

Chief Executive's review



Zoë Yujnovich

**Energy is
the foundation
of modern
economies and
the grid is the
platform that
makes energy
usable at scale**

Chief Executive's review cont.

Energy is the foundation of modern economies, and the grid is the platform that makes energy usable at scale. For decades, it operated largely out of sight. Today, it sits firmly at the centre of national economic strategy, and it is not moving back.

Across the UK and the north-eastern United States, there has been a fundamental shift. Electricity demand is rising again after years of low or negative growth. The large-scale build-out of low-carbon generation and storage, the electrification of transport and industry, advanced manufacturing and the rapid growth of artificial intelligence are reshaping how and where energy is produced and consumed. These shifts are also influencing natural gas demand, particularly as systems balance resilience with transition.

What has not changed is our responsibility: to move energy safely, reliably, at scale and in real time, from where it is produced to where it is needed. What has changed is the urgency, and the recognition that networks can either be an essential catalyst for growth or a constraint.

The connection between supply and demand depends on networks, that's why National Grid sits at the centre of national economic strategy.

National Grid is well positioned for this moment. We operate extensive electricity and natural gas networks across the UK and the north-eastern US, regions where demand is growing and the pace of change is accelerating. Our networks are ready to support expansion and modernisation. The essential nature of what we do defines both our responsibility and our opportunity.

Our value proposition is clear. We build, own and operate high-quality, regulated infrastructure that supports economic growth, strengthens energy security and delivers tangible benefits to the communities we serve.

Our model offers investors exposure to sustained long-term growth in energy demand, without the day-to-day volatility that can characterise other sectors. The strategic nature of our assets is well understood in investment circles, often described as HALO: heavy assets, low obsolescence.

We are investing at unprecedented scale to expand and modernise the networks that will underpin this next phase of economic growth. At the same time, we are determined to make better use of the networks we already have and connect customers faster.

As Chief Executive, I am clear about what this moment demands: disciplined capital allocation, excellence in execution and a culture that values accountability as much as ambition. Growth matters, but never at the expense of safety, reliability, affordability or trust.

National Grid offers growth and resilience



2025/26 financial performance highlights

Capital investment¹

£11.58bn

2025: £9.54bn +21%

Asset growth

10.9%

2025: 9.0% +190bps

Return on Equity

9.8%

2024/25: 9.0% +80bps

Underlying operating profit

£5.7bn

2024/25: 5.2bn +9%

Underlying EPS¹

78.0p

2024/25: 72.0p +8%

Dividend growth in line with policy

48.49p

2024/25: 46.72p +3.8%

1. Underlying results from continuing operations excluding exceptional items, remeasurements, deferrable major storm costs (when greater than \$100m), timing, and the impact of deferred tax in the UK regulated businesses (NGET and NGED). Underlying EPS and capital investment calculated at constant currency.

Chief Executive’s review cont.

Over the past six months, I have mobilised our senior leaders in a rigorous review of the business, testing our ambition against industry-leading peers and customers’ rising expectations of us. This culminated in a refreshed strategic framework – not a change in direction, but a clearer and more effective way of translating strategy into delivery across a complex organisation.

At its core is our mission: **we bring energy to power possibilities.**

First, we are focusing on the operational fundamentals: delivering our capital programme on time and on budget; maximising asset performance and reliability; providing a consistently strong customer experience; and functions that support the businesses effectively. We call these the “brilliant basics” – where credibility is earned and trust is built, because execution is what turns investment into impact.

Second, we are driving three “big shifts” that will improve performance and enhance delivery capacity: strengthening leadership, capability and performance management; scaling technology, data and AI to unlock productivity and faster connections; and stepping up our external positioning and policy engagement to help shape outcomes that work for our customers and investors.

As system needs evolve, regulatory and policy frameworks must evolve too. We are being more focused and deliberate in shaping outcomes that support affordability, resilience and growth for customers, communities and investors, building coalitions and taking clearer positions.

Affordability is central to everything we do. We recognise the pressure that energy bills place on households and businesses, and we take seriously our responsibility to deliver our part of the system as efficiently as possible. How we invest and operate has a direct impact on what customers pay, both today and over the long term. History shows that under-investment does not remove cost; it merely defers and ultimately increases it, through connection delays leading to lost economic opportunity and higher system operating and constraint costs.

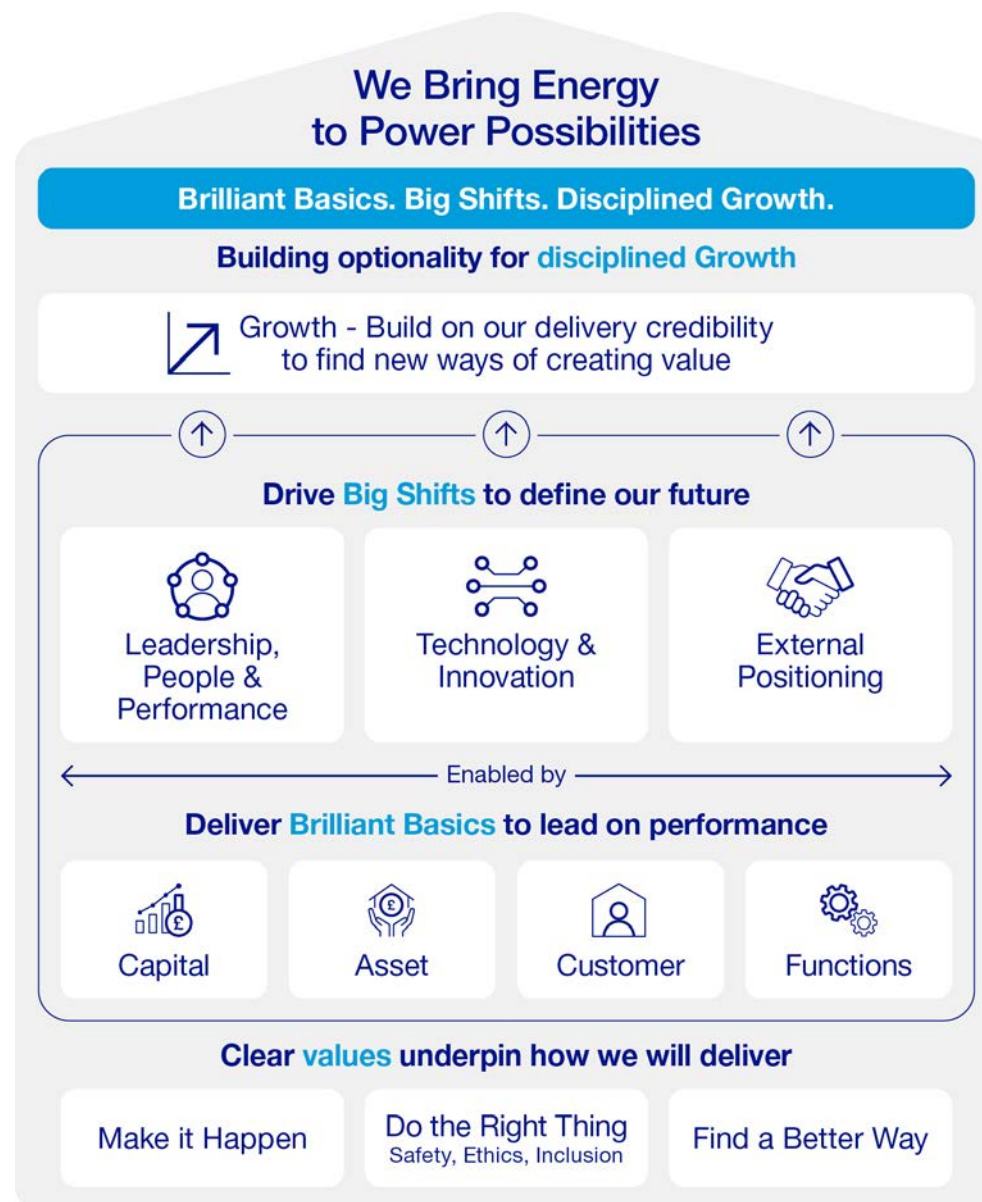
Our focus is therefore on getting more from the networks we have, investing efficiently, making trade-offs transparent and maintaining discipline as we grow.

Achieving this transformation at pace also depends on effective policy and the right regulatory frameworks. Strategic planning, efficient permitting and fair cost allocation are essential. Rate impacts perceived as unfair, or new loads that compromise reliability, cannot be the outcome of this growth cycle. We work closely with our regulators, who challenge our thinking and help ensure we deliver for customers. We are working towards a shared objective: networks that are affordable, resilient and support economic growth.

Delivering new infrastructure also means earning the trust of the communities that host it. These are long-lived assets that create lasting national and local benefits, but we are candid that construction and maintenance can bring disruption and visual impact. Engagement therefore matters as much as engineering. We are raising our ambition by being clearer about the benefits projects bring, innovating to reduce impacts wherever possible, enhancing the natural environment and ensuring communities share in the value created, including through skills development, apprenticeships and local employment.

Our people sit at the heart of this effort. Each year, we bring hundreds of new colleagues into National Grid. For many, this is not just a job, but the start of a long-term career. The next generation of colleagues will operate networks that are more flexible and intelligent than ever before. Data, sensors, automation, advanced system design and digital tools, including artificial intelligence, are already changing how we plan, operate and deliver work. These technologies help us unlock capacity from existing networks, connect customers faster and improve decision-making, while maintaining the safety and reliability on which our reputation depends.

Our refreshed strategic framework focuses our organisation



Chief Executive's review cont.

“I am deeply grateful for the opportunity to lead National Grid through a period of profound change. The networks we plan, build and operate today will serve customers for decades.”

In 2025/26, we increased capital investment by more than 20% to £11.6 billion, driving asset growth of 10.9%. Higher operating profit, combined with lower financing costs, increased underlying operating profit to £5.7 billion, delivering 8% growth in underlying earnings per share at constant currency, in line with our guidance. And we grew our dividend by 3.8%, in line CPIH inflation.

These results give me confidence in the quality of our assets and the strength of the business. The professionalism and dedication of my colleagues make all of this possible, and I thank them for another year of keeping energy flowing safely and reliably.

I also want to thank our shareholders. In my first months as Chief Executive, I have met with many of you and listened carefully to your perspectives. I have taken that guidance seriously, and I hope you will see it reflected in this report and in the way we are positioning National Grid for the future.

I am deeply grateful for the opportunity to lead National Grid through a period of profound change. The networks we plan, build and operate today will serve customers for decades. The choices we make now, on sequencing, design, capital discipline and system architecture, will shape investment, resilience and economic growth for a generation.

Energy will power the next economy. Networks will carry it.

Our task is to build those networks safely, efficiently and at the pace required, so that energy can unlock the growth, innovation and resilience on which modern economies depend.

Zoë Ujnovich

Chief Executive

13 May 2026

Five-year financial framework 2026/27 – 2030/31

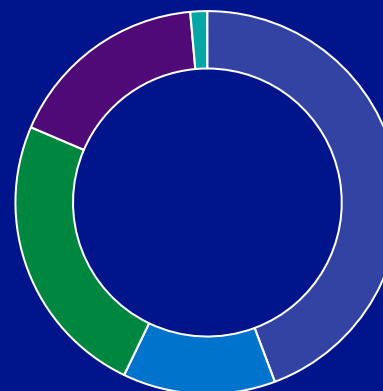
announced 2 March 2026

Capital investment

at least

£70bn

to meet decarbonisation and energy security goals and accelerating demand growth from data centres and industrial electrification



UK ET	c.£31bn
UK ED	c.£9bn
New York	c.£17bn
New England	c.£12bn
NGV	c.£1bn

Group asset growth

c.10%

CAGR¹

Underlying EPS

8-10%

CAGR²

1. Group asset compound annual growth rate from a 2025/26 baseline. Forward years based on assumed USD FX rate of \$1.35:£1 and long run UK CPIH and US CPI assumptions.

2. EPS compound annual growth rate from a 2025/26 baseline. Forward years based on assumed USD FX rate of \$1.35:£1, long run UK CPIH, US CPI and interest rate assumptions and scrip uptake of 25%.