (DUoS) data are derived from published charging methodologies under the Distribution Connection and Use of System Agreement (DCUSA), with average domestic electricity demand derived from Ofgem, all on an annual basis. The average household cost is then used to determine the portion attributable to UK electricity distribution.

Calculation:

$DUoS \text{ charge per customer} \times \text{average domestic electricity demand} = \text{average distribution cost to a UK household.}$

Note: In FY26, UKED customer bill calculations were aligned to a consistent annual electricity consumption assumption of 2,700 kWh (Ofgem Typical Domestic Consumption Value). The relevant prior-year metric has been restated to reflect a change from a 3,100 kWh consumption assumption to enhance comparability and alignment with ET figures.

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.

Our customers and communities

2.3 Skills development

Skills development

Number

Definitions	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.
Calculation and reporting method	We exceeded our skills development target in FY25, positively impacting 60,384 people since 2021 (versus a target of 45,000). We continue to contribute to the acceleration of social mobility by developing new and long-standing partnerships. Please refer to the prior year methodology for further information on the calculation and reporting method.

2.4 Volunteering

Number of qualifying volunteering hours

Number

Definitions	Total qualifying volunteering hours completed on behalf of National Grid since 1 April 2020. Qualifying volunteering hours: any time spent volunteering on behalf of National Grid (including any preparation).
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.

Our customers and communities

2.5 UK Customer satisfaction

UK customer satisfaction

Number

Definitions	<p>Customer Satisfaction is a customer perception metric of overall experience with National Grid. We measure customer and stakeholder satisfaction, while also maintaining engagement with these groups and improving service levels. This is measured continuously in consultation with third party providers and annually reported to Ofgem covering:</p> <p>NGET: Collection of customer data in relation to the quality of connections satisfaction survey output delivery incentive term and movements in the licensee customer service performance.</p> <p>NGED: Collection of customer data for the quality of customer satisfaction in relation to: connections experience, disaggregated for quotations and connection completions for minor and major connections; experience of planned and unplanned interruptions; general enquiries; and fuel poverty and low carbon technology services provided to vulnerable customers.</p>
Calculation and reporting method	<p>Data is sourced from operational systems and CRM platforms and is securely transferred to third party survey providers for customer engagement. Completed survey responses and associated data are then returned for validation, internal storage and quality assurance, and annual reporting to Ofgem.</p>

2.6 US Customer satisfaction

US customer satisfaction

Number

Definitions	<p>Customer Satisfaction is a customer perception metric of overall experience with National Grid. Metric is based on customer responses to: "Considering all aspects of your relationship with National Grid, how would you rate your overall experience?" scored on a 5-point scale, where 1 is 'Poor' and 5 is 'Excellent.' The reported score is the percentage of respondents who answer Good, Very Good, or Excellent.</p> <p>The score is a weighted average from four surveys that run continuously. The Brand, Image & Relationship Survey is conducted online (Residential customers) and by telephone (Commercial customers). The Web Survey is conducted through an online intercept survey of website visitors, including both Residential and Commercial customers. The After Call Survey is conducted online among Residential and Commercial customers but is delivered via telephone (IVR) to some Massachusetts Gas customers. The After Field Visit Survey is conducted online among both Residential and Commercial customers.</p>
Calculation and reporting method	<p>Data is collected by a third-party research vendor (Brand, Image & Relationship Survey) and internal research team (After Call Survey, Web Survey, After Field Visit Survey). It is extracted and reported monthly. This data is aggregated on a yearly basis for reporting.</p>

Our people

3.1 Diversity

Diversity of permanent employees and senior management

%

Definitions	<p>Percentage of gender diverse employees across the following groups: permanent employees and senior management. The metrics we report are as follows:</p> <ul style="list-style-type: none"> - % female employees - % female employees in senior management <p>Diverse individuals are those who have identified themselves as female.</p> <p>Employees: All permanent National Grid employees, including those on parental leave or on a short/long-term leave of absence, part-time workers, all union schemes and graduates. Excluded are temporary employees, interns, contractors, contingent workers, managed service providers and Non-executive Board Members.</p> <p>Senior Management: Group executives and colleagues at their level; Group Exec direct reports (excluding PA's and Chauffeurs); Senior Leadership Group; and subsidiary directors. Only includes permanent National Grid employees and individuals in multiple groups are only counted once.</p>
Calculation and reporting method	<p>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. Gender is a mandatory and binary field and therefore the disclosure rate is 100%.</p> <p>Calculation: (diversity parameter / employee count parameter) x 100.</p>

Diversity of Board and Group Executive

%

Definitions	<p>We separately report gender diversity and ethnic diversity for both the Board and the Group Executive Management.</p> <p>For gender diversity, diverse individuals are those who have identified themselves as female.</p> <p>For ethnic diversity, diverse individuals are those who have identified themselves as coming from an ethnically diverse background.</p> <p>Individuals are counted separately within each metric and are not double-counted within a single metric. Gender diversity and ethnic diversity are treated as distinct measures. Refer to the diversity tables for further detail.</p> <p>Board: Members as defined on the company website as of 31st March: nationalgrid.com/about-us/our-leadership-team/the-board</p> <p>Group Executive Committee: Group Executive Members as defined on the company website as of 31st March: nationalgrid.com/about-us/our-leadership-team/the-executive-committee, including the Group Company Secretary.</p>
Calculation and reporting method	<p>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. Additionally, screenshots are taken from the company website on 31 March with the members of the Board and Executive Committee.</p> <p>Calculation: Gender Diverse Board/Group Executive members / Total Board/Group Executive members = % Gender Diversity of Board/Group Executive.</p> <p>Calculation: Ethnic Diverse Board/Group Executive members / Total Board/Group Executive members = % Ethnic Diversity of Board/Group Executive.</p>

Our people

3.2 Grid:voice

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

Definitions	<p>Safe to say score, as measured by National Grid's annual employee engagement survey, Grid:voice.</p> <p>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'.</p> <p>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.</p> <p>Favourable response: agree and strongly agree.</p>
Calculation and reporting method	<p>All employees who are permanently employed as at 1 December of the relevant financial year are provided with the survey. Data is extracted from the Grid:voice platform on an annual basis.</p> <p>Calculation: $(\text{total favourable responses} / \text{total responses}) \times 100 = \text{'Safe to say' score.}$</p>

Employee engagement score (from Grid:voice) %

Definitions	<p>Employee engagement score, as measured by National Grid's annual employee engagement survey, Grid:voice.</p> <p>Employee engagement score: a measure of how engaged our employees are based on a favourable responses to a number of questions repeated annually related to employee engagement.</p> <p>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.</p> <p>Favourable response: agree and strongly agree.</p>
Calculation and reporting method	<p>All employees who are permanently employed as at 1 December of the relevant financial year are provided with the survey. Data is extracted from the Grid:voice platform on an annual basis.</p> <p>Calculation: $(\text{total favourable responses} / \text{total responses}) \times 100 = \text{Employee engagement score.}$</p>

Wellbeing index score (from Grid:voice) %

Definitions	<p>Wellbeing index score, as measured by National Grid's annual employee engagement survey, Grid:voice.</p> <p>Wellbeing index score: a measure of wellbeing at National Grid based on favourable responses to a number of questions relating to wellbeing.</p> <p>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.</p> <p>Favourable response: agree and strongly agree.</p>
Calculation and reporting method	<p>All employees who are permanently employed as at 1 December of the relevant financial year are provided with the survey. Data is extracted from the Grid:voice platform on an annual basis.</p> <p>Calculation: $(\text{total favourable responses to all relevant questions} / \text{total responses to all relevant questions}) \times 100 = \text{Wellbeing index score.}$</p>

Our people

3.3 Gender pay gap

UK gender pay gap

%

<p>Definitions</p>	<p>The UK gender pay gap metrics we report are:</p> <ul style="list-style-type: none"> – UK mean 'base' gender pay gap – UK mean 'incentive' gender pay gap. <p>Gender: Refer to diversity table – gender.</p> <p>Gender pay gap: the mean gender pay gap shows the difference in average pay between men and women, which is reflective of all Full Pay Relevant (FPR) employees. A FPR employee is any employee who is employed on the snapshot date and who is paid their usual full basic pay during the relevant pay period.</p> <p>The base (hourly) pay gap is inclusive of all men and women active as of 5 April 2025 (FPR), who have received their expected monthly base pay, as well as any shift premiums and uplifts within the snapshot month of April 2025.</p> <p>The incentive (bonus) pay gap is inclusive of all men and women active as of 5 April 2025 (FPR), and any incentive payments they received during the period of 6 April 2024 and 5 April 2025 inclusive.</p>
<p>Exceptions to Reporting Foundations</p>	<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>
<p>Calculation and reporting method</p>	<p>Data is continually recorded, tracked and extracted via our HR and payroll systems and extracted on an annual basis as at 5 April.</p> <p>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').</p> <p>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.</p>

Our people

3.4 Total employee headcount

Total employee headcount	Number
<p>Definitions</p> <p>The employee headcount statistics we report are:</p> <ul style="list-style-type: none"> - Total employee headcount - UK: full-time - UK: part-time - US: full-time - US: part-time - Total employee headcount: female - Total employee headcount: male - Total senior management - Total senior management: female - Total senior management: male. <p>Female: Refer to diversity table.</p> <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, all union schemes and graduates/trainees on permanent contract. Excluded are temporary employees, interns, contractors, contingent workers, managed service providers and Non-executive Board Members.</p> <p>Senior Management: Group executives and colleagues at their level; Group Exec direct reports (excluding PA's and Chauffeurs); Senior Leadership Group; and subsidiary directors. Only includes permanent National Grid employees and individuals in multiple groups are only counted once.</p> <p>Full time employment: Utilising myHub field "Is Full-time employee", which takes into account regional differences (for the US, part time is FTE < 0.8. Full time is >= 0.8; for the UK part time is FTE < 1).</p> <p>From the current reporting year, a change has been made to the employment status classification for US colleagues. US employees working more than 0.8 FTE are now classified as "Full Time", whereas in prior reporting years these colleagues were classified as "Part Time". Prior-year figures have not been recalculated or restated to reflect this change. Accordingly, year-on-year movements between "Full Time" and "Part Time" categories may reflect the updated classification methodology rather than underlying changes in workforce composition.</p>	<p>Calculation and reporting method</p> <p>Data is continually recorded, tracked and extracted via our HR systems and extracted on an annual basis as at 31 March. Headcount is calculated for each metric and divided by total jobs worldwide.</p>

Our people

3.5 Temporary employees and agency workers

Temporary employees and agency workers**Number****Definitions**

Headcount by employment type is reported against the following categories:

- UK: regular employees
- UK: temporary employees
- UK: agency employees
- US: regular employees
- US: temporary employees
- US: agency employees.

Temporary employees are employees engaged on fixed-term or temporary employment contracts, including interns, trainees and seasonal hires. Temporary employees are National Grid employees and are distinct from agency workers.

Agency workers are non-employees supplied by a third-party vendor (Pontoon or UK Pertemps) and defined in myHub as “Contingent Workers”. Agency workers are not National Grid employees and are reported separately from employees, regardless of contract duration. This does not include managed service providers, consultants or other non-employees.

Calculation and reporting method

Data is continually recorded, tracked and extracted via our HR systems and extracted on an annual basis as at 31 March. These are presented based on region by summing the headcounts across the appropriate business units.

Our people

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

Parameter	Diversity status
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

Responsible business fundamentals

4.1 Safety

Fatalities		Number
Definitions	Number of fatal injuries associated with work or activity undertaken by National Grid. 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.	
Exceptions to Reporting Foundations	Employees, contractors (including sub-contractors), agency staff and members of the public are included. We do not include members 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.	
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	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. Lost time incident: a work-related injury resulting from National Grid work or operations that causes 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.	
Exceptions to Reporting Foundations	Employees, contractors (including sub-contractors) and agency staff are included. Incidents are reported based on the incident date.	
Calculation and reporting method	Data is recorded, tracked and extracted from our incident management systems and consolidated via the Group incident management system. Total hours worked represents contracted or paid working hours recorded and is calculated on a standardised basis; hours are not reduced for annual leave or bank holidays. Calculation: total lost time incidents / total hours worked x 100,000 = LTIFR.	
Member of the public injuries as a result of National Grid work		Number
Definitions	Number of injuries to a member of the public, associated with National Grid work or activity requiring direct hospitalisation for treatment. Associated with National Grid: If National Grid operations or the failure of National Grid assets contributed to the incident.	
Exceptions to Reporting Foundations	We do not include members 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. Incidents are reported based on the incident date.	
Calculation and reporting method	Data is recorded, tracked and extracted from our incident management systems, reviewed internally and summed.	

Responsible business fundamentals

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 the financial year
- Total circuits: The total number of transmission lines in the 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 the 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: $\% \text{ availability} = (\text{Total potential MWh} - \text{MWh unavailable}) / \text{Total potential MWh} \times 100$.

Responsible business fundamentals

4.4 Supplier payments

Percentage of supplier payments paid to contractual term

%

Definitions	Percentage of UK and US supplier payments made within the contractual term. 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 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.
Calculation and reporting method	Data is continually recorded, tracked and extracted via our financial management systems. Calculation: (Total invoices paid within the contractual payment term/Total invoices paid within the reporting period) x 100.

4.5 National Grid Partners (NGP) investment

Responsible business aligned National Grid Partners (NGP) investment

£

Definitions	Annual investment by NGP that supports our RBC. NGP is our dedicated corporate innovation and investment function.
Calculation and reporting method	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. Annual investment supporting our RBC approved on an annual basis by NGV CFO and summed.

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