

Governance with purpose

# Powering performance today and tomorrow

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## Chair's statement



### Dear shareholder

I am pleased to introduce our Corporate Governance Report, which explains how the Board governs the Company in support of long-term value creation and the responsible delivery of our strategy for shareholders and wider stakeholders.

In a year marked by global uncertainty and a complex external environment, effective governance matters more than ever; it helps ensure we take well-judged decisions at pace and manage risk thoughtfully.

As always, the Board balances its deliberative time on major strategic, regulatory and business decisions. It was a busy year on the regulatory front in particular. Our largest business, UK Electricity Transmission, submitted its RIIO-T3 rate case last year. Investability and workability of the proposed Ofgem framework were actively discussed by the Board. We also considered rate filings in our Upstate New York electric and natural gas distribution business and Massachusetts gas business with affordability as a major consideration. With largely supportive regulatory outcomes, we were able to extend and upgrade the five-year financial framework. At the same time, active monitoring of performance remains key. We routinely reviewed the manner in which we are executing our £70 billion capital plans. Safety and reliability remain paramount, and the Board has been deeply engaged in understanding asset health, particularly in the aftermath of the North Hyde substation incident.

#### Chief Executive transition

It is often said that the most consequential decision a Board will make is the appointment of the Chief Executive. National Grid flourished under the leadership of John Pettigrew. But succession planning has been under consideration by the Board as an ongoing process. That process led us to the announcement on 1 May 2025 that Zoë Yujnovich would join National Grid on 1 September 2025 and succeed John at the half-year. This transition plan provided continuity of leadership and uninterrupted delivery. The Board worked closely with Zoë to develop objectives for her first period as Chief Executive, maintaining focus on safe and reliable operations, disciplined capital allocation, effective delivery of our strategy, and continued attention to culture, talent and stakeholder outcomes.

#### 2024 UK Corporate Governance Code

As a company listed in both the UK and the US, we remain focused on meeting the high standards of governance and disclosure expected across our markets. This year is our first year reporting against the 2024 UK Corporate Governance Code (the '2024 Code'). We have also continued our multi-year programme of work to ensure we are ready to report fully against Provision 29 in 2027.

#### Board effectiveness

During the year, the Board has progressed actions arising from our last internal evaluation. We adopt goals as a Board that keep us

focused on Board and Committee processes, the quality of discussion, and robust decision-making. In line with our three-year evaluation cycle, the Board commissioned an externally facilitated evaluation this year. The findings and recommendations will be reported in next year's Annual Report. Further information can be found on page 96.

#### Reconsideration of Committee structures

The UK Governance Code has led most companies to structure their committees in similar fashion, with Audit, Nominations, and Remuneration as the key functions. In our industry, having a safety committee is customary. But as part of our effectiveness efforts, we reviewed our register of Group Principal Risks, looked forward to emerging trends and issues, and concluded it would be salutary to refresh our governance architecture with overall oversight remaining with the Board. The specifics of how we have realigned and enhanced the coverage of key risks across the committee structure can be found on page 89 and in the Committee reports.

#### Stakeholders

The Board has remained close to our key stakeholders across the year. In addition to receiving input from investors, we have engaged with regulators, public officials, and community representatives as we hold our meetings at various locations in our franchised service areas. The Board has had routine engagement with employees, including site visits to key operational sites and projects across the UK and US, as set out on page 95.

#### AGM

Over the years, most of our shareholders have opted to participate in the Annual General Meeting (AGM) remotely. For the few shareholders who remain interested in attending in person, we will hold the in-person meeting in July 2026 adjacent to our Warwick, UK campus. It will be a hybrid meeting, meaning that shareholders may join online during the live meeting. Further details are set out in the Notice of AGM, available on our website.

#### Paula Rospot Reynolds

Chair

13 May 2026

#### Our approach to this year's Governance Report

In preparing this year's Governance Report, we have taken a more focused and streamlined approach. Our reporting has been sharpened to concentrate on matters most material to the Company's long-term success, including key strategic and governance considerations, the actions taken by the Board and its Committees, and the outcomes achieved. We have focused on reducing duplication and narrative without clear purpose, and reflected how the Board has applied the principles of the 2024 Code in practice. The report is intended to provide a clear, balanced and meaningful account of the Board's stewardship on behalf of shareholders and wider stakeholders.

## Governance overview

**We maintain a high-functioning, balanced Board. Our governance framework supports effective decision-making and robust oversight of the Group's activities, underpinned by our core values: do the right thing; find a better way; and make it happen.**

### Governance structure

The matters reserved for the Board, together with the Terms of Reference of each Board Committee, are set out in the Board Governance document, which is available on the Company's website.

### Changes to the Board Committees during the year

During the year, the Board undertook a review of the structure, remit and effectiveness of its Committees. Informed by feedback from the Board evaluation and a series of stakeholder engagement exercises, the Board implemented a revised Committee structure in November 2025, as illustrated in the diagram opposite. The principal changes were as follows:

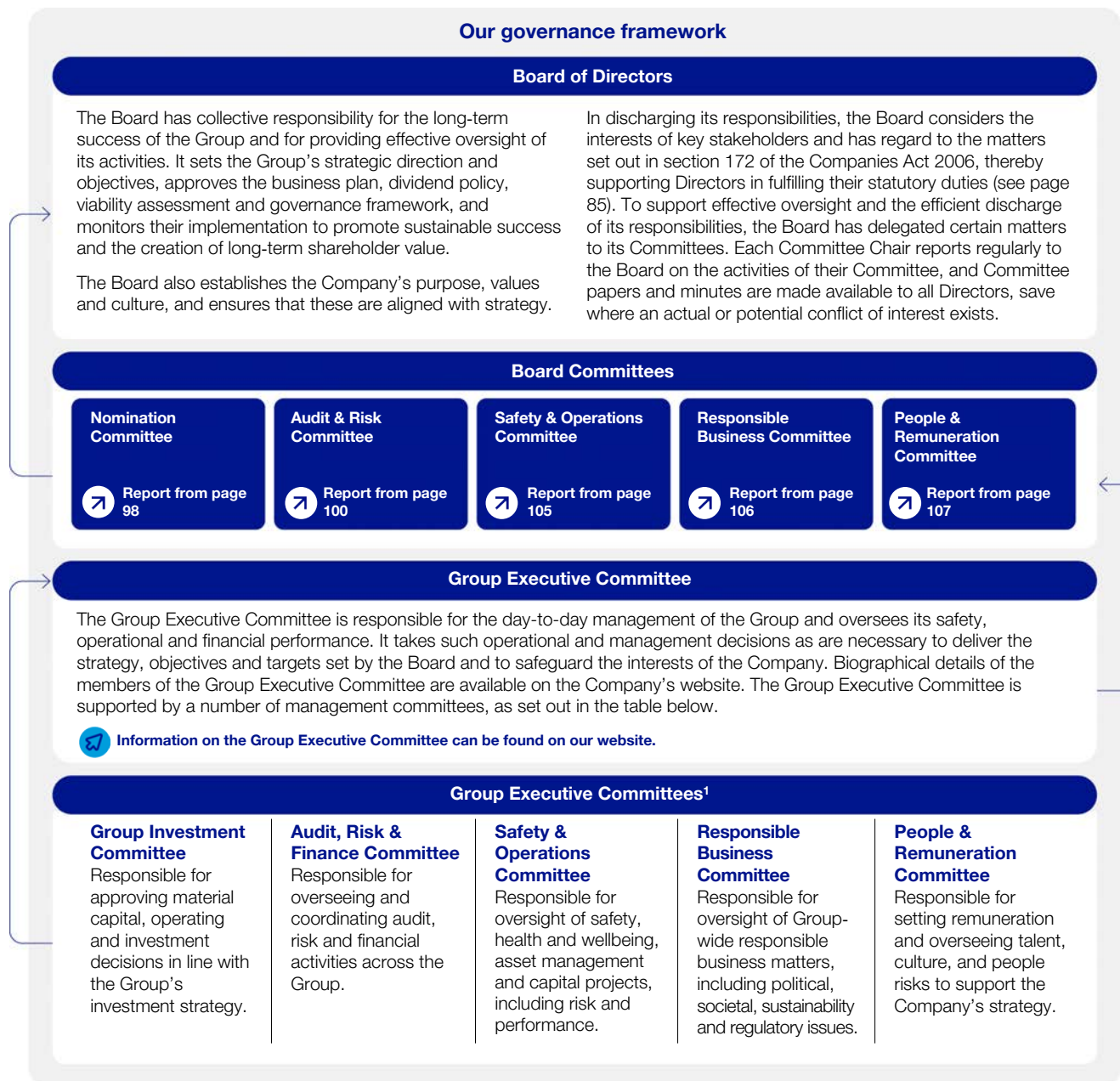
- The remit of the Audit & Risk Committee was expanded to incorporate the responsibilities previously overseen by the Finance Committee.
- The remit of the Remuneration Committee was broadened to include wider people matters below Board level, including high potential talent pipeline, culture and workforce engagement.
- The former Safety & Sustainability Committee was separated into a Safety & Operations Committee and a Responsible Business Committee, reflecting the distinct nature and scale of these areas.

The restructure aligns the Group Principal Risks to the committees best placed for specialist oversight, with the Audit & Risk Committee reviewing the overall effectiveness of the Group's risk management and internal control systems.

Committee memberships and Chairs were aligned to ensure the appropriate balance of skills and experience under the revised structure.

A Board Standing Committee was also established to provide flexible oversight of ad-hoc and transaction-specific matters that fall outside the remit or cadence of the Board's other Committees, supporting timely and efficient Board decision-making.

The Disclosure Committee oversees the identification, review and timely disclosure of market-sensitive and regulatory information, and monitors the effectiveness of the Company's disclosure controls. The Disclosure Committee is chaired by the Chief Financial Officer and members include the Chief Executive, Group Chief Legal Officer, Group Company Secretary and the Director of Investor Relations. The Disclosure Committee meets in advance of key announcements, including the full and half-year results, and as required throughout the year.



## Governance overview cont.

## Corporate Governance Compliance Statement

The Company is subject to the Principles and Provisions of the 2024 Code, except for Provision 29 which becomes effective for the financial year beginning 1 April 2026. The Board considers that, for the year ended 31 March 2026, the Company has complied in full with the applicable Provisions of the 2024 Code. For the year ended 31 March 2026, the Company has complied with Provision 29 of the 2018 UK Corporate Governance Code (the '2018 Code'). The table below provides a guide to where the relevant disclosures can be found in this report. The 2024 Code and the 2018 Code are published by the Financial Reporting Council and are available at [frc.org.uk](http://frc.org.uk).

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## Board composition and roles

As at the date of this report, the Board comprises a Non-executive Chair (independent on appointment), two Executive Directors (Chief Executive and Chief Financial Officer) and eight independent Non-Executive Directors. There is a clear division of responsibilities between the Chair, the Chief Executive and the Senior Independent Director. The key responsibilities of each role are set out in our Board Governance document which can be found on our website.

## Meeting attendance

The table below sets out Directors' attendance at scheduled Board and Committee meetings held during the year ended 31 March 2026. Three ad hoc Board meetings were also held during the year.

Directors	Committee Chair	Board	People & Governance Committee <sup>1</sup>	Nomination Committee <sup>2</sup>	Audit & Risk Committee	Finance Committee <sup>3</sup>	Safety & Sustainability Committee <sup>4</sup>	Safety & Operations Committee <sup>5</sup>	Responsible Business Committee <sup>6</sup>	Remuneration Committee <sup>7</sup>	People & Remuneration Committee <sup>8</sup>
Paula Rospud Reynolds	N	7/7	1/1	1/1	-	-	-	-	-	-	-
Zoë Yujnovich <sup>9</sup>	E	4/4	-	-	-	-	-	-	-	-	-
Andy Agg		7/7	-	-	-	1/1	-	-	-	-	-
Ian Livingston		7/7	-	1/1	5/5	1/1	-	-	3/3	1/1	3/3
Jacqui Ferguson		7/7	-	1/1	5/5	-	2/2	2/2	-	-	-
Iain Mackay	A	7/7	-	1/1	5/5	1/1	-	-	-	1/1	3/3
Anne Robinson		7/7	-	1/1	-	-	2/2	-	3/3	1/1	3/3
Earl Shipp	S	7/7	1/1	1/1	-	-	2/2	2/2	3/3	-	-
Jonathan Silver		7/7	1/1	1/1	-	1/1	-	-	3/3	-	3/3
Tony Wood	R	7/7	1/1	1/1	-	-	2/2	2/2	3/3	-	-
Martha Wyrsh	P	7/7	-	1/1	-	-	2/2	2/2	-	1/1	3/3
John Pettigrew <sup>10</sup>		5/5	-	-	-	1/1	-	-	-	-	-

1. Reflects attendance for the People & Governance Committee prior to the restructure of the Board Committees.

2. Reflects attendance at the Nomination Committee following the restructure of the Board Committees.

3. Reflects attendance at the Finance Committee prior to the restructure of the Board Committees. Following the restructure, matters considered by the Finance Committee were transferred to the Audit & Risk Committee.

4. Reflects attendance for the Safety & Sustainability Committee prior to the restructure of the Board Committees. Following the restructure, safety matters were transferred to the Safety & Operations Committee and sustainability matters transferred to the Responsible Business Committee.

5. Reflects attendance at the Safety & Operations Committee following the restructure.

6. Reflects attendance at the Responsible Business Committee following the restructure.

7. Reflects attendance for the Remuneration Committee prior to the restructure.

8. Reflects attendance at the People & Remuneration Committee following the restructure.

9. Zoë Yujnovich was appointed to the Board on 1 September 2025.

10. John Pettigrew retired from the Board effective 16 November 2025.

## Committees

<b>A</b> Audit & Risk Committee	<b>P</b> People & Remuneration Committee	<b>S</b> Safety & Operations Committee
<b>N</b> Nomination Committee	<b>R</b> Responsible Business Committee	<b>E</b> Group Executive Committee

## Our Board



### Paula Rosput Reynolds

#### Chair

##### Appointed:

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

##### Age: 69

##### Skills and competencies:

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

##### External appointments:

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



### Zoë Yujnovich

#### Chief Executive

##### Appointed:

Chief Executive on 17 November 2025  
Chief Executive Designate on 1 September 2025

##### Age: 51

##### Skills and competencies:

Zoë is an international energy executive with extensive experience in large-scale operations, capital delivery, and performance transformation across complex, global markets.

She has held senior leadership roles at Rio Tinto and Shell plc, working across Australia, the United States, the United Kingdom, the Netherlands, Brazil, and Canada. She has a strong track record of leading diverse teams and improving operational and cultural performance. At Shell, she led major infrastructure projects and large integrated businesses, including serving as Director of Integrated Gas and Upstream and as a member of the Executive Committee.

Zoë brings deep expertise in capital discipline, operational excellence, stakeholder engagement, and navigating complex energy systems.

##### External appointments:

- Non-executive Director of Unilever PLC



### Andy Agg

#### Chief Financial Officer

##### Appointed:

1 January 2019

##### Age: 56

##### Skills and competencies:

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

##### External appointments:

- Non-executive Director of The Weir Group plc



### Ian Livingston

#### Senior Independent Non-executive Director

##### Appointed:

1 August 2021

##### Age: 61

##### Skills and competencies:

Ian brings a wealth of experience to National Grid, having been both CEO and CFO of BT Group plc, and CFO of Dixons Group. In addition to a highly successful executive career, he has also had extensive non-executive experience in large UK and US public companies as board, audit and remuneration committee chair. Ian also has significant experience of large, regulated companies operating in both the UK and internationally. He is a member of the House of Lords and has also previously served in the UK Government as Minister of State for Trade and Investment. He is a qualified Chartered Accountant.

##### External appointments:

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

## Our Board cont.



## Jacqui Ferguson

### Independent Non-executive Director

**Appointed:**

1 January 2024

**Age:** 55

**Skills and competencies:**

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

**External appointments:**

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



## Iain Mackay

### Independent Non-executive Director

**Appointed:**

11 July 2022

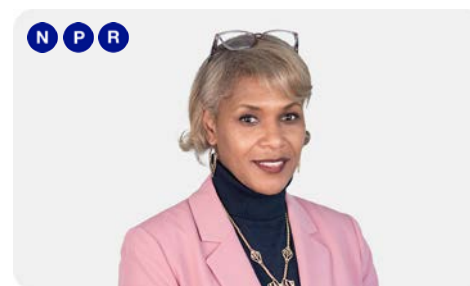
**Age:** 64

**Skills and competencies:**

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

**External appointments:**

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



## Anne Robinson

### Independent Non-executive Director

**Appointed:**

19 January 2022

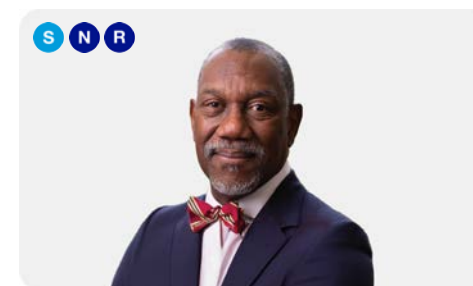
**Age:** 55

**Skills and competencies:**

Anne has over 20 years' legal experience in the financial services industry, where she has counselled senior executives on a wide range of legal, regulatory and business issues. She currently serves as IBM's Senior Vice President and Chief Legal Officer. Anne brings to the Board extensive legal expertise across the financial services and consulting sectors. Anne earned a BS from Hampton University and a JD from Columbia University Law School and is an advocate for sponsorship and mentorship of other women in the legal profession.

**External appointments:**

- Senior Vice President and Chief Legal Officer at IBM



## Earl Shipp

### Independent Non-executive Director

**Appointed:**

1 January 2019

**Age:** 68

**Skills and competencies:**

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

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

**External appointments:**

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

## Our Board cont.



## Jonathan Silver

## Independent Non-executive Director

## Appointed:

16 May 2019

## Age: 68

## Skills and competencies:

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

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

## External appointments:

- Chair of the Global Sustainability Platform at Apollo Global Management, Inc.
- Chair of Terram Lab



## Tony Wood

## Independent Non-executive Director

## Appointed:

1 September 2021

## Age: 60

## Skills and competencies:

Tony has proven business leadership credentials as an experienced Chief Executive and brings to the Board significant engineering experience. Tony was Chief Executive of Meggitt plc and led the operational and cultural transformation of the company, transitioning from an industrial holding structure to a focused and customer-led business, leveraging technology investment.

Tony was formerly President of the Aerospace division of Rolls Royce plc and developed a strong reputation as an operator, turning around and growing several challenging business units and internationalising the company's footprint. Tony is a Fellow of the Royal Aeronautical Society.

## External appointments:

- Non-executive Director of Airbus SE
- Chair of Chemring Group plc



## Martha Wyrsh

## Independent Non-executive Director

## Appointed:

1 September 2021

## Age: 68

## Skills and competencies:

Martha has held a number of senior positions in the energy industry and has significant experience of the US market. She has served as General Counsel of energy and utility companies and was CEO of the divisions of major energy companies, including a major international gas transmission business, as well as leading the growth and development of the renewables business of Vestas in the US.

As an accomplished Director for publicly listed companies in both the UK and the US, Martha brings to the Board relevant experience across the renewable energy sector, as well as a strong understanding of the US regulatory environment, having previously held leadership roles in large US-regulated utility businesses.

## External appointments:

- Independent Director of Quanta Services, Inc.
- Advisor to Summit Carbon Solutions



## Julian Baddeley

## Group Company Secretary

## Appointed:

1 July 2024

## Age: 45

## Skills and competencies:

Julian is a Chartered Company Secretary and corporate lawyer. Prior to joining National Grid, Julian served as Group Company Secretary of abrdn plc, previously known as Standard Life Aberdeen. He has extensive Board, C-suite, transactional and regulatory experience in large FTSE 100 organisations from his former roles at Aviva, Clifford Chance, Friends Life and Cadbury plc. Julian is responsible for guiding the Board in governance matters and leading the Company Secretariat function.

## External appointments:

- Independent Director/Trustee of ShareGift and Chair of the Audit Committee

## Former Directors who served during the year:

John Pettigrew retired from the Board effective 16 November 2025.

## Key Board activities

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

### April

- The Board approved Chief Executive succession arrangements, including the appointment of Zoë Ujnovich as Chief Executive Designate (from 1 September 2025) and Chief Executive (from 17 November 2025), together with related transition, regulatory and remuneration arrangements.

### May

- On 1 May 2025 the appointment of Zoë Ujnovich was announced.
- The Board approved the 2024/25 full-year results, Annual Report and Accounts, Form 20-F, final dividend, Notice of AGM and the internal Board evaluation action plan.
- The Board reviewed progress on the RIIO-T3 electricity transmission business plan, focusing on regulatory engagement with Ofgem ahead of Draft Determinations, the balance between near-term bill impacts and long-term consumer benefits, and the need for continued advocacy to support investment in energy security, affordability and the UK's clean power ambitions.

### July

- The Board held its 2025 AGM at the University of Warwick.
- The Board approved changes to the Board committee structure, approved the Group Modern Slavery Statement for publication, and authorised delegated authority (via a transaction committee) to progress and approve matters relating to the sale of Grain LNG. An update was received on NGED covering business performance and planning for the pathway towards RIIO-ED3.

### September

- Zoë Ujnovich joined the Board as Chief Executive Designate.
- Board and Committee meetings were held at the Waltham office in Massachusetts. As part of the meetings, the Board held a talent engagement session, enabling employees to engage directly with the Board and share insights on National Grid's talent and people programmes.
- The Board reviewed Group performance and outlook, delivery against strategic priorities and the Strategic Business Plan, performance across the US businesses, UK and US regulatory and policy developments, major transformation programmes and investor perspectives, including insights from the Investor Perception Study.

### October

- The Board held an ad hoc meeting where it considered the RIIO-T3 electricity transmission business plan, including the investability and workability of the framework and management's engagement with regulators. The Board also reviewed an update on major infrastructure initiatives to support system resilience in the US.

### November

- The Board and Committee meetings held were largely focused on half-year results and included the approval of the 2025 Strategic Business Plan and the 2025/26 interim dividend.
- The Board considered the RIIO-T3 electricity business plan in advance of Ofgem's Final Determinations, including progress with Ofgem, the investability and workability of the proposed framework.
- John Pettigrew retired from the Board on 16 November. Zoë Ujnovich became Chief Executive on 17 November 2025.

### November

- An employee breakfast discussion was held at the Strand office, London, hosted by Martha Wyrsh. The session was an opportunity for UK participants from various talent cohort programmes to discuss their experience of talent and development at National Grid.
- Completion of the Grain LNG sale.

### December

- Following the completion of a competitive audit tender process, the Board approved the appointment of the external auditor for the next audit term, having considered the Audit & Risk Committee's recommendation and the outcome of its evaluation.
- The Board held an ad hoc meeting to review the RIIO-T3 Final Determinations, with continuing focus on investability, workability and implications for delivery against the Strategic Business Plan, and considered associated risks and next steps.

### January

- The Board held a strategy offsite led by Zoë Ujnovich, as described opposite.
- Deep-dive sessions focused on capital, assets and customers, as well as people and performance culture. The Board reviewed the RIIO-T3 Final Determinations and any potential impact on the Strategic Business Plan.

### March

- The Board approved the 2026/27 budget.
- The Board Sub-Committee reviewed the RIIO-T3 Final Determinations and their impact on the Group's five-year financial framework, including investment priorities and market guidance, ensuring the outcome supported long-term value creation and system resilience.

### March

- Deep-dives were received on the New York and New England business units considering technology, customer experience and regulatory developments.
- A site visit was held at the Northport Power Station in Long Island, one of the Group's large steam turbine generating plants within National Grid Generation.
- Board evaluation process.

The Board considers key stakeholders in its decision making and, in doing so, ensures that the Directors comply with their duty under section 172 of the Companies Act 2006. Our section 172 statement and further information on our key stakeholders can be found on page 85 and pages 23 to 25.



## Strategy offsite

In January 2026, the Board held its annual Strategy offsite, the first led by Zoë Ujnovich in role as Chief Executive, which provided dedicated time for in-depth engagement with senior management and Business Unit Presidents. The Board reviewed performance against the five-year framework, assessed progress made during the year, and discussed investment priorities and transformation opportunities to support the Group's growth agenda. These discussions were informed by detailed management presentations and a series of deep-dive sessions focused on Capital, Assets and Customers, alongside People and performance culture.

## Culture and workforce engagement

### Understanding workforce culture, engagement and wellbeing is fundamental to effective oversight and long-term performance.

Through a combination of direct engagement, reporting and committee oversight, the Board monitors how the Company's values are reflected in day-to-day practice. During the year, the Board continued the 'Full Board Employee Voice' approach to workforce engagement, supported by the four key pillars of engagement outlined below. Following the refreshment of the Board Committees, these pillars were considered in greater depth. In particular, the creation of the People & Remuneration Committee has consolidated oversight of talent, engagement and wider people matters within a single committee and under one Non-executive Director, providing a more coherent and consistent forum for discussion and challenge. Similarly, the Safety & Operations Committee enables site visits and workforce interactions to be aligned more closely to emerging operational and safety themes, where appropriate.

The Board receives regular insight into workforce sentiment, these insights inform the Board's oversight of workforce culture, engagement and wellbeing and support ongoing discussion of people strategy and organisational priorities. Health, safety and wellbeing remain fundamental Board considerations. Through the Safety & Operations Committee, the Board reviews performance trends, serious incidents and management actions, alongside broader wellbeing initiatives.

#### Talent engagement

Provides engagement with key talent cohorts and strengthens Board familiarity with succession candidates.

##### Review of effectiveness

- The Chair of the People & Remuneration Committee hosted talent engagement sessions in the UK and US, enabling participants from Group talent programmes to engage directly with Board members on talent management, strengths and areas for further development.

##### Impact and outcomes

- Board-led talent engagement enhanced the Board's understanding of leadership capability and succession depth, informing more effective challenge on talent development and long-term succession planning.
- The sessions provided first-hand insight into emerging leaders, leadership behaviours and talent management across the Group, highlighting both strengths and areas for improvement, while also increasing Board familiarity with the succession pipeline.

#### Site visits

Provides the Board with direct exposure to colleagues at key sites and real-time workforce insight.

##### Review of effectiveness

- Board members undertook site visits across UK and US. Visits included operational and project locations such as the Network Design Centre in Bristol, Yorkshire Green project sites, and the Northport Power Station on Long Island.
- The visits provided direct engagement with colleagues on the ground and insight into culture, safety and workforce experience across different parts of the business.

##### Impact and outcomes

- The site visits enhanced the Board's understanding of workforce culture, engagement and the lived experience of colleagues across diverse operational settings. These insights informed Board challenge and assurance on health and safety, operational resilience and wellbeing.
- Direct engagement informed Board challenge and discussion, reinforced the importance of visible leadership and open dialogue, and fed into Safety & Operations Committee consideration of safety reporting, contractor management and on-site safety behaviours.

#### Wider workforce engagement

Ensures the Board hears from a wide cross-section of the workforce, including those colleagues not reached through other pillars of the Board's engagement programme.

##### Review of effectiveness

- Board members engaged with the workforce through the receipt of Company-wide webcasts, values-led events, participation in the Annual Corporate Audit Conference in the US, and direct engagement with business unit Presidents and senior leaders at the January 2026 strategy offsite, as well as attendance at engineering dinners, to gain insight into employee views and experiences across the Group.
- In February 2026, the Chair visited our training facility in Eakring.

##### Impact and outcomes

- Direct engagement enabled the Board to hear directly from a broad cross-section of colleagues, strengthening its understanding of workforce culture, values and lived experience beyond formal reporting.
- Insights from the annual Grid:Voice survey and interim pulse surveys supported effective oversight of workforce culture, engagement and wellbeing, informing Board discussion on people strategy and organisational priorities. Employee feedback, including identified improvement opportunities, was considered by the Board and will inform the ongoing development of workforce engagement arrangements.

#### Board and Committee reporting

Provides the Board and its Committees with the data to support the other engagement pillars.

##### Review of effectiveness

- The Board and Committees received regular reporting throughout the year to support and refine the key engagement priorities. This included updates from the annual Grid:Voice employee survey, a mid-year snapshot, succession planning and people strategy updates, and gender and ethnicity pay gap reporting.
- The Safety & Operations Committee oversees health, safety and wellbeing, with the Board overseeing performance trends, serious incidents, management actions and wider wellbeing initiatives.

##### Impact and outcomes

- The structured flow of information through the People & Remuneration Committee and the Board enabled more targeted workforce engagement and better-informed discussion of people and culture matters.
- Ongoing focus through the Safety & Operations Committee reinforced a strong safety culture, supported continuous improvement in health, safety and wellbeing and ensured timely Board scrutiny of serious incidents and workforce risks.

## Board evaluation

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

The 2025 Board evaluation was internally facilitated and focused on the effectiveness of Board processes, the operation of the Board and its Committees, and the quality of discussion and decision-making. This built on the views and feedback received from the previous year's evaluation, in particular in relation to succession and committee structure. Each action has progressed, supported by the arrival of a new Chief Executive and Chief People Officer in the year who have brought a refreshed lens on talent and succession and how this feeds into Board discussion. The evaluation actions were approved at the May 2025 Board meeting and included in last year's annual report for information. In addition, and mindful of the Chief Executive Succession process, the evaluation highlighted the importance of maintaining focus on safe and reliable operations, disciplined capital allocation and effective delivery of our strategy, all of which were factored into the transition planning. Progress against the actions is outlined below.

### External evaluation

In line with the three-year evaluation cycle, the 2026 evaluation was externally facilitated. Christopher Saul was appointed as the independent evaluator, and the Chair and Group Company Secretary agreed the scope and approach for the evaluation, ensuring alignment with the Company's governance framework and the 2024 Code. He attended the March Board and Committee meetings as an observer, and met with Board members and members of the Group Executive Committee for their input. His report, with recommendations, was presented to the Board at its May 2026 meeting and an update on the actions will be provided in next year's annual report. Christopher Saul has no other connection to the Company or individual Directors.

### Progress against our 2025 evaluation actions

#### Talent and Succession

##### Actions

- Focus on senior leadership succession and the Board's exposure to senior management.

##### Progress

- With the creation of the People & Remuneration Committee, all non-Board people-related matters have been consolidated under one Committee. This provides consistency and wider context around people discussions. This also provides clearer accountability around Board talent engagement, which is now led by the Chair of the Committee with the support of the Chief People Officer and Group Company Secretary.
- As part of an induction for Directors into the new Committee, a focused deep-dive session on people and culture was undertaken to support the expanded remit of the revised Committee led by senior management from the respective teams.
- Across the year, a series of roundtable engagement sessions were held with participants from the talent leadership programme, increasing the Board's exposure to senior management and the wider talent pipeline.
- The appointment of Zoë Ujnovich as Chief Executive and Emma Hardaker-Jones as Chief People Officer in the year has demonstrated senior leadership succession in action and brought a refreshed approach to how talent exposure to the Board is managed.

#### Governance framework

- Review the Committee structure particularly in respect of risk, sustainability, reputation, operational and financing matters.
- Assess if the continued ownership of all the Company's Group Principal Risks by the Audit & Risk Committee remains the most optimal and time efficient oversight model.

- Building on the prior year action around committee structure and external benchmarking, a revised committee framework was implemented to better reflect the fast moving external environment that the Company operates in, while continuing to give appropriate focus to key elements of risk, safety and operational performance. This also included the re-allocation of Group Principal Risks.
- Sustainability and reputation oversight: A Responsible Business Committee was established to provide focused oversight of sustainability and the environment.
- Safety and capital delivery: A Safety & Operations Committee was established with responsibility for safety oversight and the capital delivery programme.
- Risk management: Each committee now assumes responsibility for Group Principal Risks within its remit, enabling more focused and specialised risk reviews. The Audit & Risk Committee retains overall ownership of the risk framework, ensuring cohesive oversight across the organisation.

## Directors' induction, development and training

The Board is committed to ensuring that Directors receive appropriate induction and ongoing development and training to support effective decision-making and oversight. Ongoing development is tailored to individual needs and is aligned with the Group's strategy, operations and external environment.

### Director induction and training

The Group Company Secretary supports the Chair in ensuring that each Non-executive Director receives a tailored and comprehensive induction on appointment. The induction programme is aligned to the Director's role, experience and Committee responsibilities and includes meetings with fellow Board members, briefings from business unit Presidents and other management, site visits and discussions with key functions across the Group.

Ongoing Board development is supported through a programme of enrichment sessions held throughout the year, designed to deepen the Board's understanding of the business and to complement, or provide further insight into, matters considered as part of the Board agenda. The Board is kept informed of relevant corporate governance and regulatory developments through regular briefings from the Group Company Secretary. As the Board has evolved, the Board's training and development programme has developed to place greater emphasis on macroeconomic context and ensure deep-dive sessions are aligned to the Group's strategic priorities and risk profile.

The Board benefited from different external perspectives during the year, with a number of external speakers attending Board meetings and dinners to provide insights on political, regulatory, market and industry developments, as well as energy sector trends, supporting informed challenge and strategic oversight by the Board.

### Time commitment

The Board considers potential conflicts of interest and Directors' time commitments when approving appointments to the Board, including any subsequent external appointments. On appointment, Directors confirm that they are able to devote sufficient time to discharge their duties effectively, including attending and preparing for Board and Committee meetings, and undertaking site and office visits. Directors are required to obtain prior Board approval before accepting any additional external appointments.

During the year, the Board approved new external appointments only where it was satisfied that these would not impair the relevant Director's ability to perform their role.

### Re-election of Directors

The Nomination Committee considers each Director's skills, experience, time commitment and tenure when making recommendations to the Board on the election or re-election of Directors. In recommending Directors for re-election at the 2026 AGM, the Board concluded that each continues to make an effective and valuable contribution, brings significant knowledge and experience to the Board, and demonstrates ongoing commitment to their role. The Board also reviewed the independence of all Non-executive Directors and considers each to be independent in accordance with the UK Corporate Governance Code.

### Chief Executive appointment and induction

During the year, the Board devoted considerable attention to Chief Executive succession and the leadership transition, recognising the importance of ensuring a stable, well-planned handover. Following a robust process, as discussed in the People & Governance Committee report last year, on 1 May 2025 the Board announced the appointment of Zoë Yujnovich as the next Chief Executive, succeeding John Pettigrew, who announced his retirement from the Board after almost ten years in the role.

Consistent with the Board's commitment to long-term leadership planning, the Board conducted a rigorous, multi-stage succession process. This ensured that leadership requirements were considered against the Group's strategic priorities, operational requirements and the evolving external environment.

As part of this process, the Board undertook a search to identify the individual best suited to lead the Company through its next phase of strategic delivery. In order to support the Chief Executive succession process the Board appointed Egon Zehnder, who have no other link to the Company. In assessing candidates, the Board prioritised identifying a leader with:

- a proven track record in delivering complex, large-scale capital programmes;
- extensive operational experience across global energy markets;
- international stakeholder management; and
- the capability to guide the Company through the continuing complexities of the energy transition.

Following detailed evaluation and robust Board scrutiny, the Board concluded that Zoë Yujnovich brought the right balance of strategic insight, operational expertise and industry experience to lead National Grid into its next phase. She joined the Board as Chief Executive Designate on 1 September 2025 and succeeded John Pettigrew as Chief Executive on 17 November 2025, enabling a planned and orderly transition.

To support an effective transition, a comprehensive and tailored induction and transition programme was implemented during the period in which Zoë Yujnovich served as Chief Executive Designate. This programme was designed to provide comprehensive insight into the Group's strategy, governance framework, risk profile and stakeholder landscape, and to enable effective engagement with the Board, executive leadership team, investors and key internal and external stakeholders. The induction was tailored to the Chief Executive role by covering strategy and external affairs, operational and safety priorities, regulatory and investor perspectives, governance and legal responsibilities, and people and culture matters.

As part of this programme, Zoë Yujnovich undertook direct engagement with frontline teams and senior operational leaders across the Group's operations, including site visits to deepen her understanding of the Group's operational footprint, safety culture and capital delivery activities. These visits included exposure to operational and training facilities, major assets and operations in both the UK and the US.

Such site visits form a core component of the Board's wider engagement programme and are used to bring to life the Group's Principal Risks, safety priorities and workforce capability, supporting effective oversight and continuity of leadership during executive transitions.

## Nomination Committee report



### Paula Rosput Reynolds

Chair of the Nomination Committee

#### Role of the Committee

- Oversees succession planning for Non-executive and Executive Directors.
- Considers and makes recommendations to the Board in respect of Board appointments.
- Ensured effective plans are maintained to result in a diverse pipeline of succession to the Board.
- Assists the Board in discharging its responsibilities around year-end governance disclosures.

#### Composition

The Committee comprises all independent Non-executive Directors and the Chair of the Board who is appointed as Chair of the Committee.

#### Membership

- Paula Rosput Reynolds (C)
- Ian Livingston
- Jacqui Ferguson
- Iain Mackay
- Anne Robinson
- Earl Shipp
- Jonathan Silver
- Tony Wood
- Martha Wyrsh



The Terms of Reference of the Nomination Committee are available on our website [nationalgrid.com/about-us/corporate-information/corporate-governance](https://nationalgrid.com/about-us/corporate-information/corporate-governance).

Following the Board's committee restructure, as set out on page 89, the Nomination Committee was redefined as a dedicated committee responsible for Board succession planning for both Executive and Non-executive Directors (NEDs). Our reasoning was that since we were transitioning from one Chief Executive to another, we should recognise that both Board and management composition will naturally evolve. As such, we decided that all Non-executive Directors be members of this committee at this juncture. Wider workforce people-related matters are overseen by the People & Remuneration Committee.

The Committee ensures that appointments to the Board are made following a formal, rigorous and transparent process, in line with the 2024 Code. As such, although nine years is generally viewed as a maximum, all our Non-executive Directors have to offer themselves for annual re-election by shareholders.

#### Year-end governance and reporting

The Committee supports the Board in overseeing the Company's Director related governance disclosures for inclusion in the Annual Report and Accounts. The Committee reviewed and advised on Board composition, succession planning, diversity and inclusion, Board and Committee effectiveness, and related disclosures.

#### Board skills and experience

The composition, balance of skills, experience, independence and diversity of the Board remain under active evaluation. Our annual survey of board effectiveness is another helpful tool. The quality of engagement NEDs bring to board service, the style in which the individual Directors interact with fellow board members, as well as the Company's management, and the attitude of care about the Company's purpose, contribute importantly to overall NED effectiveness.

What is also key is that the Board recognises that the issues facing the Company continue to change and that the leadership of the Company is dynamic as well. Thus, we are mindful of our responsibility as a Board to refresh ourselves. The Board skills and experience matrix has to evolve with the environment in which the Company does business.

An overview of Board skills can be seen in the table to the right and the expertise of Directors can be found detailed within Board biographies on page 91. Our skills matrix highlights the broad skills that are in addition to the domain specific expertise of each director. The consideration given to this area supports the Board in satisfying itself that the Board operates in compliance with the 2024 Code and that the right level of skills and expertise can be found on the Board to reflect the increasingly complex environment that the Company operates in.

#### Key activities during the year

- Oversight of Board composition.
- Succession planning for Executive and Non-executive Directors.
- Support to the Board in relation to the Chief Executive transition.
- Prior to the Committee restructure, the People & Governance Committee considered people strategy and strategic workforce planning.

#### Board skills

Strategic oversight	10
Regulatory engagement oversight	9
Mergers, acquisitions, financing and divestments oversight	8
Government and political engagement oversight	7
Accounting and financial reporting oversight	6

## Nomination Committee report cont.

### Composition, time commitment and independence

#### Approach to collating diversity data

As required by UK regulation, we report on diversity data to the extent that respondents voluntarily self-declare. For Non-executive Directors, we ask that they submit relevant information at year-end as part of the declaration process.

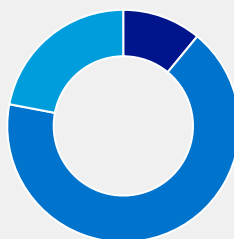
Board appointments are based on merit and objective criteria, including an analysis of the match of a candidate to skills areas where the Board determines particular expertise or depth is needed. In accordance with the 2024 Code, we have a Board Composition policy, which sets out the approach taken to appointments to the Board and its Committees, including in relation to diversity. The policy recognises the benefits of diversity in all its forms and seeks to ensure a good balance of skills, business experience, knowledge, perspectives and backgrounds is maintained, as per policy objective, while having regard to the Board's current and future needs and any periods of change or refreshment.

In the year, our gender, nationality, ethnicity and tenure of service percentages changed with the addition of Zoë Ujnovich to the Board and the departure of John Pettigrew. Our data can be seen in the adjacent section. As at 31 March 2026, we met the FCA's targets on Board diversity set out in UK Listing Rule 6.6.6R(9). We continue to believe that it is the trends in these factors – and close examination of the business qualifications of our Directors – that are the meaningful way to determine how appropriately the Board is composed.

In accordance with UK Listing Rule 6.6.6R(10), as at 31 March 2026, the numerical data on the gender and ethnic background of our Board and Group Executive Committee is set out on the tables to the right.

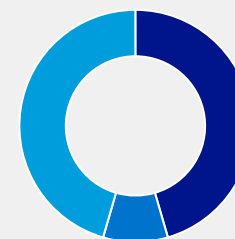
#### Board diversity as at 31 March 2026

##### Chair and Non-executive Directors' tenure



- 0-3 years **1 (11%)**
- 3-6 years **6 (67%)**
- 6-9 years **2 (22%)**

##### Board nationality



- UK **5 (45.5%)**
- UK/Australian **1 (9%)**
- US **5 (45.5%)**

Gender	Number of Board members	Percentage of the Board	Number of senior positions on the Board <sup>1</sup>	Number in executive management <sup>2</sup>	Percentage of executive management <sup>2</sup>
Men	6	54.5	2	6	42.9
Women	5	45.5	2	8	57.1
Not specified/prefer not to say	–	–	–	–	–

Ethnicity	Number of Board members	Percentage of the Board	Number of senior positions on the Board <sup>1</sup>	Number in executive management <sup>2</sup>	Percentage of executive management <sup>2</sup>
White British or other White (including minority-white groups)	9	81.8	4	12	85.7
Mixed/Multiple ethnic group	–	–	–	–	–
Asian/Asian British	–	–	–	–	–
Black/African/Caribbean/Black British	2	18.2	–	1	7.1
Other ethnic group	–	–	–	–	–
Not specified/prefer not to say	–	–	–	1	7.1

1. Senior positions on the Board refer to the Chair, Chief Executive, Chief Financial Officer and Senior Independent Director.

2. Executive management comprises the Group Executive Committee, including the Group Company Secretary. The gender balance of senior management and their direct reports can be found on page 48.

#### Paula Rosput Reynolds

Chair of the Nomination Committee

13 May 2026

## Audit & Risk Committee report



### Iain Mackay

Chair of the Audit & Risk Committee

#### Role of the Committee

- Monitors the integrity of the Group's financial reporting.
- Oversees risk management and internal control systems.
- Oversees the independence and effectiveness of the External Auditor.
- Reviews the effectiveness of Internal Audit.
- Supports the Board's oversight of financial, operational and compliance risks.

#### Composition

The Committee comprises three independent Non-executive Directors. The Committee held five scheduled meetings and two ad hoc meetings during the year. The ad hoc meetings considered the tender for the External Audit and the Group's investment in Community Offshore Wind.

#### Membership

- Iain Mackay (Chair)
- Jacqui Ferguson
- Ian Livingston



The Terms of Reference of the Audit & Risk Committee are available on our website [nationalgrid.com/about-us/corporate-information/corporate-governance](https://nationalgrid.com/about-us/corporate-information/corporate-governance).

I am pleased to present the Committee's report for the year ended 31 March 2026. The Audit & Risk Committee plays a central role in supporting the Board's oversight of the integrity of the Group's financial reporting, the effectiveness of risk management and internal controls, and the quality and independence of the external audit.

During the year, the Committee devoted significant time to reviewing the Group's financial reporting and disclosures, overseeing the year-end reporting process, and considering matters of accounting judgement and estimation. We worked closely with management and the External Auditor, providing robust challenge where appropriate, to ensure that the Annual Report and Accounts present a clear, balanced and transparent view of the Group's performance, position and prospects.

The Committee also maintained oversight of the Group's systems of risk management and internal control, including monitoring progress against internal control enhancements and receiving updates on Sarbanes-Oxley compliance. In light of the 2024 UK Corporate Governance Code, we paid particular attention to the work underway to support the Board's future internal control declaration under Provision 29. We were satisfied that appropriate processes and governance are being established to underpin this enhanced reporting.

As part of the enhanced governance framework following the restructuring of the Board committees, the Audit & Risk Committee has expanded its oversight to include matters previously overseen by the Finance Committee. This includes oversight of activity across treasury, tax, pensions, insurance and commodity trading, including management of financial risk within each of these areas. In parallel, oversight of the Group Principal Risks was re-aligned across the Board committees, with the Audit & Risk Committee continuing to review and support the Board's oversight of risk management and internal control processes.

The Committee undertook focused reviews of selected Group Principal Risks, as set out on page 103, including a deep-dive into the Catastrophic security incident Group Principal Risk. This review considered the effectiveness of controls and mitigations in the context of an increasingly challenging global threat environment. To maintain appropriate oversight, it was agreed that cyber security would also be considered by the Board, ensuring biannual focus across both the Board and the Committee. The scope of the Group Principal Risk was also expanded to include physical security of assets.

Throughout the year, we received regular reports from Internal Audit and the External Auditor, reviewed the effectiveness of both, and held private meetings without management present to support open and constructive dialogue. We also led a formal competitive External Audit

#### Key activities during the year

- Oversaw a formal competitive External Audit tender process.
- Undertook focused reviews of several Group Principal Risks, including Catastrophic security incident and Financing our business.
- Expanded the Committee's remit and oversight to include matters previously overseen by the Finance Committee.
- Reviewed and challenged management's preparation for compliance with Provision 29 of the 2024 Code.

tender process which concluded with the Board's approval of the Committee's recommendation to re-appoint Deloitte as the Company's External Auditor. Further information on the External Audit tender process can be found on pages 103 and 104.

As Chair, I met regularly with the lead External Audit Partner, the Chief Financial Officer, the Chief Risk Officer, the Group Head of Internal Audit and other senior leaders, ensuring that emerging issues were identified early, and addressed through the Group's governance and assurance frameworks. The Board was kept informed of the Committee's work through regular reports, minutes and discussion. On behalf of the Committee, I am satisfied that we have discharged our responsibilities effectively during the year and that the Committee has made a strong contribution to the Board's oversight of financial reporting, risk management and internal controls.

#### Committee financial experience

The Board is satisfied that the Committee comprises members who are suitably qualified with recent and relevant financial experience and competence in accounting, auditing or both. Iain Mackay and Ian Livingston are qualified chartered accountants and are considered competent in accounting and auditing for the purposes of the 2024 Code and the FCA's Disclosure Guidance and Transparency Rules. Collectively, the Committee brings an appropriate balance of commercial and financial expertise to provide effective challenge and oversight of the matters within its remit. The Committee as a whole is deemed to have competence relevant to the sector in which the Company operates. For the purposes of the US Sarbanes-Oxley Act of 2002 (SOX), Iain Mackay is designated as the Committee's financial expert. Further information on Committee members can be found in their biographies on pages 91 to 93.

## Audit & Risk Committee report cont.

### Key activities during the year

The Committee maintains a comprehensive agenda across financial reporting, risk management, internal controls and assurance, together with treasury, tax, pensions, insurance and commodities, and the management of related financial risks. The Committee engages regularly with the External Auditor and senior management from the Finance, Internal Audit, Risk, Treasury and Compliance functions, and reported to the Board after each meeting, making recommendations where appropriate. The Committee's key activities are summarised below.

#### Financial and non-financial reporting

- Monitored the integrity of the Group's financial and non-financial reporting, including the Annual Report and Accounts and other formal financial communications, and compliance with SOX requirements.
- Reviewed and challenged significant accounting policies, key judgements and principal sources of estimation uncertainty, and recommended these to the Board for inclusion in the half-year and full-year financial statements and related US regulatory filings.
- Considered management's assessment of accounting matters such as the sale of NG Renewables and Grain LNG, including judgements around post-closing capital project obligations, and developments in the US Offshore wind industry following the full impairment of the Company's Community Offshore Wind asset in 2024/25.
- Received updates on developments in accounting standards and practice, including IFRS 18 and IFRS 20, and considered the potential impact on the Group's external reporting.
- Held a joint meeting with the Responsible Business Committee to review the Climate change mitigation Group Principal Risk and the Group's approach to sustainability reporting.
- Reviewed the Responsible Business, TCFD and other environment, social and governance disclosures, including the findings of Deloitte's limited assurance, and recommended these disclosures to the Board for approval.
- Considered the recommendations of the FRC's Corporate Reporting Review of the Company's 2024/25 Annual Report and took these into consideration in the preparation of the 2025/26 Annual Report.

#### Risk management and internal control

- Oversaw the Group's risk profile and management actions against the Board-approved risk appetite, including the half-year and full-year review of the Group's principal, emerging and external risks, including the design and operating effectiveness of related controls.
- Reviewed management attestations and assurance supporting the annual assessment of the effectiveness of the Group's risk management processes and internal controls, and advised the Board that these operated effectively across financial, operational and compliance matters.
- Performed deep-dives on five of the Group's Principal Risks, as set out on page 103.
- Considered climate-related transition risks, cyber security, including legacy technology risk, and other key non-financial risks within the enterprise risk management framework, and the adequacy of the associated control environment.
- Reviewed and challenged the going concern and viability assessments, including severe but plausible downside scenarios, and the robustness of the underlying assumptions, stress testing and controls.
- Monitored progress on the Group's SOX attestation programme and the broader programme to strengthen, document and test material controls, including actions to strengthen the maturity of the risk and controls framework.

- Reviewed management's approach to identifying material controls, the scope and outcomes of controls testing, and remediation of any identified deficiencies as part of its preparation for reporting against Provision 29 of the 2024 Code.

#### Treasury, tax, pensions, insurance and commodities

- Received regular updates on treasury, tax, pensions and insurance, including oversight of financial risk appetite, and approved the Finance Policy and related Delegations of Authority.
- Considered the Group's Tax Strategy and recommended to the Board for approval.
- Reviewed commodities activities, including US energy procurement and interconnector trading, together with the associated governance framework, risk policies and delegations.

#### Internal Audit

- Oversaw succession planning and resourcing for the Internal Audit function, including the appointment of the Group Head of Internal Audit during the year.
- Received regular updates on delivery of the 2025/26 Internal Audit Plan, including significant findings, thematic insights and progress against agreed management actions, with Internal Audit providing independent third-line assurance over the design and operating effectiveness of key controls, and approved the 2026/27 Internal Audit Plan.
- Oversaw the work undertaken by the Internal Audit function on the Quality Assurance and Improvement Plan, including progress made since the 2024/25 External Quality Assessment (EQA) which concluded that the Internal Audit function generally conformed with Chartered Institute of Internal Auditors (IIA) Standards, the highest rating from an EQA.
- Approved the updated Internal Audit Charter, confirming the function's mandate, independence and authority under the Global Internal Audit Standards.
- Considered Internal Audit's work, findings and follow-up activity alongside the Committee's assessment of the effectiveness of the Group's risk management and internal control framework.

#### External Auditor

- Received reports from the External Auditor at each meeting on audit progress, scope and key risk areas, and reviewed the External Auditor's reports on the half-year and full-year results.
- Assessed the External Auditor's effectiveness, independence and professional scepticism, and considered non-audit services.
- Recommended the re-appointment of Deloitte as External Auditor to the Board, for recommendation to shareholders at the 2026 AGM and led a formal competitive audit tender process for the External Audit for the year ending 31 March 2028.

#### Compliance, governance and disclosure

- Reviewed and recommended to the Board the Committee's Terms of Reference which were updated to reflect the Committee's expanded remit.
- Received regular updates on ethics, business conduct and whistleblowing, and reports on legal and regulatory compliance, including instances of non-compliance and actions taken to strengthen compliance and investigation arrangements across the Group.

## Audit & Risk Committee report cont.

### Significant issues and judgements relating to the financial statements

The significant issues and judgements considered by the Committee in relation to the financial statements for the year ended 31 March 2026 are set out in the table below. During the year, the Committee discussed these matters in detail with management and the External Auditor as part of its oversight of the integrity of the Group's financial reporting.

Matters considered	Factors and reasons considered, including financial outcomes
<b>US environmental remediation provisions</b>	During the year, the Committee reviewed the accounting for the £2,012bn of US environmental remediation provisions. Following correspondence with environmental regulators on the scope and design of remediation activities related to Superfund sites, and the revision of management estimates, we recognised a net movement in the associated provision of £nil. The net movement in the provision is reported through exceptional items, consistent with the Group's policy as disclosed in notes 5 and 26 to the financial statements.
<b>Disposal of Grain LNG</b>	On 28 November 2025, Grain LNG was sold to a consortium of multinational energy companies, Centrica plc, and an energy transition infrastructure investment firm, Energy Capital Partners, part of Bridgepoint Group plc. The Committee reviewed the gain on disposal calculation, including the judgements around the post closing capital project obligations and related disclosures in note 10 to the financial statements.
<b>Disposal of National Grid Renewables</b>	On 29 May 2025, National Grid Renewables was sold to Brookfield Asset Management and its institutional partners including Brookfield Renewable Partners for \$2.1 billion. A pre-tax loss on disposal of £96 million was recognised within the Group's results (the loss arose principally from the recycling of cumulative foreign exchange movements up to the date of disposal). The Committee reviewed the loss on disposal calculation and related disclosures in note 10 to the financial statements.
<b>Monitoring of North Hyde related liability exposure</b>	The Committee received updates on the investigation into the North Hyde substation outage. On 18 November 2025, NESO published its final report. National Grid fully supports the NESO recommendations and remains committed to working with NESO and others to implement them. The Ofgem investigation is ongoing. The Committee reviewed management's assessment of the liability exposure and the related disclosures in note 30 to the financial statements.
<b>Obligations relating to FERC Return on Equity (ROE) order</b>	On 19 March 2026, the FERC issued an order requiring certain transmission operators in North East America to establish a base return on equity of 9.57%. Historical amounts charged in excess of this base ROE are to be refunded. The Committee has reviewed management's accounting treatment under IFRS and the impact on underlying earnings. Further information can be found on page 76.

### Financial reporting

#### Going concern and longer-term viability

During the year, the Committee reviewed management's assessment of the Group's status as a going concern and its longer-term viability. This included reviewing the Group's going concern and longer-term viability statement (as set out on pages 142 and 86 respectively), together with the supporting assessment reports prepared by management. Based on this review, the Committee concluded that the financial statements had been appropriately prepared on a going concern basis and that the Company and the Group have adequate resources to continue in operation for at least 12 months from the date of approval of the Consolidated Financial Statements for the year ended 31 March 2026 and recommended it to the Board for approval.

#### Fair, balanced and understandable

In May 2026, the Committee reviewed this Annual Report and Accounts having provided input and challenge on earlier drafts. The Committee concluded that the Annual Report and Accounts, taken as a whole, is fair, balanced and understandable, and provides the information necessary for shareholders and other stakeholders to assess the Group's position, performance, business model and strategy.

In reaching this conclusion, the Committee considered both the financial and non-financial disclosures, including the Group's disclosures prepared in line with the TCFD recommendations (see pages 53–68). The Committee also considered the potential impact of these disclosures on the forward-looking assumptions supporting the Group's going concern and viability assessments. The Committee's review was informed by the following:

- a comprehensive drafting and review framework, including sign-off by Group Executive Committee members of relevant areas of the Annual Report and Accounts;
- a robust verification process for key financial and non-financial statements;
- a comprehensive review by management, including members of the Group Executive Committee and the Disclosure Committee, to assess the accuracy and consistency of messaging and overall balance; and
- feedback from the Company's advisors, including the External Auditor and Remuneration Advisor.

On this basis, the Committee recommended the Annual Report and Accounts to the Board for approval.

### Risk management and internal controls

The Board has overall responsibility for the Group's risk management and internal control framework, including setting risk appetite, overseeing principal and emerging risks and reviewing the framework's effectiveness. The Audit & Risk Committee supports the Board by providing focused oversight and challenge on the design and operation of the framework, the quality of risk reporting, and the assurance obtained across financial, operational, reporting and compliance matters.

#### Risk management

Effective risk management underpins delivery of the Group's strategic priorities. The Chief Risk Officer is responsible for establishing and maintaining the Group's risk management processes and ensuring principal and emerging risks are identified, assessed and managed within the risk appetite approved by the Board. During the year, the Board reviewed and approved the Group's Principal Risks, which are set out in the Strategic Report on pages 31–37. The Committee provided detailed oversight through scheduled risk updates and deep-dives, testing management's assessment of risk exposures, ownership, mitigations, emerging risk indicators and the consistency of disclosures across the Annual Report and Accounts.

## Audit & Risk Committee report cont.

Following the restructure of Board committees, the Group's Principal Risks are considered by the Board committee best placed to provide specialist oversight, with the Audit & Risk Committee retaining responsibility for assessing the overall effectiveness of risk management and internal control and receiving half-year and full-year reporting that summarises how the Group Principal Risks have been managed.

During the year, the Committee undertook focused reviews of selected Group Principal Risks, assessing risk ownership, key controls and mitigation plans, and the quality of management reporting and assurance. The reviews included: Satisfactory regulatory outcomes; Major capital projects; Catastrophic security incident; and Financing our business. The Committee considered the Climate change mitigation Group Principal Risk in a joint meeting with the Responsible Business Committee.

### Internal controls and assurance

The Group's internal control framework supports the integrity of financial and non-financial reporting and the preparation of the Annual Report and Accounts. The Committee oversees the processes in place to support timely and accurate reporting, the consistent application of accounting standards and significant judgements, and key disclosures, including going concern and viability. This oversight is informed by regular management reporting and assurance provided by Internal Audit and the External Auditor.

As a UK and US listed group, the Committee also receives periodic updates on the SOX programme and management's assessment of internal control over financial reporting (ICFR), including progress against the Group-wide compliance plan and developments in the controls environment. These updates informed the Committee's review of full-year reporting and broader assurance across over the control environment.

### Governance developments and forward-looking oversight

The Committee received updates on relevant regulatory developments, significant litigation and other emerging matters, supporting forward-looking oversight of principal risks and the resilience of the control environment. In line with the 2024 Code, the Committee reviewed management's programme to strengthen and evidence the effectiveness of material internal controls across financial, operational, reporting and compliance activities, supporting the Board's annual review and related disclosures.

### Internal control and risk management effectiveness

The Committee regularly reviewed the effectiveness of the Group's internal control and risk management frameworks, with a focus on material controls aligned to the Group's Principal Risks. Based on the work undertaken, the Committee confirmed to the Board that the control framework continued to operate effectively and to provide appropriate assurance. The Committee was also satisfied that the sources of assurance relied upon were of sufficient authority, independence and expertise to provide objective and reliable assurance.

The Committee monitored material business conduct and compliance matters, including oversight of the annual Certificate of Assurance process, through which management confirms the effectiveness of the Group's risk management and internal control systems and identifies significant matters not otherwise captured through existing assurance arrangements. Assurance over internal controls over financial reporting is provided separately through the Group's SOX framework. No material weaknesses were identified and the Committee reported to the Board that management's processes for monitoring and reviewing risk management and internal control remained effective.

The Committee also oversaw management's approach to future compliance with Provision 29 of the 2024 Code, including the identification and review of the material controls that, individually or in aggregate, are most relevant to the management of risks that could threaten the Group's business model, future performance, solvency or liquidity. During the year, the Committee oversaw the development of a structured,

evidence-based framework to support the Board's annual effectiveness assessment, which is progressing as planned in preparation for the year ending 31 March 2027 when this is implemented.

### Internal Audit

The Internal Audit function supports the Group's risk management and internal control framework by providing independent and objective assurance and insight. Its work is delivered in accordance with the Institute of Internal Auditors' International Professional Practices Framework (IPPF). Based on the work performed by the IIA in 2024/25, it was determined that the Internal Audit function generally conforms to all relevant principles of the IPPF with a high degree of conformance. The Committee is satisfied that Internal Audit has the appropriate quality, capability and expertise to fulfil its mandate. The appointment of the Group Head of Internal Audit is a matter reserved for the Committee. During the year, the Committee considered succession planning and resourcing for the Internal Audit function, including the appointment of the Group Head of Internal Audit. The Group Head of Internal Audit attends all Committee meetings, has direct access to the Committee Chair, and meets the Committee in private session without management present.

During the year, the Committee monitored the delivery of the Internal Audit Plan, including key themes arising from audit work, management's remediation plans and the timely closure of actions. The Committee also reviewed the Internal Audit Charter to ensure that it remained aligned to evolving Global Internal Audit Standards, and received updates on the function's ongoing transformation to ensure it remains fit for purpose in light of strategic and technological change and emerging risks.

### External Audit

The Committee oversees the relationship with the External Auditor, including audit quality, independence and effectiveness. The Company's External Auditor, Deloitte LLP, was re-appointed by shareholders at the Company's AGM in July 2025 and the Committee was authorised to set Deloitte's remuneration. The current Lead Audit Partner is Chris Thomas and 2025/26 was the fourth year of his term. Katie Houldsworth will succeed Chris Thomas as Lead External Audit Partner following the announcement of the Company's half-year results in November 2026. A transition plan is in place to ensure an effective handover.

### Audit tender process

In accordance with UK requirements on audit firm rotation and tendering, the Committee keeps the appointment of the External Auditor under regular review and, during the year, led a formal competitive tender for the audit for the year ending 31 March 2028. Following the conclusion of the process, the Board approved the re-appointment of Deloitte as the Company's External Auditor subject to shareholder approval at the 2027 AGM. Deloitte was last appointed as the Group's External Auditor in 2017 and was re-appointed at the Company's Annual General Meeting in July 2025.

The tender process undertaken during the year was overseen by the Committee, which was involved throughout. Seven firms were initially invited to participate, comprising four top-tier and three mid-tier firms. Two top-tier firms, including the incumbent auditor, accepted the invitation and progressed to the RFP stage. The Chair of the Committee engaged with firms that declined to tender to understand their reasons and to reinforce expectations regarding participation in audit tenders. A virtual data room was established for both firms and structured meetings were held with Committee and Board members, together with senior finance management to enable a clear assessment of each firm's capabilities, experience and understanding of the Company's audit requirements. Feedback from these meetings was coordinated by the Group External Reporting team.

Formal submissions were received and final presentations were delivered in December 2025. Proposals were assessed against weighted criteria, with audit quality as the primary consideration, alongside audit approach, technical competence and challenge. The Committee also considered the Audit Quality Review reports published in respect of each firm. Final presentations were attended by the Chair of the

## Audit & Risk Committee report cont.

Committee, Chief Executive, Chief Financial Officer, Head of Internal Audit, Group Financial Controller and other senior finance leaders. Following detailed evaluation and discussion, the Committee recommended the re-appointment of Deloitte, which the Board approved in December 2025.

In conducting the tender process, the Committee considered the guidance on tendering set out in the FRC's Audit Committees and the External Audit: Minimum Standard.

### Effectiveness, quality and performance

As part of its responsibilities, the Committee regularly assesses the effectiveness, independence and performance of the External Auditor to satisfy itself that the quality, rigour and outcomes of the external audit remain appropriate. During the year, the Committee considered the quality of Deloitte's audit reports and its responses to accounting, financial control and audit matters as they arose, and reviewed and challenged the External Audit Plan prior to approval.

In forming its conclusions, the Committee engaged regularly with senior management and members of the Finance function. The Committee Chair met with the External Auditor privately, both in conjunction with scheduled Committee meetings and outside the formal meeting cycle, without management present, to promote open and constructive dialogue. Committee members also met privately with the External Auditor at least twice during the year. In considering the effectiveness of the External Auditor the Committee:

- reviewed the quality of audit planning, including audit approach, scope, progress and fee levels;
- considered the insights provided by the External Auditor via their reports presented to the Committee at each meeting which highlight financial reporting and internal control areas which they consider should be prioritised by management; and
- assessed Deloitte's performance against key aspects of audit delivery, including planning, resourcing, use of technology, oversight and quality review.

The Committee concluded that the External Audit had been delivered effectively.

Following completion of the 2024/25 External Audit, management conducted a survey of key stakeholders involved in the audit to gather feedback on the external audit process. The survey covered audit planning and scope, robustness of the audit process, independence and objectivity, quality of delivery, quality of people and service, and understanding of the Group. The results were shared with Deloitte and informed planning for the 2025/26 External Audit.

Survey feedback indicated an improvement in Deloitte's scores compared with the prior year, reflecting targeted actions taken in response to earlier feedback. The survey confirmed that the audit contributed to the integrity of the Group's financial reporting, that relationships between Deloitte, the Committee and management remained effective, and that Deloitte demonstrated appropriate professional scepticism, supported by the skills and experience of the audit team.

Following its assessment for 2025/26, the Committee recommended to the Board the re-appointment of Deloitte as External Auditor for the year ending 31 March 2027. A resolution to re-appoint Deloitte, and to authorise the Committee to determine its remuneration, will be proposed to shareholders at the 2026 AGM. Based on its ongoing assessment, the Committee remains satisfied with Deloitte's independence, objectivity, effectiveness and performance, and considers its re-appointment for 2026/27 to be in the best interests of the Company.

The Committee confirmed that, during 2025/26, the Company complied with the mandatory audit processes and audit committee responsibility provisions of the Competition and Markets Authority Statutory Audit Services Order 2014. The Committee also confirms its continued compliance with the

FRC's Audit Committees and the External Audit: Minimum Standard. Activities undertaken to support this assessment are described throughout this report. The Committee promotes transparency and accountability across the Group's financial reporting and audit processes in support of high-quality reporting and the long-term sustainability of the Company.

### Auditor independence and objectivity

The Committee recognises that auditor independence and objectivity are fundamental to the integrity of the audit. During the year, it reviewed the safeguards supporting independence, including the annual assessment by Internal Audit. In May 2026, Deloitte confirmed its compliance with applicable UK regulatory and professional requirements, US SEC regulations, and Public Company Accounting Oversight Board (PCAOB) standards, and that its objectivity had not been compromised. Having considered these confirmations, the level of non-audit services and the safeguards applied, the Committee concluded that Deloitte remained independent for the purposes of the External Audit and confirmed that its recommendation to the Board was free from third-party influence and restrictive contractual clauses.

### Non-audit services

In line with the FRC's Ethical Standard and to maintain the External Auditor's objectivity and independence, the Committee has established a policy governing the provision of non-audit services by the External Auditor. The total fees payable for non-audit services in any financial year are capped at 70% of the average audit fees paid in the preceding three financial years. All non-audit services require the prior approval of the Committee. A limited subset of services which, due to their nature, the Committee has determined that they do not pose a threat to the auditor's independence or objectivity and have a value of less than £250,000 may be pre-approved by the Chief Financial Officer. The Committee receives regular reports on all non-audit services provided by the External Auditor to ensure ongoing oversight. Non-audit services approved during the year principally related to ESG assurance and reporting accountant services.

### External Auditor's fees

The amounts (£m) paid to the External Auditor in the past three years were as follows:



The total billed non-audit services provided by Deloitte during the year ended 31 March 2026 were £1.6 million, representing 8.1% of total audit and non-audit fees. Further information on the fees paid to Deloitte for audit, audit-related and other services is provided in note 4 to the financial statements on page 152. Total audit and audit-related fees include the fees paid to Deloitte for other services that the External Auditor is required to perform, such as regulatory audits and SOX attestation. Non-audit fees represent all non-statutory services provided by Deloitte.

### Iain Mackay

Chair of the Audit & Risk Committee

13 May 2026

## Safety & Operations Committee report



### Earl Shipp

Chair of the Safety & Operations Committee

#### Role of the Committee


- The Committee assists the Board in fulfilling its oversight responsibilities in respect of reviewing and challenging strategies, policies, initiatives, risk exposure, targets and performance of the Company in relation to safety and wellbeing.
- The Committee provides oversight of the Company's major capital projects and operational activities, particularly in relation to delivery, governance and risk management, and execution.

#### Composition

The Committee comprises four independent Non-executive Directors. The Committee held one orientation meeting and one further scheduled meeting during the year.

#### Membership

- Earl Shipp (Chair)
- Jacqui Ferguson
- Tony Wood
- Martha Wyrtsch

 The Terms of Reference of the Safety & Operations Committee are available on our website [nationalgrid.com/about-us/corporate-information/corporate-governance](https://nationalgrid.com/about-us/corporate-information/corporate-governance)

As a result of the Committee restructure detailed on page 89, the Board approved the establishment of the Safety & Operations Committee, replacing and extending elements of the former Safety & Sustainability Committee and establishing the Committee's key areas of focus as safety and wellbeing, operations, and major project delivery.

#### Safety and wellbeing

The accelerating pace of work activities has increased reliance on contractors and placed pressure on internal and external resources. The refreshed Committee enables enhanced oversight of how we manage safety performance and wellbeing, including learning from safety incidents and near misses, regulatory insights and industry benchmarking as well as how safety-related risk is mitigated. The safety of our people, contractors, the public, and those affected by the Group's activities remain paramount and a central focus for the Committee.

The former Safety & Sustainability Committee met in May 2025 and considered the Annual Health and Safety Report for 2024/25 which provided a strategic review of the Group's safety, health and wellbeing performance for the year, including performance against key safety metrics, sustained areas of improvement, and emerging operational vulnerabilities. The Safety & Operations Committee has continued to oversee the Group's safety, health and wellbeing performance and receives updates from the Director of Safety, Health and Wellbeing at each Committee meeting.

The Committee reviewed progress against the Group's core safety indicators, including trends in serious incidents and management's recovery actions, alongside enhancements to reporting processes designed to strengthen insight and support more proactive risk management. Development of a new incident reporting system has been monitored by the Committee ahead of implementation and the Committee will continue to monitor progress of this roll-out.

The Committee considered initiatives to reduce the most common causes of workplace harm and causes of lost time injuries, with a focus on strengthening system controls, workplace conditions and leadership engagement. The Committee noted progress in these areas.

Wellbeing also remained a key focus. The Committee received updates on initiatives to support mental health, strengthen organisational resilience and ensure regulatory compliance.

As reported last year in the Safety & Sustainability Committee report, the Committee continued to track progress against the actions from an external review of safety governance and culture. This helped to inform clearer roles and responsibilities and reinforced expectations across our business units where progress has been positive.

#### Key activities during the year

- Oversaw health, safety and asset governance, operations and major project delivery, including performance trends, serious incidents, and the effectiveness of controls across the Group's operations.
- Reviewed the management of operational and safety-related risks, including relevant Group Principal Risks, asset integrity, and resilience of critical infrastructure.
- Monitored safety culture, capability and assurance.

#### Operations and major project delivery

As a new area of focus, the Committee spent time understanding the spread of major projects across the Group. This included those in construction as well as those planned in the US and under the ASTI projects in the UK. Operational performance was monitored, noting the increasing pressure on networks as investment accelerates to meet future system needs. The Committee reviewed major project delivery and key operational risks, such as outage planning and supply chain resilience across both electricity and gas businesses, and supported the continued development of clearer milestone-based reporting to enhance visibility of progress, cost, schedule and risk exposure.

While overall portfolio performance remained within expected tolerances, continued attention to supply chain pressures, resource availability and increasing network operability challenges will be critical to maintaining project delivery confidence.

The Committee also monitored initiatives to build the Company's future delivery capability with an update received from the Group Chief Engineer providing insight into the Group's progress around strengthening engineering competencies.

Following the fire at North Hyde in March 2025, the Board received several updates on this and asset maintenance. The Committee will take forward the focus on this area through the next year, including tracking progress on actions from both internal and external investigations.

During the year, between the Committee, members participated in seven site visits to observe field activities, meet and talk with employees.

#### Earl Shipp

Chair of the Safety & Operations Committee

13 May 2026

## Responsible Business Committee report



### Tony Wood

Chair of the Responsible Business Committee

#### Role of the Committee

- Assists the Board in fulfilling its oversight responsibilities in respect of the Company's role as a responsible business.
- Responsible for monitoring and, where appropriate, challenging strategies, policies, initiatives and risk exposure relating to political, societal and regulatory matters, as well as performance against climate- and sustainability-related targets.
- Provides oversight of reputational risk across the Company's stakeholder groups.

#### Composition

The Committee comprises five independent Non-executive Directors. The Committee held one orientation meeting and two further scheduled meetings during the year. One ad hoc meeting with the Audit & Risk Committee was also held.



Our CTP and Responsible Business Charter can be found on our website [nationalgrid.com/responsibility](https://nationalgrid.com/responsibility)



The Terms of Reference of the Responsible Business Committee are available on our website [nationalgrid.com/about-us/corporate-information/corporate-governance](https://nationalgrid.com/about-us/corporate-information/corporate-governance)

#### Membership

- Tony Wood (Chair)
- Ian Livingston
- Anne Robinson
- Earl Shipp
- Jonathan Silver

The Responsible Business Committee was established during the year following a committee restructure as detailed on page 89.

The creation of the Committee reflects the increasingly complex external environment in which the Group operates, characterised by heightened political, societal and regulatory scrutiny, evolving stakeholder expectations, and a rapidly changing climate and sustainability landscape. The Board determined that these interrelated matters warranted more focused and integrated oversight at Board committee level.

The Committee's remit encompasses three principal areas of focus: sustainability (including climate change), reputation, and regulatory and political matters. In this context, the Committee monitors and, where appropriate, challenges the Company's strategies, policies, initiatives and risk exposure relating to customer, political, societal and regulatory issues, as well as performance against climate- and sustainability-related targets.

As part of the committee refreshment, the Committee took responsibility for monitoring and oversight of the following Group Principal Risks: political and societal expectations; climate change mitigation; and satisfactory regulatory outcomes. The Committee will continue to give focus to ensure mitigations are appropriate to the changing external environment. The Committee also has oversight of reputational risk across the Company's key stakeholder groups.

During the initial period of operation, the Committee focused on establishing a robust governance framework and forward agenda planner, and on developing a shared understanding of the external context across our areas of responsibility. It also confirmed its approach to oversight and reporting. This included consideration of the Company's Responsible Business strategy and climate targets, and the development of enhanced reputation monitoring and reporting.

#### Key activities during the year

- Oversaw the Group's sustainability and climate agenda, including progress against climate commitments, the Climate Change Mitigation Group Principal Risk and related disclosures.
- Reviewed Responsible Business reporting, reputation and stakeholder engagement, ensuring disclosures and external positioning remained credible, balanced and aligned with stakeholder expectations.
- Monitored regulatory, political and societal developments, including related Group Principal Risks, policy engagement and ESG-linked performance measures.

#### External affairs

The Committee considered the external environment affecting the Company's role as a responsible business, including political, societal and regulatory developments across the Group's jurisdictions. The Committee discussed how heightened stakeholder scrutiny, affordability pressures, geopolitical developments and evolving regulatory expectations interact with the Company's sustainability commitments, reputation and long-term outcomes.

#### Sustainability

In relation to sustainability and climate change, the Committee received updates on the Company's Responsible Business strategy, including progress against climate targets and plans to refresh the Responsible Business Charter. The Committee discussed the challenges presented by the rapidly changing external environment and the implications for the Company's climate commitments, disclosures and external narrative. During the year, the Committee held a joint meeting with the Audit & Risk Committee to review the Climate change mitigation Group Principal Risk and the Group's approach to sustainability reporting. Prior to the Committee restructure, climate-related matters were overseen by the former Safety & Sustainability Committee, which in May 2025 reviewed progress against Scope 1 and 2 targets, discussed Scope 3 dependencies and considered key external uncertainties.

#### Reputation

The Committee also focused on reputation and stakeholder sentiment, recognising reputation as a critical business asset and an important component of the Company's licence to operate. During the year, the Committee oversaw the development of an enhanced approach to reputation management, including the introduction of a reputation dashboard designed to provide clearer insight into stakeholder sentiment, including customers, regulators and government, employees, suppliers and the general public. Where appropriate, the Committee consolidates inputs from other committees to avoid duplication while providing a holistic view. The dashboard also provides insight into emerging issues and reputational signals across geographies. The Committee discussed how this insight could be used alongside existing risk frameworks to support earlier identification of emerging risks and opportunities.

The Committee reviewed the broader regulatory landscape in the Company's jurisdictions and considered how the Company positions itself to support satisfactory regulatory outcomes over the longer term.

#### Tony Wood

Chair of the Responsible Business Committee  
13 May 2026

## People & Remuneration Committee report



### Martha Wyrsh

Chair of the People & Remuneration Committee

#### Role of the Committee

- Responsible for determining the Directors' Remuneration Policy and setting the remuneration of the Chair, Executive Directors and members of the Group Executive Committee.
- Oversees remuneration policies and practices across the wider workforce.
- Oversees the talent and succession planning framework and approach to diversity, equity and inclusion and organisational culture.
- Monitors the Group Principal Risk relating to People, capability and capacity, ensuring that matters are appropriately managed and aligned with the Company's strategic objectives.

#### Composition

The Committee comprises five independent Non-executive Directors. Since the restructure of the Committees, three scheduled meetings were held. Prior to the restructure, the Remuneration Committee held one scheduled meeting and two ad hoc meetings.

#### Membership

- Martha Wyrsh (Chair)
- Ian Livingston
- Iain Mackay
- Anne Robinson
- Jonathan Silver



The Terms of Reference of the People & Remuneration Committee are available on our website [nationalgrid.com/about-us/corporate-information/corporate-governance](https://nationalgrid.com/about-us/corporate-information/corporate-governance)

First, we would like to thank shareholders for their strong support in approving the Directors' Remuneration Policy at the 2025 AGM.

The Group has grown significantly over the past year, driven by substantial increases in regulated assets and capital investment. We achieved constructive regulatory outcomes in both the UK and the USA and made significant progress in securing our supply chain, leading to confidence in delivery of our capital investment plans. In March we announced our extended and upgraded five year Financial Framework, which increased our cumulative capital investment commitment to at least \$70 billion and upgraded underlying earnings per share growth to 8-10%. It is underpinned by multiple structural investment drivers, including acceleration demand from data centres and the continued electrification of industrial demand.

Against this backdrop, the Group delivered a strong financial and operational performance in 2025/26, reflecting continued execution against strategic priorities and disciplined delivery. This performance provides important context for the Committee's approach to remuneration outcomes for the year, as set out in this report, and demonstrates the alignment between executive incentives, long-term value creation and shareholder interests.

#### Alignment of remuneration with our business strategy

We align our performance-linked elements of remuneration to our strategic priorities, long-term stakeholder and shareholder value and our vision to bring energy to power possibilities.

We continue to evolve our performance measures to align with our strategic focus areas and are introducing a new 2026/27 APP "Performance delivery" measure focusing on capital delivery, asset management, customer and functional effectiveness. We are also extending the "Enablement of strategic growth" 2026 LTPP measure to include demand-side connections and large loads that support the energy transition and economic growth, in addition to generation connections.

Safety continues to be an important factor in remuneration decisions and in previous years the Committee has exercised its discretion when necessary.

#### Key activities during the year

- Chief Executive succession plan and integration of new Chief Executive.
- Shareholder approval of the 2025 Directors' Remuneration Policy.
- Review of forward-looking APP and LTPP performance measures.
- Review of strategic workforce planning and early careers programme.
- Review of employee feedback from workforce engagement sessions and Group-wide employee engagement survey

As the Company's strategy evolves, the Committee will ensure that the remuneration framework evolves in response, reinforcing a clear and consistent link between strategic delivery and reward. We will also consider whether an early review of the Remuneration Policy is needed over the coming year to ensure it remains fit for purpose and aligned with the Group's strategic objectives.

#### Chief Executive appointment and leadership transition

During the year, we welcomed our new Chief Executive, marking an important point in the Company's leadership and strategic development. We would like to thank both John Pettigrew and Zoë Yujnovich for their leadership and for ensuring continuity during the transition, while positioning the Group strongly for the next phase of growth.

As announced in May 2025, John retired as Chief Executive on 16 November 2025 and remained available to the Group until 30 April 2026. John's leaving arrangement can be found on page 118.

Zoë joined as Chief Executive Designate on 1 September 2025, to support a smooth and orderly leadership transition, and was appointed Chief Executive on 17 November 2025. In determining Zoë's appointment terms, the Committee considered her skills and experience, together with the scope of the role and prevailing market practice. As Zoë was an external appointment, a share award was granted for previous entitlements from Shell that were forfeited on her departure. Further details of Zoë's joining arrangement can be found on page 119.

## People & Remuneration Committee report cont.

### Board and Committee structure

The Committee's remit was expanded to include responsibility for people matters and, reflecting this broader oversight, the Committee was renamed the People & Remuneration Committee. This change recognises the increasingly important link between pay, culture, talent, and long-term performance.

As part of its expanded remit, the Committee placed increased emphasis during the year on talent and succession planning, including the strength and composition of the Group Executive Committee.

People matters prior to the Board Committees restructure were considered by the People & Governance Committee, including a deep-dive into strategic workforce planning and early careers.

Following a restructuring of the Board Committees in November, minor adjustments to the NED fees were made to reflect the scope and the time commitment of their role. A summary of these changes can be found on page 89.

### Wider workforce and People matters

The Committee engages with the wider workforce at all levels on a range of topics, including remuneration. Further details of the Non-executive Director workforce engagement sessions are set out on page 95. We held employee engagement sessions in November 2025 and March 2026, during which we heard views from colleagues on talent, succession and remuneration. The feedback received was thoughtful and constructive, informing discussions at Committee level.

The Committee received updates on the results of the Company's employee engagement survey, including the mid-year pulse survey and the full-year survey. Further information on the outcomes of these surveys is set out on page 28. Insight into employee sentiment and perceptions of leadership is an important input to the Committee's wider consideration of remuneration, reflecting the value of its expanded remit.

In determining remuneration for Executive Directors, the Committee takes into account the context of the wider workforce. The Committee seeks to ensure that reward across the organisation is fair, competitive and consistent with the culture and values of National Grid.

### Incentive outcomes during the year

#### Annual Performance Plan (APP) – 2025/26

The 2025/26 Annual Performance Plan was structured to support delivery of the Group's strategic priorities, with performance assessed against financial measures (70%), operational measures (15%) and individual objectives (15%). Financial performance delivered an outcome of 72.58% of maximum, reflecting results for Group Underlying EPS and Group RoE. Operational performance reflected progress against key priorities, including capital delivery and leadership of change, while individual performance outcomes reflected delivery of executive objectives aligned to strategic and operational priorities. Having considered performance across all elements of the plan and overall Group performance during the year, the Committee determined APP payouts of 74.22%, 69.72% and 71.22% of maximum for Zoë Yujnovich, Andy Agg and John Pettigrew respectively. Full details are set out on page 112.

#### 2023 Long Term Performance Plan (LTPP)

The performance period for the 2023 LTPP ended on 31 March 2026, with outcomes reflecting performance against financial measures (80%) and energy transformation measures (20%). Financial performance outturned at 80.80% of maximum, based on delivery against Group Underlying EPS and Group RoE, while energy transformation performance outturned at 89.50% of maximum, reflecting progress against Scope 1 emissions and enablement of energy transformation objectives. The resulting formulaic vesting outcome was 82.54% of maximum. Having considered overall performance, shareholder experience and the external environment, the Committee concluded that this outcome was appropriate. Full details are set out on page 116.

#### Single total figure of remuneration

The Committee is satisfied that the total single figure outcomes are appropriate, taking into account the delivery against key performance measures, wider employee pay, and shareholder and other stakeholder experience in terms of value created.

### Policy implementation in 2026/27

#### Salary review

Salary increases, with effect from 1 July 2026, of 4.5% have been awarded to Zoë Yujnovich and 3.5% to Andy Agg. Overall workforce pay rates were increased by 4.5%.

The Chief Executive's starting remuneration reflects that Zoë is new to the role and was initially positioned towards the lower end of the FTSE 30 peer group, recognising it would rise in the future. Since joining, Zoë has demonstrated exceptional performance, and the Committee remains firmly committed to a performance-led approach to remuneration. Given both her early impact and the need to ensure ongoing market competitiveness, the Committee anticipates that some evolution in pay will be required within the parameters of the Policy. The Committee will review the Chief Executive's salary at the point of her work anniversary. Any adjustment will reflect an assessment of ongoing performance.

#### Incentive structure

The 2026/27 APP will continue to focus on delivery of the Group's strategic priorities, with a maximum opportunity of 200% of salary and include financial (70%), operational (15%) and individual (15%) measures. Further details are set out on page 125.

The 2026 LTPP will be awarded at 400% of salary for Zoë Yujnovich and 350% for Andy Agg, maintaining a focus on long-term financial performance and strategic delivery. The financial and energy transformation measures are set out on page 125.

#### Martha Wyrsh

Chair of the People & Remuneration Committee

13 May 2026

## Remuneration at a glance

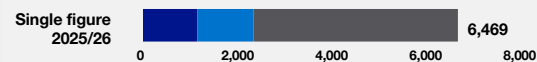
### 2025 Remuneration Policy

- The 2025 Directors' Remuneration Policy (2025 Policy) was adopted in July 2025 following approval at the AGM, with 98.38% of shareholders voting in favour of the Policy.
- Our remuneration strategy sets out to ensure strong alignment with our strategic priorities and creation of value for shareholders while providing market competitive remuneration to enable the attraction and retention of top leadership talent.
- The Policy operated as intended during the year, with outcomes that were aligned to Company performance and resulted in an appropriate level of remuneration quantum.
- The Policy is available on our website at [nationalgrid.com/about-us/corporate-information/corporate-governance](https://nationalgrid.com/about-us/corporate-information/corporate-governance)

### Single total figure of remuneration

#### Executive Directors

##### Zoë Yujnovich (Chief Executive) £,000



2025/26 variable pay 74.2% of total maximum opportunity.

##### Andy Agg (CFO) £,000



2025/26 variable pay 77.4% of total maximum opportunity.

#### Former Executive Director

##### John Pettigrew (Former Chief Executive) £,000



2025/26 variable pay 71.2% of total maximum opportunity.

● Fixed Pay ● APP ● Share award (inc. LTPP)

### Policy implementation

#### Executive Directors

##### Salary & pension

**Purpose and link to business strategy:** to attract, motivate and retain high-calibre individuals.

Executive Directors receive pension contributions of 12% of salary, which is aligned to the wider workforce.

	2025/26		2026/27	
	Salary £,000	% increase	Salary £,000	% increase
<b>Zoë Yujnovich (Chief Executive)</b>	£1,300,000	— %	£1,359,000	4.5 %
<b>Andy Agg (CFO)</b>	£820,575	5 %	£849,000	3.5 %
<b>John Pettigrew (Former Chief Executive)</b>	£1,246,665	5 %		
<b>Wider workforce principles</b>		5 %		4.5 %

[Read more on page 111](#)

##### Shareholding requirement

#### Requirement

Chief Executive: 500% of salary

Chief Financial Officer: 400% of salary

Former Executive Directors: 200% of salary for two years post-employment

#### Achievement as at 31 March 2026

<b>Zoë Yujnovich (Chief Executive)</b>	— %
<b>Andy Agg (CFO)</b>	1,367 %
<b>John Pettigrew (Former Chief Executive)</b>	2,164 %

Zoë Yujnovich joined National Grid on 1 September 2025 and is building up towards her shareholding requirement.

[Read more on page 119](#)

## Remuneration at a glance cont.

## APP

**Purpose and link to business strategy:** to incentivise and reward the achievement of annual financial measures and strategic non-financial measures.

## 2025/26

**Maximum opportunity:** 200% of salary

**Total bonus payout (% of maximum):**

**74.22%** **69.72%** **71.22%**  
 Zoë Yujnovich (Chief Executive) Andy Agg (CFO) John Pettigrew (Former Chief Executive)

Performance measure	Weighting	Outturn bar	Outcome (% of maximum)
Group underlying EPS (pence)	35%		89.52%
Group RoE	35%		55.64%
Group capital delivery and effectiveness	7.5%		87.12%
"Leadership of change" index	7.5%		25%
<b>Individual objectives</b>			
Zoë Yujnovich <sup>1</sup>	15%		100%
Andy Agg	15%		70%
John Pettigrew	15%		80%

<sup>1</sup> Reflects seven months performance

## 2026/27

**Maximum opportunity:** 200% of salary

**Measures:**

Financial	Operational	Individual
– Group underlying EPS: 35%	– Performance delivery: 15%	– Individual objectives: 15%
– Group RoE: 35%		

[Read more on page 112](#)

## LTPP

**Purpose and link to business strategy:** to drive long-term business performance, aligning Executive Director incentives to key shareholder interests over the longer term.

## 2023 LTPP

**Maximum opportunity:** 350% (Chief Executive) and 300% (CFO) of salary in line with 2022 Policy

**Performance outcome (% of maximum):**

**82.54%**

**2023 vesting outcome**

Performance measure	Weighting	Outturn bar	Outcome (% of maximum)
Underlying Group EPS	40%		100%
Group RoE	40%		61.60%
Reduction in Scope 1 emissions	10%		100%
Enablement of energy transformation	10%		79.00%

## 2026 LTPP

**Maximum opportunity:** 400% (Chief Executive) and 350% (CFO) of salary in line with 2025 Policy

**Measures:**

Measure	Threshold	Maximum
Cumulative three-year underlying Group EPS (40%)	291p	311p
Group RoE (40%)	10.30%	11.55%
Reduction of Scope 1 emissions (10%)	3%	9%
Enablement of strategic growth initiative (10%)	Demand and generation connections	

[Read more on page 116](#)

## People & Remuneration Committee report cont. Statement of implementation of Policy in 2025/26

Content contained within a grey box indicates that all the information in the panel is audited

### 2025/26 remuneration implementation

#### Single total figure of remuneration – Executive Directors

The following table shows a single total figure of remuneration in respect of qualifying service for 2025/26, together with comparative figures for 2024/25. All figures shown to £'000:

	Executive Directors				Former Executive Director			
	Zoë Yujnovich				Andy Agg		John Pettigrew	
	Chief Executive Designate – 1 September '25 to 16 November '25	Chief Executive – 17 November '25 to 31 March '26	2025/26 total	2024/25	2025/26	2024/25	2025/26	2024/25
<b>Salary</b>	<b>325</b>	<b>433</b>	<b>758</b>	–	<b>811</b>	773	<b>768</b>	1,175
<b>Benefits</b>	–	<b>294</b>	<b>294</b>	–	<b>21</b>	25	<b>39</b>	40
<b>Pension</b>	<b>39</b>	<b>52</b>	<b>91</b>	–	<b>97</b>	93	<b>92</b>	141
<b>Total fixed pay</b>	<b>364</b>	<b>779</b>	<b>1,143</b>	–	<b>929</b>	891	<b>899</b>	1,356
<b>APP</b>	–	<b>1,126</b>	<b>1,126</b>	–	<b>1,131</b>	874	<b>1,094</b>	1,349
<b>Share awards (inc. LTPP)</b>	<b>4,200</b>	–	<b>4,200</b>	–	<b>2,799</b>	2,134	–	3,783
<b>Total variable pay</b>	<b>4,200</b>	<b>1,126</b>	<b>5,326</b>	–	<b>3,930</b>	3,008	<b>1,094</b>	5,132
<b>Total remuneration</b>	<b>4,564</b>	<b>1,905</b>	<b>6,469</b>	–	<b>4,859</b>	3,899	<b>1,993</b>	6,488

#### Notes:

- Zoë Yujnovich joined the National Grid plc Board as Chief Executive Designate on 1 September 2025 and was appointed Chief Executive on 17 November 2025.
- John Pettigrew stood down from the Board on 16 November 2025. John's 2025/26 APP was prorated to reflect his period of service as an Executive Director. The leaving arrangement for John can be found on page 118.

**Salary:** John Pettigrew's and Andy Agg's salaries increased by 5.0% to £1,246,665 and £820,575 as of 1 July 2025 respectively, aligned to the principles used for the wider workforce increases. Zoë Yujnovich was hired on a salary of £1,300,000.

**Benefits:** This includes private medical insurance, life assurance, allowance under the Group's flexible benefits programme, travel and accommodation expenses, partner travel, a fully expensed car or cash alternative and the use of a car and a driver when required. Zoë Yujnovich received £165,095 as a relocation allowance, £7,000 for her company car allowance, £6,870 for life assurance, £1,782 for private medical insurance, £48,023 for the use of a car and driver, £57,814 for taxable accommodation and travel expenses including partner travel for 2025/26. A Sharesave option award was granted to Zoë Yujnovich on 30 January 2026 and benefit (approximately £7,500) of this award is included. Andy Agg received £12,000 for his company car allowance, £6,926 for life assurance, £2,852 for private medical insurance and £185 for taxable accommodation and travel expenses for 2025/26. John Pettigrew received £7,533 for his company car allowance, £1,665 for life assurance, £624 for private medical insurance, £20,000 for legal fees and £9,281 for the use of a car and driver for 2025/26. There were no Sharesave options granted to either Andy Agg or John Pettigrew during 2025/26.

**Pension:** Pension contributions for Zoë Yujnovich, Andy Agg and John Pettigrew were 12% of salary for 2025/26.

**Share awards (inc. LTPP):** The 2023 LTPP is due to vest in July 2026. The average share price over the three months from 1 January 2026 to 31 March 2026 of 1,274.85 pence has been applied and estimated dividend equivalents are included. The value of the 2023 LTPP award is driven in part by growth in share value over the period, with a share price change of 35.10% and Total Shareholder Return (TSR) growth of 53.61% from the date of grant to 31 March 2026, using one-month average figures. The 2022 LTPP figures (included in the 2024/25 column) have been restated to reflect the actual share price on vesting and all dividend equivalent shares. As the vesting share price of 1,077.92 pence was higher versus the estimate of 962.17 pence (and the reduced dividend equivalent shares added for the dividend with a record date of 17 July 2025 with a dividend rate of 30.88 pence per share), the actual value at vesting was £391,057 higher than for the estimate published last year for John Pettigrew and £221,029 higher for Andy Agg. The share award value for Zoë Yujnovich relates to her buy-out award and further information can be found on page 119.

**Malus and clawback:** The Committee operates malus and clawback arrangements to ensure that variable remuneration outcomes are appropriate and fully justified. Malus (to reduce or forfeit unpaid or unvested awards) and clawback (to recover awards already paid or vested) may be applied in exceptional circumstances, including material misstatement of results, awards determined using inaccurate or misleading information, fraud or gross misconduct, regulatory censure or significant reputational damage attributable to the participant, or a material failure of risk management and/or corporate failure. Where such circumstances arise, the Committee may reduce, forfeit or recover all or part of an award using methods it considers appropriate. Malus applies to APP cash awards up to payment with clawback for two years from the end of the performance period; to APP deferred shares until two years after the financial year in which the bonus is earned with clawback for a further two years; and to LTPP awards up to vesting with clawback during the two-year post-vesting holding period. During the year, the Committee considered whether any or all of an award should be forfeited, even if already paid, due to the exceptional circumstances outlined above and in the Directors' Remuneration Policy, and determined that no action was required. The Committee considers these malus and clawback periods to be appropriate having regard to the long-term nature of the Group's strategy, investment cycle and regulatory environment, and the timeframes over which risks and performance outcomes may crystallise.

## People & Remuneration Committee report cont.

### Statement of implementation of Policy in 2025/26 cont.

#### Total pension benefits

Zoë Yujnovich, Andy Agg and John Pettigrew received a cash allowance in lieu of participation in a pension arrangement. There are no additional benefits on early retirement. The values of pension contributions, received during this year, are shown in the single total figure of remuneration table.

John Pettigrew has, in addition, accrued defined benefit (DB) entitlements. He opted out of the DB scheme on 31 March 2016 with a deferred pension and lump sum payable at his normal retirement date of 26 October 2031. At 31 March 2026, John Pettigrew's accrued DB pension was £116,725 per annum and his accrued lump sum was £350,176. No additional DB entitlements have been earned over the financial year, other than an increase for price inflation due under the pension scheme rules and legislation. Under the terms of the pension scheme, if he satisfies the ill-health requirements or he is made redundant, a pension may be payable earlier than his normal retirement date. A lump sum death in service benefit is also provided in respect of these DB entitlements.

#### 2025/26 APP



For 2025/26 APP, financial measures represented 70% of the award and operational measures and individual objectives represent 15% each of the award, similar to 2024/25. At least 50% of the award is delivered in shares (after any sales to pay associated tax) which must be retained until the shareholding requirement is met. Once the shareholding requirement is met, at least 33% of the award is delivered in shares (after any sales to pay associated tax) must be retained in shares for two years.

For financial measures, threshold, target and stretch performance levels are set by the Committee for the performance period and pay out at 0%, 50% and 100% of the maximum calculated on a straight-line basis. The capital delivery and effectiveness measure has been assessed primarily on quantitative metrics with a qualitative element to reflect a balanced assessment of progress and performance in our capital investment ambitions. The 'Leadership of change' index measure was a quantitative assessment from our annual Group-wide employee engagement survey of colleagues. Target and stretch performance levels for the individual objectives are also predetermined by the Committee for the performance period, and an assessment of the performance relative to the target and stretch performance levels is made at the end of the performance year on each objective. Executive Directors have a maximum opportunity of 200% of salary for 2025/26. In reaching its overall decisions on the APP, the Committee considered the strong performance and delivery throughout the year across financial, operational, and individual objectives. The Committee concluded that the outcomes are appropriate in the context of performance achieved and determined that no discretion was required to the resultant APP formulaic outcome.

#### APP – Financial performance

The financial measures (70%) were weighted equally between two measures – Group Underlying EPS and Group RoE. Performance was delivered through clear management actions, including improved Electricity Distribution and New England incentive outcomes, strong interconnector performance, and proactive financing activities, offsetting headwinds from the FERC regulatory order.

The financial performance outcomes of the 2025/26 APP award are summarised in the table below:

Measure	Weighting (% of APP)	Threshold	Target	Stretch	Outcome (% of max)
Group Underlying EPS (pence) 	35%	72.6p	75.6p	78.6p	89.52%
Group RoE (%) 	35%	9.4%	9.8%	10.2%	55.64%
<b>Total financial outturn</b>	70%				72.58%

**Notes:**  
**Group Underlying EPS:** Technical adjustments have been made which reduce the performance range (including threshold, target and stretch) by 2.5 pence. This reflects the net effect of currency adjustments, scrip issuances, US pension assumptions, US/UK pension interest and storms.  
**Group RoE:** Technical adjustments have been made which decrease the performance range by 0.1% to reflect the impact of the final opening equity being higher than forecast.

**People & Remuneration Committee report cont.**  
**Statement of implementation of Policy in 2025/26 cont.**

**APP – Operational performance**

The operational measures (15%) were weighted equally between two key measures:

- Group capital delivery and effectiveness; and
- Group “Leadership of change” index.

Measure	Details	Assessment	Outcome
<b>Group capital delivery and effectiveness (7.5%)</b>	<ul style="list-style-type: none"> <li>– Progress in the investment programme is a top priority for investors, making this measure essential for tracking performance.</li> <li>– The capital delivery and effectiveness measure is assessed primarily on quantitative metrics with a qualitative element to reflect a balanced assessment of progress and performance in our capital investment ambitions.</li> </ul>	Actual capital investment for the year was £11.6bn, delivering a small variance to target and representing a significant increase compared with the prior year. In parallel, an assessment linked to the delivery of major projects was undertaken, focusing on performance against key milestones, the management of delivery risks, and overall delivery quality. Performance has been strong, with record levels of capital investment achieved and the majority of projects remaining on track; this resulted in an overall outturn of 87.12% of maximum.	87.12%
<b>‘Leadership of change’ index (7.5%)</b>	– Index in our annual employee engagement survey (Grid:Voice) that assesses the ability of leaders to drive and sustain high performance during periods of significant change in our business to achieve our organisational goals.	Colleague feedback reflected a year of change, with engagement remaining generally positive but highlighting a continued need for clearer and more consistent communication and practical support during periods of transition, resulting in an overall outturn of 25% of maximum.	25.00%
<b>Combined operational outcome</b>			56.06%

## People & Remuneration Committee report cont. Statement of implementation of Policy in 2025/26 cont.

### APP – Individual objectives

In addition to the financial and operational goals outlined above, the Board approves annual individual performance for the Executive Directors in line with key operational and strategic priorities. As part of the process for assessing individual performance, the Board is provided with a comprehensive review of company performance and individual contributions relative to the previously adopted goals. The following tables sets out the 2025/26 individual objectives together with associated performance commentaries and the Committee's assessment of the performance outcome for each of the Executive Directors:

#### Individual objectives and performance summary – Zoë Yujnovich<sup>1</sup>

##### Outcome – 100%

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#### Deliver 2025/26 business plan

- Ensured continuity through leadership transition, maintaining strong delivery discipline, safety, and operational performance.
- Conducted extensive investor engagement to sustain confidence and built effective working relationships with the Board.
- Launched a strategic planning process with broad organisational engagement, preserving continuity while enabling forward-looking focus beyond 2025/26.
- Played an active role in final RIIO-T3 negotiations and supporting enhanced investor guidance.

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#### Establish a performance-focused leadership cadence

- Reset performance review cadence and content.
- Enhanced quality of leadership dialogue and demonstrated direct, hands-on leadership engagement.
- Refreshed executive team accountabilities.
- Embedded performance objectives deeper across the organisation, expanding metrics beyond financials to include asset health, capital delivery, and technology.

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#### Deliver a high-quality Board strategy session

- Board strategy session provided strong confidence in delivery, clarified key strategic shifts, and established a foundation for future refresh.
  - Increased active management participation in strategy development to strengthen alignment and buy-in to ambitious delivery goals.
  - Initiated first assessment of opportunities beyond 2031, identifying areas for further strategic development.
- 

<sup>1</sup>Reflects seven months performance.

## People & Remuneration Committee report cont. Statement of implementation of Policy in 2025/26 cont.

### Individual objectives and performance summary – Andy Agg

#### Outcome – 70%

##### Delivering the next steps of the financing strategy

- Played a leading role in the RIIO-T3 price control outcome, which supported market confidence in the Group's financing strategy and outlook.
- Delivered the launch of a new Green Financing Framework and completed the first green issuance under the Framework, strengthening access to sustainable finance.
- Closed the National Grid Renewables and Grain sales.

##### Securing positive regulatory outcomes and supporting the delivery of our capital projects

- Successfully agreed the NiMo rate case and submitted other relevant regulatory cases.
- Drove continuous improvements in capex portfolio management, risk management and governance, with enhanced frameworks now embedded and informing a dedicated capital workstream.
- Total shareholder return (TSR) and share price performance were positive over the period, reflecting investor confidence in National Grid's strategy and growth plans.

##### Developing our organisational capabilities and tools

- Exceeded efficiency targets for 2025/26, demonstrating continued cost discipline and productivity improvement.
- Progressed implementation of a new financial planning system, with deployment on track and expected to enhance forecasting and decision-making through AI-enabled capabilities.
- Continues to strengthen the internal control environment.

##### Driving the identification and development of talent into the right pipelines

- Continued to strengthen succession planning and confidence across key roles.
- Supported leadership continuity and succession pipelines through targeted role moves and development, strengthening breadth of experience and capability.
- Leveraged workstreams to enhance visibility of talent, access to senior leadership and cross-functional development opportunities.

### Individual objectives and performance summary – John Pettigrew

#### Outcome – 80%

##### Deliver RIIO-T3 and continue to deliver to expectations set at time of rights offering including digital transformation milestones

- Actively contributed to the RIIO-T3 outcome.
- Maintained regulatory and operational momentum to support delivery of the £60bn five-year commitment.
- Delivered capital investment.
- Strengthened focus on Electricity Distribution, driving safety improvements, capturing synergies, and positioning for the ED3 regulatory cycle.
- Progressed divestment of non-core assets.
- Scaled technologies including 3D printing, AMI/FLISR, and drone solutions.
- Identified new National Grid Partners opportunities, supporting an additional \$100m AI investment.

##### Successful Chief Executive transition

- Succession planning.
- Engaged directly with high-potential leaders through site visits across the organisation.
- Proactively communicated with investors following the leadership transition announcement.
- Agreed a clear division of responsibilities with the Chair and Chief Executive-Designate during the transition period.
- Facilitated introductions between the successor and key stakeholders, and transferred key industry leadership responsibilities.

## People & Remuneration Committee report cont.

### Statement of implementation of Policy in 2025/26 cont.

## 2023 LTPP

### Performance conditions

The 2023 LTPP will vest on 1 July 2026 and was based on two equally weighted financial measures, Group Underlying EPS (40%) and Group RoE (40%). The remaining 20% weighting was split equally between two non-financial measures: Reduction of Scope 1 emissions (10%) and Enablement of energy transformation (10%). The targets and weightings of the 2023 LTPP below are the same for both Andy Agg and John Pettigrew.

The outcomes of the 2023 LTPP are reflective of the business' performance over the period. During the performance period we have delivered record levels of capital expenditure, while maintaining a strong focus on cost efficiencies. In addition, we successfully completed the strategic pivot with the sale of the remaining 40% stake of the UK Gas Transmission business and completed the disposals of both Grain LNG and National Grid Renewables (NGR). The financial element achieved 80.80% of maximum with EPS achieving stretch driven by strong performance by the regulated businesses, within the interconnector portfolio in NGV and through management of financing costs. The non-financial measures recognise our role in delivering critical and green investment to enable the decarbonisation of power, transport and heat, and lead a clean, fair and affordable energy transition across our jurisdictions. Scope 1 emissions reductions outcome is 100% with emissions reductions through SF6 leakage reduction, methane emissions reductions including leak prone pipe replacement, deploying electric vehicles in our fleet and energy efficiency improvements in our buildings. This measure excludes Scope 1 emissions from our Generation plant in New York, as these emissions are deemed to be outside management control. This measure therefore makes up a relatively small proportion of our group Scope 1 and 2 target and reflects the elements where management are deemed to have more control. For further information on our GHG emissions performance, please see the Responsible Business section of this report on page 40. Enablement of energy transformation outcome was 79% of maximum and was based on progress in energy efficiency and generation, policy and regulatory engagement to support clean energy, and clean energy connections to our UK transmission networks and UK and US electricity distribution networks.

Performance measure	Weighting	Threshold 20% vesting	Maximum 100% vesting	Outcome (% of max)
<b>Cumulative three-year Underlying Group EPS</b>	40 %	200p	218p	100%
		<b>223.4p</b>		
<b>Group RoE</b>	40 %	9.15%	10.4 %	
		<b>9.8%</b>		61.60%
<b>National Grid Scope 1 emissions</b>	10 %	34ktCO <sub>2</sub> e	77ktCO <sub>2</sub> e	
		<b>119ktCO<sub>2</sub>e</b>		100%
<b>Enablement of energy transformation: Strategic initiatives (Scope 2 and 3)</b>	10 %	Four strategic initiatives assessed on a four-point scale		
		<b>79%</b>		79.00%
				82.54%

Notes: As disclosed on p130 and p292 of the 2024/25 ARA, the financial performance targets were adjusted for the impact of the Rights Issue, exclude the impact of UK regulated Deferred Tax and reflect a change in the calculation methodology (approved by the Audit & Risk Committee) to reflect amortisation of goodwill and other indefinite life intangible assets (ILIs) over 20 years. Scope 1 emissions targets have been adjusted to account for within-period emissions accounting methodology changes and the sale of our Grain LNG terminal in 2025.

### Vesting

The performance period for the 2023 LTPP ended on 31 March 2026. Across the period, performance was based on financial measures (80%) and energy transformation measures (20%), as set out in the 2022/23 Annual Report and as detailed above.

The overall outcome of the 2023 LTPP was 82.54% of maximum, with 80.80% of the total award vesting linked to financial measures, driven by achievement of 100% of maximum for Group Underlying EPS and 61.60% of maximum for Group RoE, both weighted equally; 89.50% of the total LTPP award vested in relation to the energy transformation measures, driven by achievement of 100% of maximum for Scope 1 emissions and 79% of maximum for enablement of energy transformation, both weighted equally.

The amounts due to vest under the 2023 LTPP for the performance period that ended on 31 March 2026 are included in the 2025/26 single total figure table on page 111 and are shown in the table below. Because awards are not yet vested, the figures in the table are based on the average share price over the three months from 1 January 2026 to 31 March 2026 of 1,274.85 pence and the proposed 2025/26 final dividend with record date of 29 May 2026, subject to shareholder approval, is included. The total number of shares subject to awards which vest (after any sales to pay associated income tax and social security), including dividend equivalent shares are subject to a two-year holding period.

The Committee considered wider business factors, such as underlying financial performance, ESG considerations, potential windfall gains and shareholder experience, when determining the final outcome for the 2023 LTPP and were comfortable that no adjustments were required.

## People & Remuneration Committee report cont.

### Statement of implementation of Policy in 2025/26 cont.

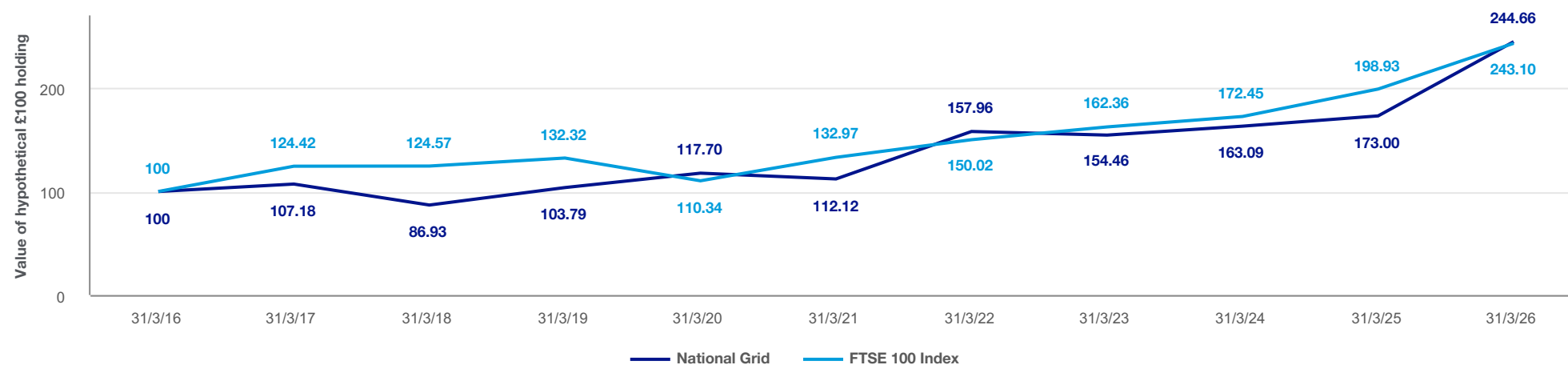
#### Vesting continued

	Shares awarded	Rights Issue adjustment	Total number of shares	Performance outcome (% of maximum)	Vested share based on performance	Face value of the award at grant (£'000)	Share price appreciation (£,000)	Dividend equivalent shares (£,000)	Total value (£'000)
<b>Andy Agg</b>	214,445	22,945	237,390	82.54	195,941	2,050	448	301	2,799
<b>John Pettigrew</b>	380,130	40,673	420,803	82.54	347,330	3,634	794	534	4,962

#### Assessment of National Grid shareholder returns

National Grid plc's 10-year annual TSR performance against the FTSE 100 Index since 31 March 2016 is shown below and illustrates the growth in value of a notional £100 holding invested in National Grid plc on 31 March 2016, compared with the same invested in the FTSE 100 Index. The FTSE 100 Index has been chosen because it is a widely recognised performance benchmark for large companies in the UK and it is a useful reference to assess relative value creation for National Grid plc shareholders. Over the last 10-year period, National Grid plc's TSR is 145% versus the FTSE 100 Index at 143%, demonstrating sustainable long-term value for our shareholders.

#### Total Shareholder Return (£)



## People & Remuneration Committee report cont.

### Statement of implementation of Policy in 2025/26 cont.

## 2025 LTPP

### Performance conditions

For the 2025 LTPP, the performance measures comprise two equally weighted financial measures totalling 80% and two equally weighted energy transformation measures totalling 20% over the three-year performance period, as outlined in the table below.

Performance measure	Weighting	Threshold 20% vesting	Maximum 100% vesting
Cumulative three-year Underlying Group EPS	40 %	241p	259p
Group RoE	40 %	9.35 %	10.60 %
Reduction of Scope 1 emissions	10 %	4 %	10 %
Enablement of strategic growth initiative	10 %	10.2 GW	13.3 GW

**Notes:** Vesting between threshold and maximum will be on a straight-line basis.

### 2025 LTPP awards made during the year

The face value of the awards is calculated using the volume weighted average share price at the date of grant. The date of grant for Andy Agg and John Pettigrew was 23 June 2025 and the share price was 1,065.79 pence. For Zoë Yujnovich the date of grant was 1 September 2025 and the share price was 1,027.49 pence. The 2025 LTPP will vest on 30 June 2028. The total number of shares subject to awards which vest (after any sales to pay associated income tax and social security), including dividend equivalent shares, are subject to a two-year holding period following vesting.

	Basis of award (% of salary)	Number of shares	Face value (£'000)	Proportion vesting threshold performance	Performance period end date
Zoë Yujnovich	400%	506,086	5,200	20 %	31 March 2028
Andy Agg	300 %	230,975	2,462	20 %	31 March 2028
John Pettigrew	350 %	409,397	4,363	20 %	31 March 2028

### Payments to past Directors

The leaving arrangement for John Pettigrew is set out below. There were no payments to past Directors during 2025/26.

### Leaving arrangement for John Pettigrew

On 1 May 2025 the Company announced that John Pettigrew would retire from the Board effective 16 November 2025. John remained available to the Group until 30 April 2026, being the end of his 12-month notice period. In line with the approved Policy, he received salary (£464,036), benefits (£10,830) and a pension allowance (£55,684) until 31 March 2026.

In line with the Policy, due to his retirement, John will be treated as a good leaver for the purposes of his outstanding incentive awards. He received a prorated 2025/26 APP to reflect his period of service as an Executive Director. Details of the outcome of his 2025/26 APP can be found on pages 112 to 115. His outstanding LTPP awards will be prorated to his date of leaving, and will vest at the normal dates subject to the achievement of the relevant performance conditions and continue to be subject to the two-year post-vesting holding period and any relevant malus and clawback provisions. Details of the vesting of his 2023 LTPP can be found on pages 116 to 117.

A post-employment shareholding requirement is applicable for two years following his departure.

## People & Remuneration Committee report cont.

### Statement of implementation of Policy in 2025/26 cont.

#### Joining arrangement for Zoë Yujnovich

Zoë Yujnovich joined the National Grid plc Board as Chief Executive Designate on 1 September 2025 and was appointed Chief Executive on 17 November 2025. Zoë receives a salary of £1,300,000 per annum. The remaining elements of her remuneration are in line with the Directors' Remuneration Policy and are set out within this report.

#### Buy-out award

On appointment, Zoë was granted a share-based award (408,762 shares) to replace remuneration foregone when leaving her previous employer, as assessed by the Committee under the approved Policy. The award was structured as a restricted share award, subject to continued employment, and will vest in three equal tranches (12, 24 and 36 months from commencement of employment). The face value of the award is £4,200,000 based on the volume weighted average share price at the date of grant. This aims to broadly mirror the delivery mechanisms, time horizons and levels of conditionality of the remuneration forfeited upon leaving her previous employment.

	Type of award	Number of shares	Face value (£'000)	Vesting dates
Zoë Yujnovich	Buy-out award	408,762	4,200	1 September 2026 (one-third) 1 September 2027 (one-third) 1 September 2028 (one-third)

#### Statement of Directors' shareholdings and share interests

The Executive Directors are required to build up and hold a shareholding from vested share plan awards until their shareholding requirement is met. Until this point, Executive Directors will not be permitted to sell shares, other than to pay income tax liabilities on shares just vested or in exceptional circumstances approved by the Committee. The following table shows the position of each of the Executive Directors in relation to the shareholding requirement, including their connected persons. The shareholding is as at 31 March 2026 and the salary used to calculate the value of the shareholding is the gross salary as at 31 March 2026. The table also presents the number of shares owned by the Non-executive Directors, including their connected persons.

Zoë Yujnovich is building up towards her shareholding requirement and Andy Agg has met his shareholding requirement.

Further shares have been purchased in April and May 2026 on behalf of Andy Agg as part of the Share Incentive Plan (SIP) (an HMRC tax-advantaged all-employee share plan), thereby increasing the beneficial interests by 23 shares (11 in April and 12 in May) for Andy Agg. There have been no other changes in Directors' shareholdings between 1 April 2026 and 13 May 2026.

Directors	Share ownership requirements (multiple of salary)	Number of shares owned outright (including connected persons and SIP for Executive Directors)	Value of shares held as a multiple of current salary (including connected persons)	Number of options outstanding under the Sharesave Plan	Conditional share awards subject to performance conditions (2023, 2024 and 2025 LTPP)	Share awards subject to time-based vesting only (buy-out awards)
<b>Executive Director</b>						
Zoë Yujnovich	500 %	-	-	3,292	506,086	408,762
Andy Agg	400 %	883,769	1,367 %	4,777	715,558	-
<b>Former Executive Director</b>						
John Pettigrew	500 %	2,124,589	2,164 %	4,219	1,268,341	-
<b>Non-executive Directors</b>						
Paula Rosput Reynolds	-	23,393	-	-	-	-
Anne Robinson	-	-	-	-	-	-
Earl Shipp	-	6,046	-	-	-	-
Iain Mackay	-	4,500	-	-	-	-
Ian Livingston	-	2,374	-	-	-	-
Jacqui Ferguson	-	-	-	-	-	-
Jonathan Silver	-	-	-	-	-	-
Martha Wyrsh	-	25,000	-	-	-	-
Tony Wood	-	2,583	-	-	-	-

#### Notes:

**Zoë Yujnovich:** On 31 March 2026, held 3,292 options under the Sharesave Plan with an exercise price of 928 pence per share (20% discounted option price) which can, subject to their terms, be exercised between 1 April 2031 and 30 September 2031. The number of conditional share awards subject to performance conditions is as follows: 2025 LTPP: 506,086. The number of shares awards subject to time-based vesting relates to the buy-out award (408,762).

**Andy Agg:** On 31 March 2026, held 4,777 options granted under the Sharesave Plan with an exercise price of 628 pence per share (the 20% discounted option price) and they can, subject to their terms, be exercised between 1 April 2026 and 30 September 2026. The number of conditional share awards subject to performance conditions is as follows: 2023 LTPP: 237,390; 2024 LTPP: 247,193; and 2025 LTPP: 230,975.

**John Pettigrew:** On 31 March 2026, held 4,219 options granted under the Sharesave Plan with an exercise price of 743 pence per share (the 20% discounted option price) which can, subject to their terms, be exercised between 1 April 2030 and 30 September 2030. The number of conditional share awards subject to performance conditions is as follows: 2023 LTPP: 420,803; 2024 LTPP: 438,141 and 2025 LTPP: 409,397. During the year, John exercised 4,670 share options granted under the Sharesave Plan at an option price of 642.30 pence per share.

**Paula Rosput Reynolds, Earl Shipp and Martha Wyrsh:** Hold American Depositary Shares (ADSs) and each ADS represents five ordinary shares, as presented in the table above.

## People & Remuneration Committee report cont. Statement of implementation of Policy in 2025/26 cont.

### Post-employment shareholding requirements

Past Executive Directors are required to continue to hold their vested shares post-employment for a period of two years in line with our current Policy.

To enforce this, the Executive Directors have given permission for the Group to periodically check with its third-party share scheme administrator whether the minimum shareholding requirement is being maintained. The Executive Directors have acknowledged that if they breach their post-employment shareholding requirement for any reason, the Group may enforce at its discretion one or more of the following processes: to request they repay to the Group an amount equivalent in value to the shareholding requirement that has not been met; the Group may withdraw/vary the vesting of any future shares granted under the LTPP; the Company may publish a public statement in a form, as the Group may decide, that the Director has failed to comply with the post-employment shareholding requirement. Executive Directors are reminded annually and when employed, of the post-employment shareholding requirement. At termination, the minimum shareholding requirement is confirmed to the Director and checks are made by the Group at the 12-month and 24-month anniversary of leaving and at the relevant financial year end, 31 March, to ascertain if their post-employment shareholding requirement has been met.

John Pettigrew stood down from the Board on 16 November 2025 and remained subject to an in-employment shareholding requirement until his final employment date of 30 April 2026, at which time he was subject to a post-employment shareholding requirement of 200% of salary for a period of two years. As of 13 May 2026, John Pettigrew continued to meet his shareholding requirement.

### Shareholder dilution

All Company employees are encouraged to become shareholders through a number of all-employee share plans and a significant proportion of our employees participate annually. These plans include Sharesave and the SIP in the UK and the US Employee Stock Purchase Plan (ESPP) and US Incentive Thrift Plan (commonly referred to as a 401(k) plan) in the US which are summarised on page 255 and in our Policy.

Where shares may be issued or treasury shares reissued to satisfy incentives, dilution resulting from all incentives, including all-employee incentives, will not exceed 10% in any 10-year period. The Committee reviews dilution levels against this limit annually and under this limit the Company, as at 31 March 2026, had a headroom of 8.18% respectively.

Unvested or unexercised awards under our all-employee and discretionary share plans that were outstanding on 23 May 2024 have been adjusted to take account of the Rights Issue.

### Chief Executive pay ratio

We have disclosed our Chief Executive pay ratios comparing the single total figure of remuneration of the Chief Executive to the equivalent pay for the 25th percentile, median and 75th percentile UK employees (calculated on a full-time equivalent basis), as well as the median Group-wide pay ratio.

The Chief Executive pay ratio has decreased from 85:1 to 52:1 at the UK median, primarily driven by the Chief Executive leadership transition and the absence of share awards vesting during tenure. This has also caused the Group median pay ratio to decrease when compared to last year. The Chief Executive remuneration used in the pay ratio calculation reflects the combined single figure totals (as disclosed on page 111) for Zoë Ujnovich and John Pettigrew during the periods in which they served as Chief Executive.

Year	Method	UK			Group-wide
		25th percentile pay ratio	Median pay ratio	75th percentile pay ratio	Median pay ratio
2025/26	Option A	69	52	40	39
2024/25	Option A	112	85	65	61
2023/24	Option A	117	90	69	65
2022/23	Option A	144	111	86	76
2021/22	Option A	135	105	81	76
2020/21	Option A	104	81	62	54
2019/20	Option A	111	86	66	53
2018/19 – voluntary	Option A	96	76	58	48

**Notes:** Salaries as at 31 March 2026 and estimated performance-based annual payments for 2025/26 have been annualised for part-time employees to reflect full-time equivalents. Performance payments have not been further adjusted to compensate where new employees have not completed a full performance year. The comparison with UK employees is specified by the 2018 amendment of The Large and Medium-sized Companies and Groups (Accounts and Reports) Regulations 2008. US employees represent approximately 56% of our total employees. Our median pay ratio on a Group-wide basis is outlined above and calculated on the same basis as the UK pay ratios and at an exchange rate of \$1.34332:£1.

Changes in the Chief Executive pay ratio reflect the fact that a key feature of our executive and senior leadership remuneration strategy is heavily weighted towards longer-term performance share-based reward, resulting in larger swings year-on-year than the wider workforce. Across the wider workforce, employee remuneration is largely focused on in-year annual delivery.

## People & Remuneration Committee report cont.

### Statement of implementation of Policy in 2025/26 cont.

The 2025/26 salary and total pay including benefits for the Chief Executive versus UK employees is shown below.

#### 2025/26 salary and benefits – Chief Executive versus UK wider workforce

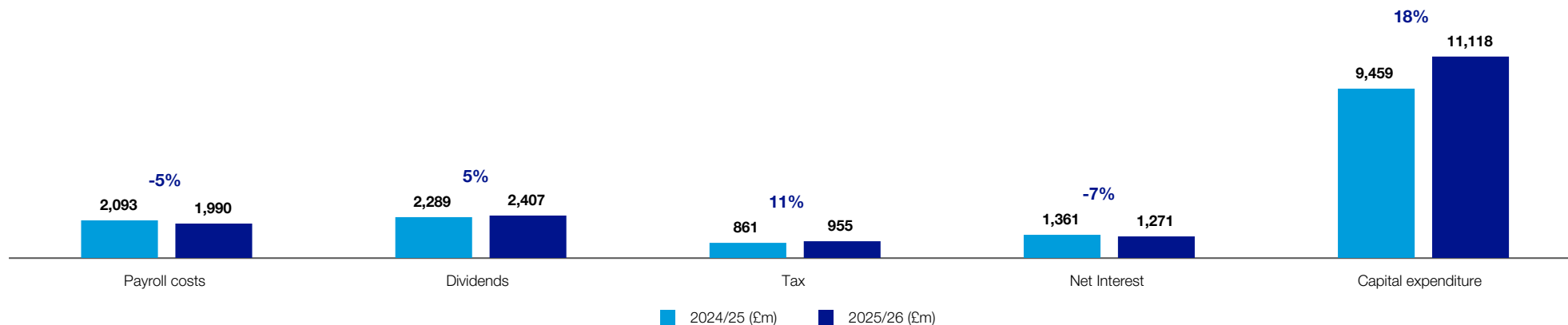
	Chief Executive remuneration	UK employee 25th percentile	UK employee median	UK employee 75th percentile
<b>Salary</b>	£1,201,000	£45,495	£53,379	£68,321
<b>Total pay and benefits</b>	£3,897,000	£56,874	£74,663	£98,608

We have chosen to use Option A in calculating the ratios, which is a calculation based on the pay of all UK employees on a full-time equivalent basis, as this option is considered to be more statistically robust. The ratios are based on total pay and benefits inclusive of short-term and long-term incentives applicable for the respective financial year (1 April – 31 March). The reference employees at the 25th, median and 75th percentile have been determined by reference to pay and taxable benefits as at the last day of the respective financial year, 31 March, with estimates for the respective APP payouts and performance outcomes of the LTPP and dividend equivalents.

We are satisfied that the median pay ratio reported this year is consistent with our wider pay, reward and progression policies for employees.

#### Relative importance of spend on pay

The chart below shows the relative importance of spend on pay compared with other costs and disbursements (dividends, tax, net interest and capital expenditure). Given the capital-intensive nature of our business and the scale of our operations, these costs and disbursement were chosen as the most relevant measures for comparison purposes. All amounts exclude exceptional items and remeasurements.



#### Notes:

1. Presented on a continuing basis only.
2. Percentage increase/decrease of the costs between years is shown.

## People & Remuneration Committee report cont.

### Statement of implementation of Policy in 2025/26 cont.

#### Chief Executive's pay in the last 10 financial years

Zoë Yujnovich became Chief Executive on 17 November 2025. John Pettigrew was Chief Executive from 1 April 2016 to 16 November 2025.

	Zoë Yujnovich					John Pettigrew					
	2025/26	2025/26	2024/25	2023/24	2022/23	2021/22	2020/21	2019/20	2018/19	2017/18	2016/17
Single total figure of remuneration (£'000)	6,469	1,993	6,488	6,113	7,262	6,614	5,071	5,205	4,651	3,648	4,623
Single total figure of remuneration including only 2014 LTPP (£'000)											3,931
APP (proportion of maximum awarded)	74.22%	71.22%	91.92%	75.50%	82.62%	85.20%	80.43%	70.58%	84.20%	82.90%	73.86%
LTPP (proportion of maximum vesting)	–	–	76.31%	81.87%	100.00%	74.22%	68.00%	84.90%	84.20%	85.20%	90.41%

#### Notes:

**Zoë Yujnovich:** The single total figure of remuneration for 2025/26 is explained in the single total figure of remuneration table.

**John Pettigrew:** The single total figure of remuneration for 2025/26 is explained in the single total figure of remuneration table and the single total figure for 2024/25 has been restated to reflect actual share price for 2022 LTPP vesting in 2025 and dividend equivalent shares, consistent with comparative figures shown in this year's single total figure of remuneration table.

**2014 LTPP:** The 2016/17 single total figure of remuneration includes both the 2013 LTPP award and the 2014 LTPP award due to a change in the vesting period from four years (2013 LTPP) to three years (2014 LTPP).

#### Single total figure of remuneration – Non-executive Directors

The following table shows a single total figure in respect of qualifying service for 2025/26, together with comparative figures for 2024/25:

	Fees (£'000)		Other emoluments (£'000)		Total (£'000)	
	2025/26	2024/25	2025/26	2024/25	2025/26	2024/25
Paula Rosput Reynolds	753	724	50	51	803	775
Anne Robinson	133	121	2	1	135	123
Earl Shipp	139	129	6	7	145	136
Iain Mackay	164	158	–	40	165	198
Ian Livingston	199	189	1	1	199	190
Jacqui Ferguson	136	123	2	3	138	126
Jonathan Silver	131	120	2	4	133	124
Martha Wyrsh	146	134	11	10	157	145
Tony Wood	133	118	5	6	137	124
<b>Total</b>	<b>1,934</b>	<b>1,816</b>	<b>79</b>	<b>123</b>	<b>2,012</b>	<b>1,941</b>

#### Notes:

Other emoluments: In accordance with the Group's expenses policies, Non-executive Directors receive reimbursement for their reasonable expenses for attending Board meetings. In instances where these costs are treated by HMRC as taxable benefits, the Group also meets the associated tax cost to the Non-executive Directors through a PAYE settlement agreement with HMRC and these costs are included in the table above.

The total emoluments paid to Executive and Non-executive Directors in the year were £15.4 million (2024/25: £12.3 million).

## People & Remuneration Committee report cont.

### Statement of implementation of Policy in 2025/26 cont.

#### Percentage change in remuneration

##### (Executive Directors, Non-executive Directors, employee average)

We have included percentage change in salary/fee, benefits and bonus for each of the Directors compared with prior years. The regulations cover employees of the Parent Company only and not across the Group, and given most employees, if not all, are employed by subsidiary undertakings, we have voluntarily chosen a comparator group of all employees in the UK and the US to provide a representative comparison. In line with the regulations, we disclose this information to display a five-year history.

	2025/26			2024/25			2023/24			2022/23			2021/22		
	Salary	Benefits	Bonus	Salary	Benefits	Bonus	Salary	Benefits	Bonus	Salary	Benefits	Bonus	Salary	Benefits	Bonus
<b>Executive Directors</b>															
Zoë Yujnovich <sup>1</sup>	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Andy Agg	4.9%	-15.2%	32.2%	4.4%	-14.3%	29.6%	4.6%	0.3%	-7.8%	6.5%	32.6%	2.1%	6.5%	-31.6%	15.9%
<b>Former Executive Director</b>															
John Pettigrew <sup>2</sup>	-34.6%	-2.5%	-19.0%	4.4%	-54.0%	27.0%	3.9%	48.9%	-5.0%	3.4%	-42.0%	0.3%	1.7%	-8.8%	7.8%
<b>Non-executive Directors</b>															
Paula Rosput Reynolds	4.1%	-2.1%	n/a	3.4%	-9.2%	n/a	- %	0.4%	n/a	16.9%	217.1%	n/a	2816.8%	n/a	n/a
Anne Robinson	9.4%	115.9%	n/a	4.3%	-89.4%	n/a	5.4%	-23.7%	n/a	474.0%	n/a	n/a	n/a	n/a	n/a
Earl Shipp	7.9%	-15.0%	n/a	4.4%	-31.1%	n/a	0.7%	-51.6%	n/a	9.0%	208.6%	n/a	8.6%	n/a	n/a
Iain Mackay	4.3%	-99.6%	n/a	10.2%	86.5%	n/a	60.7%	9695.4%	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Ian Livingston	5.1%	-18.2%	n/a	16.9%	n/a	n/a	14.3%	-100.0%	n/a	113.2%	3.0%	n/a	n/a	n/a	n/a
Jacqui Ferguson	10.9%	-33.3%	n/a	362.3%	166.7%	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Jonathan Silver	8.8%	-38.6%	n/a	-0.9%	-66.2%	n/a	-1.7%	-74.2%	n/a	24.5%	383.6%	n/a	-4.2%	n/a	n/a
Martha Wyrsh	9.0%	0.8%	n/a	9.6%	27.7%	n/a	4.5%	-30.6%	n/a	111.0%	280.3%	n/a	n/a	n/a	n/a
Tony Wood	12.1%	-21.2%	n/a	4.3%	-60.0%	n/a	-3.1%	-19.0%	n/a	144.2%	857.5%	n/a	n/a	n/a	n/a
Employee median <sup>3</sup>	-0.4%	-5.8%	-1.5%	2.3%	3.6%	-8.0%	5.0%	6.6%	-3.8%	12.4%	36.4%	-23.0%	2.8%	6.1%	40.0%

1. Zoë Yujnovich was appointed to the Board on 1 September 2025, therefore percentage change is not applicable for 2025/26.

2. John Pettigrew retired from the Board effective 16 November 2025, his leaving arrangement is set out on page 118.

3. The reduction in employee median values during 2025/26 primarily reflects the impact of exchange rate movements.

4. Benefits/other emoluments: For Executive Directors, benefits include private medical insurance, life assurance, allowance under the Group's flexible benefits programme, travel and accommodation expenses, a fully expensed car or cash alternative and the use of a car and a driver when required. For Non-executive Directors, the equivalent of benefits is emoluments. In accordance with the Group's expenses policies, Non-executive Directors receive reimbursement for their reasonable expenses for attending Board meetings. In instances where these costs are treated by HMRC as taxable benefits, the Group also meets the associated tax cost to the Non-executive Directors through a PAYE settlement agreement with HMRC and these costs are included in the table above.

#### Service contracts/letters of appointment

In line with our Policy, all Executive Directors have service contracts which are terminable by either party with 12 months' notice commencing immediately after announcement. Non-executive Directors are subject to letters of appointment. The Board Chair's appointment is subject to six months' notice by either party; for other Non-executive Directors, notice is one month. All Directors are required to be elected at each AGM.

There have been no changes made to Directors' service contracts and letters of appointment. Copies of service contracts and letters of appointment are available for inspection at the Company's registered office.

#### External appointments and retention of fees

As per our Policy, Executive Directors may, with the approval of the Board, accept one external appointment as a Non-executive Director of another company and retain any fees received for the appointment.

Experience as a board member of another company is considered to be valuable personal development, which in turn is of benefit to the Company. The table below details the Executive Directors' appointments as Non-executive Directors in other companies during the year ended 31 March 2026.

	Company
Zoë Yujnovich	Unilever plc
Andy Agg	The Weir Group plc
John Pettigrew	Rentokil Initial plc

## People & Remuneration Committee report cont.

### Statement of implementation of Policy in 2025/26 cont.

#### The Committee's activities in 2025/26

Meeting/circulations	Main areas of discussion
<b>April 2025</b>	Remuneration arrangements as part of Chief Executive succession plan
<b>May 2025</b>	AGM update Approval of 2024/25 APP and 2022 LTPP outcomes for the Group Executive Committee Approval of the 2025/26 APP financial, operational and individual objectives and 2025 LTPP targets for the Group Executive Committee Discussion on a number of governance updates, including share dilution limits and shareholding for the Group Executive Committee
<b>November 2025</b>	External market update and evolving governance Update on the provisional incentive plan outcomes (2025/26 APP and outstanding LTPP) for the Group Executive Committee Discussion on the results of the half-year Group-wide employee engagement survey
<b>January 2026</b>	Discussion on the 2026/27 APP financial, operational and individual objectives and 2026 LTPP targets for the Group Executive Committee. Review of broader workforce remuneration and approval of the Gender Pay Gap calculation.
<b>March 2026</b>	Discussion on the provisional incentive plan outcomes (2025/26 APP and outstanding LTPP) for the Group Executive Committee Discussion on the 2026/27 APP financial, operational and individual objectives and 2026 LTPP award for the Group Executive Committee Market data review, salary increase proposals, in context of wider workforce increases, for the Group Executive Committee Review of Chair fees Discussion on the results of the full-year Group-wide employee engagement survey

#### Advisors to the People & Remuneration Committee

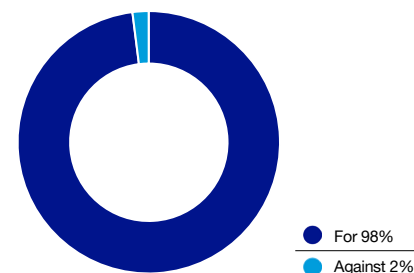
PricewaterhouseCoopers LLP (PwC) was selected by the Committee to become its independent advisor from 3 August 2020 and provided advice and counsel to the Committee throughout 2025/26. PwC is a member of the Remuneration Consultants Group (RCG) and has signed up to RCG's code of conduct. The Committee is satisfied that any potential conflicts were appropriately managed. Work undertaken by PwC in its role as independent advisor to the Committee has incurred fees of £235,751 during the 2025/26 on the basis of time charged to perform services and deliverables.

The Committee reviews the objectivity and independence of the advice it receives from its advisors each year. It is satisfied that PwC provided credible and professional advice. PwC has provided general and technical remuneration services in relation to employees below Board and Group Executive Committee level that include broad-based employee reward support and data assurance services. In addition, WTW provided benchmarking support to the Committee in the year and incurred fees of £25,200.

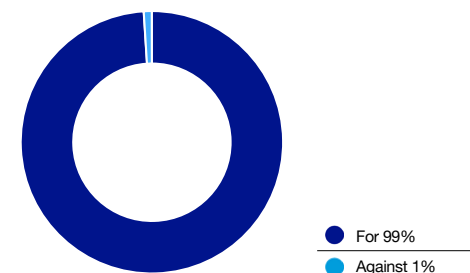
The Committee considers the views of the Chair on the performance and remuneration of the Chief Executive, and of the Chief Executive on the performance and remuneration of the other members of the Group Executive Committee. The Committee is also supported by the Group Company Secretary, and either he or his delegate acts as Secretary to the Committee; the Chief People Officer; the Group Head of Reward; and, as required, the Chief Financial Officer and the Group Financial Controller.

#### Voting on the Policy and the Directors' Remuneration Report at the 2025 AGM

##### 2025 Policy



##### Directors' Remuneration Report 2024/25



##### Notes:

- The Directors' Remuneration Policy voting figures shown refer to votes cast at the 2025 AGM and represent 76.43% of the issued share capital. In addition, shareholders holding 3.9 million shares abstained.
- The Directors' Remuneration Report voting figures shown refer to votes cast at the 2025 AGM and represent 76.44% of the issued share capital. In addition, shareholders holding 3.4 million shares abstained.

## People & Remuneration Committee report cont. Implementation of the Policy for 2026/27

The 2025 Policy will be implemented in 2026/27 as detailed below.

### Salary and pensions

Salary increases for the Executive Directors will be on par with the wider UK and US workforce principles (4.5%). The wider workforce (non-union) salary budget increase is set at 3.5% plus 1% for compression and market adjustment. Zoë Yujnovich and Andy Agg will each receive salary increases of 4.5% and 3.5% respectively, effective from 1 July 2026, with both increases aligned with the principles applied in determining increases across the wider workforce.

The Committee considers that the Chief Executive's starting remuneration appropriately reflects that Zoë is new to the role and deliberately positioned towards the lower end of the market. Since appointment, Zoë has delivered exceptional performance, reinforcing the Committee's performance-first philosophy. Subject to continued strong company and individual performance, the Committee expects to review salary at the Chief Executive's work anniversary, with a view to moving towards a more competitive level over time. Any increase would be non-automatic, consistent with the shareholder-approved Policy, aligned with relevant peer benchmarks, and reflective of the experience of shareholders.

John Pettigrew was Chief Executive to 16 November 2025 and continued to be available to the Group through to the end of his 12-month notice period, which expired on 30 April 2026. His departure will be treated in accordance with the Directors' Remuneration Policy and his service contract. Accordingly, he continued to receive his current level of salary and benefits up to the cessation of his employment.

	From 1 July 2026	From 1 July 2025	% increase
Zoë Yujnovich	£1,359,000	£1,300,000	4.5 %
Andy Agg	£849,000	£820,575	3.5 %

The pension contribution rate for both Executive Directors is in line with that for the UK wider workforce and new joiners at 12%.

### 2026/27 APP

The 2026/27 APP measures will be split across financial measures, operational measures and individual objectives, weighted 70%, 15% and 15% respectively. The maximum APP award for both Executive Directors for 2026/27 is 200% of salary.

	Measure	Weighting
Financial measure	Underlying Group EPS	35 %
	Group RoE	35 %
Operational measure	Performance delivery	15 %
Individual objectives		15 %

### Financial measures

For 2026/27, the Committee opted to retain Underlying Group EPS and Group RoE as financial measures. Group RoE continues to be a relevant and important measure of performance as a primarily regulated asset-based company and targets are set to ensure strong in-year returns and operational results. In respect of earnings measures, Underlying Group EPS remains the most appropriate measure under the APP from the perspective of the business, and the targets are set in a manner which considers specific challenges and opportunities in the year ahead and are flexed accordingly while remaining consistent with our longer-term performance goals.

Financial APP targets are considered commercially sensitive and consequently will be disclosed retrospectively in the 2026/27 Directors' Remuneration Report.

### Operational measures

The Committee is introducing a "performance delivery" measure focusing on capital, asset, customer and functional effectiveness. Performance will be assessed on delivering our capital programme on time and on budget; improving asset reliability, safety and productivity through stronger asset management; providing consistent, high-quality customer experiences through clear communication and proactive engagement; and enabling the business through efficient, responsive corporate functions and IT services.

### Individual objectives

The Committee has approved individual objectives for the Executive Directors in line with key strategic and operational priorities for the year ahead. Zoë Yujnovich's individual objectives for 2026/27 are focused on: (1) aligning the Board on strategic direction and enhancing strategic optionality; (2) driving big shifts by developing talent and a high-performance culture, building external influence and credibility, scaling technology and innovation; and (3) delivering the brilliant basics. Andy Agg's individual objectives are focused on: (1) execute our growth strategy; (2) enhance our investor engagement; (3) embed technology & innovation; and (4) enhance functional effectiveness.

### 2026 LTPP

The 2026 LTPP performance measures and weightings for all Executive Directors comprise two equally weighted financial measures totalling 80% and two equally weighted energy transformation measures totalling 20% as outlined in the table below. The maximum 2026 LTPP award is 400% and 350% of salary for Zoë Yujnovich and Andy Agg respectively.

LTPP performance is measured over the entire three-year performance period, which for the 2026 LTPP is 1 April 2026 – 31 March 2029.

	Measure	Weighting
Financial measure	Cumulative 3-year Underlying Group	40 %
	Group RoE	40 %
Energy transformation measures	Reduction of Scope 1 emissions	10 %
	Enablement of strategic growth	10 %

### Financial measures

Financial measures under the 2026 LTPP are selected to provide alignment with the key drivers of the Group's long-term strategy and value creation for shareholders. Earnings growth and sustainable investment returns remain key measures of long-term value creation in light of the Group's regulated and long-term nature.

The Committee is conscious that financial performance measures under our short-term (APP) and long-term (LTPP) performance plans are similar, however we are of the belief that these measures are the appropriate and correct measures to deliver both short and long-term business strategy as well as long-term efficient asset growth and shareholder value.

Consequently, the 2026 LTPP financial measures are designed in a manner which incentivises alternative elements of performance over the long term as compared with the short term. Specifically in LTPP, Group RoE is averaged across the three-year performance period to incentivise sustainable returns for shareholders in the longer term. Similarly, the cumulative three-year Underlying Group EPS measure assesses Underlying EPS for the three years in the LTPP performance period.

## People & Remuneration Committee report cont. Implementation of the Policy for 2026/27 cont.

Below are the performance ranges for the financial measures in the 2026 LTTP.

### Performance conditions

Performance measures	Weighting	Threshold 20% vesting	Maximum 100% vesting
Cumulative three-year Underlying Group EPS	40 %	291p	311p
Group RoE	40 %	10.30 %	11.55 %

**Note:** Vesting between threshold and maximum will be on a straight-line basis. Underlying EPS growth reflects the cumulative summation of the Underlying EPS results for each of the three years in the performance period: 2026/27, 2027/28 and 2028/29.

### Energy transformation measures

Measures linked to the energy transformation continue to set out key targets and outcomes on the Group's journey to achieve: (1) reductions in the Company's direct Scope 1 emissions and (2) enablement of strategic growth initiative.

Similar to previous years, the reduction of Scope 1 emissions measure supports meeting our 2030 Group emission reduction targets. These targets are SBTi validated and aligned to a 1.5°C pathway.

The second measure of enablement of strategic growth initiative is being expanded to further align with our strategy and include demand-side connections and large loads that support the energy transition and business growth, in addition to generation connections. These demand-side connections include transmission growth to support growth in renewable generation, electric vehicle demand and heat pumps in distribution networks, electrification of industrial processes and data centre connections.

Performance measures	Weighting	Threshold 20% vesting	Maximum 100% vesting
Reduction of Scope 1 emissions	10 %	3 %	9 %
Enablement of strategic growth	10 %	Demand and generation connections measured in MW	

#### Notes:

Vesting between threshold and maximum will be on a straight-line basis.

The overall enablement of strategic growth initiative measure comprises of equally weighted demand and generation connection targets across Electricity Transmission, Electricity Distribution, New England, and New York.

### Fees for Non-executive Directors

Non-executive Director fees were reviewed in May 2026 and will be effective from 1 July 2026, in line with the annual salary review cycle for our wider workforce.

	From 1 July 2026 (£'000)	From 1 July 2025 (£'000)	% increase vs 2025
Chair	795.0	760.8	4.5 %
Senior Independent Director	33.9	33.9	— %
Board fee	100.0	90.4	10.6 %
Chair Audit & Risk Committee	40.0	38.1	5.0 %
Chair People & Remuneration Committee	40.0	33.9	18.0 %
Chair Nomination Committee	—	—	— %
Chair other Committees (Responsible Business, Safety & Operations)	30.0	28.3	6.0 %
Audit & Risk Committee member	26.0	26.0	— %
People & Remuneration Committee member	26.0	20.3	28.1 %
Nomination Committee member	10.0	—	n/a
Other Committee member (Responsible Business, Safety & Operations)	17.0	17.0	— %

The above table incorporates adjustments following the December 2025 restructuring of the Committees to reflect changes in role scope. These include the expansion of the Remuneration Committee to the People & Remuneration Committee, the establishment of the Nomination Committee as a standalone committee, and changes to the composition of other Committees. Prior to the restructuring, other Committees comprised Finance, Safety & Sustainability, and People & Governance.

The Directors' Remuneration Report has been approved by the Board and signed on its behalf by:

### Martha Wyrsh

Chair of the People & Remuneration Committee

13 May 2026