

Responsible Business review

Delivering our Responsible Business Charter

We aim to act as a responsible business and play our part in delivering an affordable, secure and clean energy system. Our Responsible Business Charter (RBC) details our approach to being a responsible business and the commitments we have made. It focuses on three core pillars: Our environment, Our customers and communities, and Our people, supported by our Responsible Business Fundamentals.

Further details on our Responsible Business activities and metrics can be found on our website. See links below.

Our Responsible Business Pillars and UN Sustainable Development Goals where we have the most material impact:

<h3>Our environment</h3>  <p>By building out the network of the future, we are continuing to connect low-carbon generation and storage and use our networks to support the electrification of heat and transport. We are also working hard to manage the impact of energy infrastructure on the natural environment.</p> <table border="1"> <tr> <th>2025/26 progress</th> <th>Looking forward</th> </tr> <tr> <td> <ul style="list-style-type: none"> Replaced 315 miles of leak prone pipe Reduced SF₆ emissions by 43% through leak repairs and investing in alternatives </td> <td> <ul style="list-style-type: none"> Continuing to connect low-carbon generation to our networks Collaborating with suppliers to reduce their own emissions </td> </tr> </table> <p>Read more on page 40</p>	2025/26 progress	Looking forward	<ul style="list-style-type: none"> Replaced 315 miles of leak prone pipe Reduced SF₆ emissions by 43% through leak repairs and investing in alternatives 	<ul style="list-style-type: none"> Continuing to connect low-carbon generation to our networks Collaborating with suppliers to reduce their own emissions 	<h3>Our customers and communities</h3>  <p>As we help to build out the network of the future, we aim to create social value for our customers and communities. We work to support economic growth in the communities we serve, support affordability as a key part of the energy transition, and engage in volunteering and community skills development.</p> <table border="1"> <tr> <th>2025/26 progress</th> <th>Looking forward</th> </tr> <tr> <td> <ul style="list-style-type: none"> Assisted over 20,000 households through our UK Grid for Good Energy Affordability Fund Exceeded our Skills Development </td> <td> <ul style="list-style-type: none"> Continuing to listen to and address customer feedback Expanding new and existing community partnerships </td> </tr> </table> <p>Read more on page 45</p>	2025/26 progress	Looking forward	<ul style="list-style-type: none"> Assisted over 20,000 households through our UK Grid for Good Energy Affordability Fund Exceeded our Skills Development 	<ul style="list-style-type: none"> Continuing to listen to and address customer feedback Expanding new and existing community partnerships 	<h3>Our people</h3>  <p>We are focused on providing development opportunities to all our colleagues, creating an inclusive culture, and enhancing the health and wellbeing of our employees.</p> <table border="1"> <tr> <th>2025/26 progress</th> <th>Looking forward</th> </tr> <tr> <td> <ul style="list-style-type: none"> 81% Group-wide employee engagement score A Glassdoor 2026 Best Place to Work </td> <td> <ul style="list-style-type: none"> Expanding recruitment and development programmes Continuing to promote healthy practices and wellbeing resources </td> </tr> </table> <p>Read more on page 47</p>	2025/26 progress	Looking forward	<ul style="list-style-type: none"> 81% Group-wide employee engagement score A Glassdoor 2026 Best Place to Work 	<ul style="list-style-type: none"> Expanding recruitment and development programmes Continuing to promote healthy practices and wellbeing resources
2025/26 progress	Looking forward													
<ul style="list-style-type: none"> Replaced 315 miles of leak prone pipe Reduced SF₆ emissions by 43% through leak repairs and investing in alternatives 	<ul style="list-style-type: none"> Continuing to connect low-carbon generation to our networks Collaborating with suppliers to reduce their own emissions 													
2025/26 progress	Looking forward													
<ul style="list-style-type: none"> Assisted over 20,000 households through our UK Grid for Good Energy Affordability Fund Exceeded our Skills Development 	<ul style="list-style-type: none"> Continuing to listen to and address customer feedback Expanding new and existing community partnerships 													
2025/26 progress	Looking forward													
<ul style="list-style-type: none"> 81% Group-wide employee engagement score A Glassdoor 2026 Best Place to Work 	<ul style="list-style-type: none"> Expanding recruitment and development programmes Continuing to promote healthy practices and wellbeing resources 													

Our Responsible Business Fundamentals

At National Grid, it is a priority to run our business and engage with our supply chains in a responsible way. Our Fundamentals include governance and activities that are essential to day-to-day business.



2025/26 progress

- Transitioned supply chain sustainability risk assessments and data to EcoVadis to support supplier assessments
- Invested in new innovations, such as AI demand response in data centres and enhanced pipeline imaging

[Read more on page 49](#)

Looking forward

- Continuing to improve our safety programme with insights from our new reporting system
- Increasing our workforce AI and data capabilities
- Further embedding sustainability into supplier sourcing



To view our Responsible Business data tables, scan or click the QR code



To explore our Responsible Business website, scan or click the QR code



To read more about our Responsible Business Charter, scan or click the QR code

Responsible Business review cont.

Our progress in 2025/26

Responsible business is important to us and our stakeholders. Over the past year, we have navigated a complex landscape characterised by significant economic and political uncertainty. In this environment, energy security and affordability remain priorities. Part of being a responsible business is taking account of, and responding to, these expectations to deliver for our customers, communities, colleagues and other stakeholders.

While clean power retains support from the UK Government, energy costs remain a significant challenge and energy resilience has emerged as a key issue. In the US, both New York and Massachusetts have acknowledged affordability concerns related to the energy transition.

We, alongside other network companies, have a unique role to play in supporting the energy system transition. While we remain focused on reducing our own carbon emissions, by building out the network of the future, we are supporting the deployment of renewable energy supply to meet society's growing electricity needs and bringing down overall emissions. We are also innovating through new technologies and approaches to maximise the pace and scale of system-wide decarbonisation. We are therefore looking beyond our own emissions at the emissions reductions we influence through our delivered and future business activities.

In 2025/26, we connected 1,125 MW of energised renewable generation to our transmission and distribution networks and saw further uptake of heat pumps and electric vehicles across our jurisdictions. We expect these new assets to deliver emissions savings year-on-year and estimate they will help avoid 5 MtCO₂e from 2026/27 to 2030/31 as renewable electricity

generation replaces carbon intensive generation, heat pumps replace gas and oil boilers, and EVs replace internal combustion engines¹.

Looking forward, a significant uptick in National Grid activity, underpinned by at least £70 billion of capital investment in the next five years, will deliver infrastructure that is expected to support reliable, cleaner and affordable energy. We expect to support further avoided emissions through our continued role in connecting renewable generation and facilitating the uptake of heat pumps and electric vehicles in our jurisdictions.

We also have a wider enabling role in the energy transition. Our infrastructure helps deliver clean power generated by assets connected to other networks, to both existing and new sources of demand served by our network or in other locations. For example, in the UK we are delivering transmission projects to increase power flows between Scotland and England and developing new links to mainland Europe, better connecting clean power to demand. In the residential, commercial and industrial sectors, electrification can be a key driver of emissions reductions, including through fuel switching to electricity supplied through our networks for heating and transport. In collaboration with others, we therefore expect our infrastructure to enable significant emissions reductions across a range of sectors.

A range of activities will contribute, including:

- our Great Grid Upgrade, the largest overhaul of the UK electricity grid in generations;
- the Upstate Upgrade, a collection of complex, multi-year high-value transmission line projects in support of New York's Climate Leadership and Community Protection Act; and

- innovation through regulatory funded projects, working with our supply chain partners and through our venture capital arm National Grid Partners.

Our Scope 1 and 2 emissions are down 3% vs our 2018/19 baseline. This is outside of the range set out in our second Climate Transition Plan (CTP), published in May 2024. We stated in our CTP that progress is unlikely to be linear. Scope 2 emissions were lower than last year, but Scope 1 emissions were higher than expected due to increased generation from our Long Island facilities that burn oil and gas. These units are crucial to reliability and are contracted to the Long Island Power Authority (LIPA), which controls when and how much they run to maintain reliable energy supply in the region.

Our Scope 3 emissions increased by 11% in 2025/26, primarily due to an increase in supply chain emissions, as anticipated in our CTP, as we build out new infrastructure. We continue to identify opportunities to reduce supply chain emissions and aim to decouple spend growth from emissions growth.

Affordability continues to be a concern for households and businesses. In the US, we've continued to raise awareness of financial assistance and support available and, in the UK, we've seen reforms to the connection queue that will help us to prioritise connection-ready low-carbon generation projects to expand availability and maximise capacity.

We also support our local communities through volunteering and skills development programmes. We maintain partnerships with charities, non profits and educators to create skills and employability pathways for everyone in our communities and to provide opportunities for colleagues to volunteer.

We are committed to creating a work environment where people are treated fairly and where everyone feels respected, valued, and empowered to reach their full potential. For our colleagues, safety remains our top priority as project work is scaled up to meet our commitments, and we have a range of initiatives underway in our business units to ensure we meet our safety targets.

The following sections highlight the progress made in the last year against our RBC and where there is more to do. Working with our stakeholders, we will continue to make progress on all of our commitments.

1. Avoided emissions represent the difference between baseline (counterfactual) emissions and emissions after the implementation of the low-carbon alternative. We have estimated cumulative avoided emissions to 2030/2031 from low-carbon solutions delivered in 2025/26, specifically 1) Renewable electricity connections (direct connections to our transmission and distribution networks) 2) Electric heat pumps replacing fossil-fuel boilers (in our distribution/customer regions) and 3) Electric vehicles replacing internal combustion engine vehicles (in our distribution/customer regions). Renewable electricity connections are sourced from our Responsible Business data tables. Heat pump and electric vehicle data is sourced at the NY, MA and UK level on a calendar year basis, and National Grid's share is estimated by using NGED's share of electricity distribution network customers in the UK and our delivered electricity load in our US jurisdictions. Grid carbon intensity and marginal plant intensity are calculated on a calendar year basis.

Responsible Business review cont.
Our environment



Our environment

By building out the network of the future, we enable the deployment of low-carbon energy supply and support the electrification of heat and transport. We are also working hard to manage the impact of energy infrastructure on the natural environment.

Our second Climate Transition Plan (CTP), published in May 2024, outlines our roadmap to achieve net zero by 2050. As part of this, we have set near-term science-based GHG emissions reduction targets at a Group level. These have been approved by the Science-Based Targets initiative (SBTi) as aligned with limiting global warming to a 1.5°C pathway and the ambition of the Paris Agreement, and have been developed using an SBTi sectoral decarbonisation approach where available. SBTi is currently developing the Corporate Net Zero Standard Version 2, and we have been actively engaged in their consultation to shape the new standard.

Actions by our stakeholders are crucial to us being able to deliver our emissions reductions targets. We engage with policymakers and regulators aiming to achieve the required planning and permitting changes in the UK and US, and in the US where we are an energy supplier, policies that promote energy efficiency and the use of low-carbon fuels. We also work with customers to promote efficient solutions, industry groups to advance new technologies, and our suppliers to help decarbonise the value chain.

We have always viewed our targets as ambitious. Achieving them relies on a combination of actions we take ourselves, as well as technological dependencies, policy and regulatory frameworks in the regions we operate, and actions by others including businesses and energy consumers. Our ability to achieve our climate targets is driven by the policies put in place by the jurisdictions where we operate that support decarbonising their energy systems at a rapid pace. Political and economic headwinds have intensified in the past year. Governments face multiple pressures, including budget constraints and customer affordability concerns, which may impact the pace of decarbonisation. While the costs of some technologies continue to fall, the costs of other renewable technologies have risen, which is also impacting policy and the pace of the transition.

We've made good progress across multiple areas of our emissions inventory, including where we have direct control. Where we don't have direct control, achieving our near-term targets looks increasingly challenging as we are reliant on policy and regulatory dependencies. Below, we provide an update on progress against some of our targets, including some of the most material dependencies that could impact our progress. Moving forward, we will continue to prioritise reductions where we have operational control and influence areas where we do not, refining our approach based on our results. More detail on our targets, key dependencies and challenges can be found in our CTP, available on our website.

We committed to

Achieve net zero by 2050 for Scope 1, 2 and 3 GHG emissions

We continue to work towards our ambitious targets. However, we are reliant on external dependencies such as policy and regulatory support and wider sectoral decarbonisation.

Scope 1 and 2 GHG emissions for 2025/26 were 7,511 ktCO₂e, outside of our range set out in the CTP, and down 3% from our 2018/19 baseline.



Scope 1 GHG emissions in areas where we have greater direct control have fallen from the baseline year. Gas operational emissions from fugitives and venting comprise about 10% of our Scope 1 and 2 emissions and have decreased 4.2% from the prior year. These emissions are largely driven by the volume of gas travelling through our pipes and are being addressed through investments in cross compression, pipeline coatings, vacuum purging, and rehabilitation of leak-prone piping.

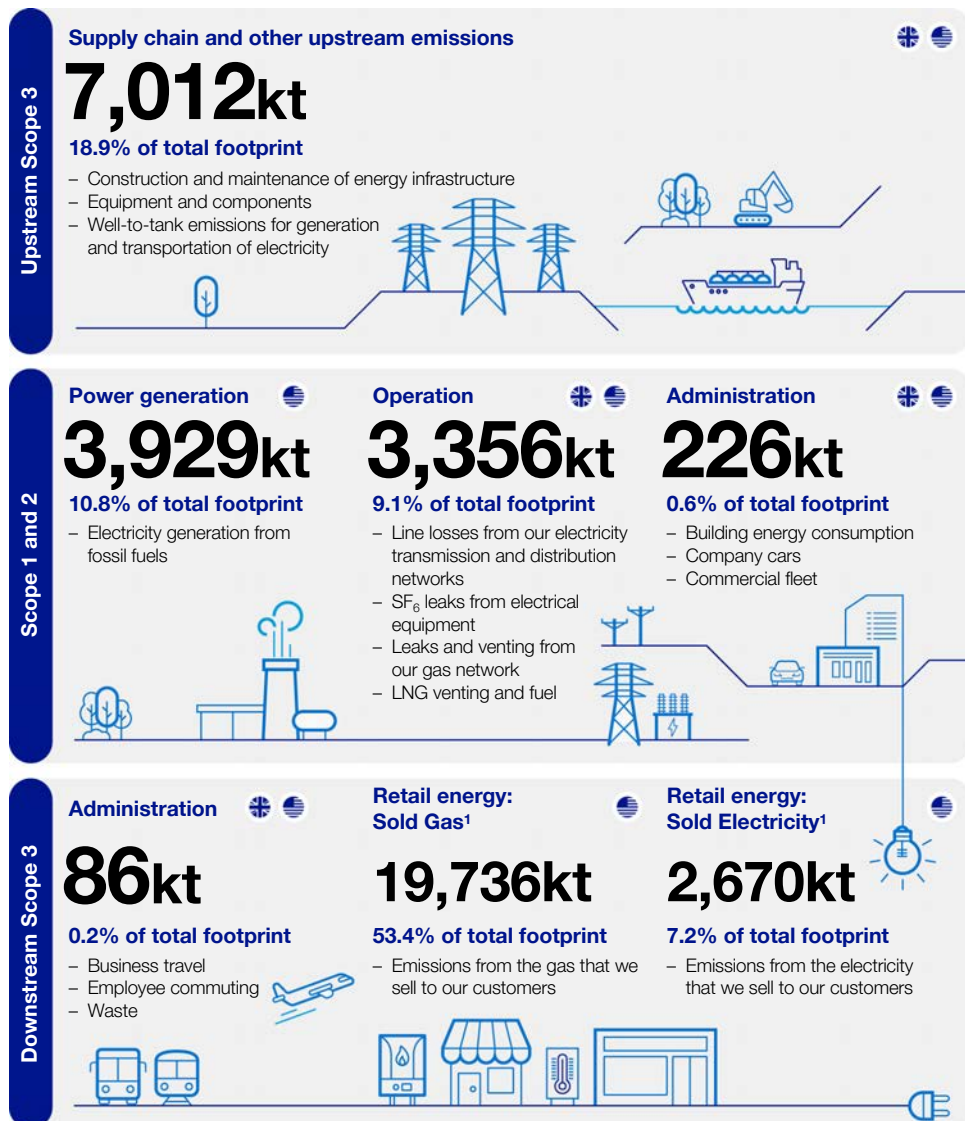
In 2025, we replaced 315 miles of leak-prone pipe in New York and Massachusetts. This long-standing programme delivers emissions reductions each year. This programme is progressing within the projected ranges of our CTP. We are also evaluating advanced leak detection technologies, including stationary, satellite, aerial and ground based solutions to quickly identify and mitigate emissions sources.

Scope 1 GHG emissions where we have less direct control are outside of the range that we set out in our CTP. The most challenging area is emissions from our Long Island generation facilities, where emissions increased by 19% from the previous year. These units burn oil and gas and are contracted to the Long Island Power Authority (LIPA), which controls when and how much they run to maintain reliable energy supply in the region.

1. Includes Scope 2 location-based emissions only.
2. Near-term targets approved by Science-Based Targets initiative (SBTi) and aligned to the Paris Agreement and a 1.5°C pathway.

Responsible Business review cont.
Our environment

Our 2025/26 GHG emissions footprint across direct and indirect sources was 37,015 ktCO₂e



1. Retail energy emissions are primarily driven by the gas and electricity we sell to our customers. Reducing these emissions depends on a combination of actions we take, customer choices, wider energy system decarbonisation, and policy and regulatory frameworks.

Our Long Island generation assets are currently expected to be materially depreciated by 2040, aligning with New York State’s zero-emissions electricity targets. However, given delays to offshore wind and anticipated load growth, achieving a sufficient reduction in operating hours in the timeframe required to hit our near-term targets will be challenging, and fossil-fuel generation assets may continue to operate beyond 2040 to support grid resilience.

Our Scope 2 emissions decreased by 15% during 2025/26. These are almost entirely comprised of electricity network line losses and are broadly in line with the trajectory set out in our CTP.

Electricity network line loss emissions are primarily influenced by the location and carbon intensity of generation and the location and magnitude of demand, which are outside of our control. If our jurisdictions see a slowdown in the pace of decarbonisation, this will slow the pace of emissions reductions from line losses. We indirectly reduce the emissions from electricity line losses by connecting low-carbon generation to our networks. We calculate emissions from losses using the average carbon intensity of electricity in the regions where we operate, as published by the UK Government and the US Environmental Protection Agency (EPA).

In the UK, there has been significant progress in decarbonising the grid. The continued implementation of various policy reforms, including connections and planning, is required to support ongoing progress. For US line loss emissions to decrease in line with our wider targets, we would need to see a wider societal increase in the pace of clean energy development. This would require addressing wider challenges around permitting, interconnection, and customer affordability in addition to current state government activities related to renewable generation.

Regarding specific sub-targets for Scope 1 and 2, from a 2018/19 baseline:

- The carbon intensity of our power generation (Scope 1 GHG emissions) has increased by 3% per MWh against a target of reducing by 90% by 2030/31 and 92% by 2033/34.

- We’ve reduced absolute Scope 1 and 2 GHG emissions (excluding generation) by 26% against a target of 50% by 2030/31.

We report on our power generation emissions intensity as part of our SBTi targets. Since we completed the sale of National Grid Renewables in 2025, our generation portfolio is made up solely of gas and oil generation assets, which are operated by LIPA. With this change, achieving this target is very challenging, requiring fuel switching or carbon capture technologies which are not yet commercially viable.

20% of our light-duty vehicles are electric vehicles.



We are making progress against our target to move to a 100% electric fleet for our light-duty vehicles, however, we continue to face challenges with vehicle cost and availability. This year, we have added 219 electric vehicles to our commercial fleets, bringing our total to 1,235 EVs, 20% of our total number of light-duty vehicles. Achieving this target is dependent on the cost, availability, and performance of vehicles with the required characteristics to meet operational needs, which makes achievement of this target increasingly challenging.

This year, we also introduced our first heavy duty electric vehicle to our fleet, a box truck with a 230-mile range based at our Sutton depot in Massachusetts.

Moving forward, we will consider strategies to reduce emissions from transport that are informed by vehicle availability, use cases and conditions in the regions where we operate, and cost effectiveness. We will keep this target under review.

Responsible Business review cont.
Our environment



SF₆ emissions from our operations are down 43%.



We continue to reduce SF₆ emissions caused by emerging leaks, resulting in GHG emissions reductions of 43% against our 2018/19 baseline. The majority (around 80%) of the SF₆ we use on our networks is in UK ET. Our focus is on SF₆ leak detection and repairs, as well as increasing our investment in SF₆ alternatives, working with other UK transmission owners.

Absolute energy consumption in our flagship offices is down by 48%, exceeding our 20% target.



We have reduced energy consumption in our flagship offices by 48% against our 2019/20 baseline, exceeding our 20% target, by optimising heating, ventilation, air conditioning, and lighting to promote efficiency while meeting the needs of our colleagues.

We also indirectly contribute to emissions reductions through the purchase of renewable certifications. In 2025/26 we achieved 62% (2024/25: 36%) of renewable electricity purchased with renewable certification globally, driven by the UK, where 99.7% (2024/25: 49%) of electricity purchased for operational purposes was with renewable Energy Attribute Certification (EACs) where we have choice over purchasing sources. For leased and other sites where we do not have purchasing decision choice, we do not have control over whether the electricity purchased is with renewable credentials. The increase compared with the prior year mainly reflects the disposal of Grain LNG; as the asset did not hold EACs, its exit from the Group has led to a significant increase in the UK percentage.

Our Scope 3 emissions (excluding sold electricity) were up 11% from our 2018/19 baseline.



Our Scope 3 emissions (excluding sold electricity) for 2025/26 were 26,833 ktCO₂e.

The majority of our Scope 3 emissions result from the use of sold gas we deliver to our customers in the US, with these emissions making up about 75% of our Scope 3 emissions target.

Meeting our Scope 3 sold gas target would require an additional estimated 1.2-1.8 million gas customers converting to electric heat by 2033/34. We continue to seek to enable the connection of low-carbon electricity generation that is necessary to support customers in switching to electric heat, and we offer incentive programmes to encourage customers to adopt heat pumps. However, to further motivate heat pump adoption, we would need to see reductions in the upfront cost of heat pumps, as well as efficiency gains in heat pump technology. Achieving the emissions reductions required to meet our Scope 3 target is therefore challenging.

Emissions within our supply chain represent approximately 18% of our Scope 3 emissions target, and we have seen emissions increase by 2% during 2025/26. We projected this in our CTP due to increased spend on goods and services associated with the construction of new energy infrastructure.

Regarding specific sub targets for Scope 3, from a 2018/19 baseline:

- The carbon intensity of power generation and sold electricity (Scope 1 and Scope 3 GHG emissions) decreased by 1% against a target of reducing by 86% by 2033/34¹.
- We've reduced absolute GHG emissions from gas sold by third parties by 10% against a target of 37.5% by 2033/34^{1,2}.

62% of our UK supply chain emissions³ are from suppliers that have formally committed to setting a science-based target (SBT). 32% of our US supply chain emissions³ are from suppliers that have established a roadmap towards science-based targets.



We continue to collaborate with key suppliers who contribute significantly to the emissions associated with the goods and services we procure. In the UK, 62% of our UK supplier GHG emissions are from suppliers who are committed to setting an SBT. In the US, 32% of our supplier GHG emissions are from suppliers who have established a roadmap toward SBTs. As our supply chain emissions data and insights have matured, we have moved from reporting a percentage of suppliers committed to SBTs or an SBT roadmap, to the percentage of our supply chain emissions covered by those suppliers.

Our suppliers have many dependencies that are outside of their control, including the lack of SBT pathways for certain sectors. SBTi is currently consulting on the standards used to set validated SBTs, with new standards expected to be formally in place at the start of 2027. Because of this, we are recommitting to our supply chain engagement, retaining the target but extending the target date to 2030/31 and reporting a percentage of emissions rather than a percentage of suppliers. We had stated that this target was under review in our 2024/25 disclosure.

1. Near-term targets approved by SBTi and aligned to a well below 2°C pathway.
2. Third-party sold gas, a US only emission, are downstream emissions associated with the combustion of natural gas delivered through our network but sold by a company other than National Grid. This differs from Scope 3 Cat. 11 GHG Protocol guidance, which otherwise advises to consider only the end use of goods sold by the reporting company itself.
3. Carbon Strategic Supplier Engagement: GHG emissions from Scope 3 Cat 1 and Cat 2: Purchased Goods and Services and Capital Goods only.

Responsible Business review cont.
Our environment

We have developed a new responsible supply chain strategy to work toward embedding sustainability criteria into our strategic sourcing process. This strategy focuses on the changes we need to make to our contracting approach, tender strategy, and engagement to drive change. More detail on this strategy is available on our website.

Key construction materials such as concrete and steel have significant carbon footprints and more sustainable alternatives are difficult to source and come at a higher cost. To see reductions in supply chain emissions in line with our Scope 3 target, we would need to see a significant reduction in the carbon intensity of construction materials. In UK ET, as part of our RIIO-T3 business plan, we've set targets against some of our key carbon hotspot areas, enabling us to influence how suppliers respond and make changes to their operations.

Air travel emissions are down 45% from our 2019/20 baseline.



This year, absolute emissions from business air travel are lower than the previous year at 6.1 ktCO₂e, a 45% reduction from our baseline.

Air travel emissions are a very small portion (0.01%) of our total Scope 3 emissions. While we have not hit our target, we have made good progress in this area. We've implemented hybrid working, consolidated meetings to reduce the number of trips necessary and embedded sustainability considerations into our travel policy, discouraging travel where it is not necessary. As a transatlantic business, we try to balance the business benefits of in-person meetings with creating efficiencies by reducing air travel. We remain focused on reducing emissions in our most material areas and reinforcing our travel policy to drive ongoing progress, and we will not renew this target.

We are committed to

Protecting our natural environment

In the UK we are committed to restoring the land we manage. We use a natural capital approach to measure the impact of improvements we make on the non-operational land at our own sites based on financial value estimations.

Due to significant differences in the conditions of habitats and levels of biodiversity present in the landscape between the UK and US, in the US our efforts focus on the preservation of the natural lands that we own. Acreage reported in the US includes lands we have enrolled in our integrated vegetation management (IVM) programme, which aims to preserve biodiversity by optimising trimming on our rights-of-ways, and other nature-related projects.

On the land we manage in the UK, we have restored the natural environment by 15%.



A natural capital approach allows us to demonstrate environmental restoration by supporting and measuring beneficial changes to land management and biodiversity. This is only driven by activities in our UK ET business.

We manage around 1,800 hectares of non-operational land in the UK, including hedgerows, ancient woodland, wildflower meadows, wetlands, grasslands and peat bog. We committed to improving its environmental value by at least 10% by 2026. Since 2020/21, we have achieved a 15% increase. In our final year of the RIIO-T2 Environmental Incentive (2025/26), we delivered a further uplift by introducing nine new strategic partnerships and expanding one existing agreement.

UK ED focuses on improving biodiversity on our operational sites. We have committed to a six-year formal partnership with Heart of England Forest to support woodland management and restoration in our West Midlands licence area. This past year, we surveyed 18 sites to establish baseline habitat type and quality, allowing us to develop habitat maintenance plans to guide vegetation management on these sites.

On the land we manage in the US, we have enrolled 1,162 acres in our IVM programme and other nature related projects.

This year, we launched a collaborative BioAudit biodiversity study with scientists and experts from ACRT Services to help us assess the habitat quality of our rights-of-ways. These corridors play an important role in enhancing plant biodiversity and ensuring that pollinators and wildlife have a place to call home.

The data from the on-site assessments help us to proactively plan and take measures to improve habitat on these sites.

We also completed a nature-based solutions pilot with Jacobs Engineering, Biomimicry 3.8, and EMX Industries on a substation rebuild in Massachusetts. The initiative aimed to solve common project challenges using nature-inspired solutions. Eight nature-based interventions were identified and scoped into the substation rebuild design, including moss walls, rain gardens and vegetated filter strips.



Responsible Business review cont. Our environment

We are

Investing in the decarbonisation of the future of energy

We invested £9.8 billion in green infrastructure and projects in 2025/26¹.

We play a key role in enabling and accelerating the move to a cleaner energy future. Network investment is vital for connecting new low-carbon power generation and storage that will be needed in the coming decade to accommodate the expected rises in electricity demand and the connection of renewable energy resources.

Our proportion of green capital expenditure increased in 2025/26, aligning with EU Taxonomy principles for climate change adaptation and mitigation. In 2025/26, around 88.5% (£9.8 billion) of our Group's capital expenditure was aligned, compared with 81% (£7.7 billion) in the previous year. Green capital expenditure share of total capital investment, which includes capital prepayments and equity contributions, was 85%.

Our first six projects in Wave 1 of our Great Grid Upgrade in the UK are now in construction, and in the US, we continue to progress with permitting requirements for our Upstate Upgrade projects in New York. The essential upgrades that we're delivering in the US and UK will help to create a modernised, stronger and cleaner energy network and will generate new jobs.

These infrastructure investments also support connections of renewable generation to the grid in our territories. In 2025/26, we connected 1,125 MW of energised renewable capacity to our networks across the UK and US.

1. Aligned to the principles of EU Taxonomy for sustainable investment.

We are committed to

Using resources responsibly

We manage our environmental impact with a focus on pollution, waste and water use.

Various aspects of our work create waste, including cleaning up former gas plant sites, retiring old fossil fuel assets and leak-prone equipment, and building grid infrastructure. We work to ensure that our waste is correctly disposed of with appropriate environmental permits and in compliance with regulatory standards in the applicable regions.

The different categories of waste are summarised in our data tables, available on our website. Some waste is classed as hazardous waste. This arises from the removal of contaminated land during commercial property activity and the disposal of oil and polychlorinated biphenyl (PCB) or lead-contaminated materials.

We recycle, refurbish and reuse materials at asset refurbishment and investment recovery facilities in the UK and US, promoting circularity within our operations. We also work to reduce our waste through initiatives such as the deployment of reusable covers to replace plastic bags on units in our plant centres in the UK. We're also using recycled materials in our operations, including the use of copper with recycled content for transformers in our Eastern Green Link 2 project.

More on our commitments around resource use and waste management can be found in our Environmental Operations Policy.

Our water use relates almost entirely to water used for generation cooling purposes. Abstracted water is not altered other than being slightly warmed by the process. Water discharge temperatures are closely monitored and follow applicable regulations. This year, 1,234 million cubic metres were withdrawn. Of this total, 99.6% relates to the use of seawater for cooling generation assets in the US and is returned to the sea in accordance with permitted temperature limits.

We are

Adapting to a changing climate

We take action on our climate change risks and opportunities and invest in climate change adaptation activities.

Climate hazards are projected to increase in frequency and severity in the future, with high temperatures and coastal and river flooding of particular concern in the areas where we operate. Our approach to climate resilience, and addressing risks arising from global warming impacts is outlined in our TCFD report on pages 61-66. In addition, our EU Taxonomy report details our climate change adaptation expenditure.



For our Environmental Operations Policy scan or click the QR code

£9.8bn

2025/26 Green capital expenditure

Aligned to EU Taxonomy principles for climate change adaptation and mitigation

1,125 MW

Energised renewable capacity connected in 2025/26

Responsible Business review cont.
Our customer and communities



Our customers and communities

As we help to build out the network of the future, we aim to create social value for our customers and communities. We work to create economic growth in the communities we serve and support affordability as a key part of the energy transition.

We provide assistance to our customers and communities to help manage the rising costs of energy and necessary infrastructure upgrades, working to maintain positive relationships with our stakeholders.

Our skills development programmes provide people from disadvantaged communities with access to training and employment opportunities, helping to build our potential workforce of the future.

Our colleagues participate in volunteering events and projects to foster positive relationships with our customers, communities and local regulators.

We acknowledge that there is a need for further support to our customers. In both the UK and US, support is needed for customers facing high energy bills. In the UK, customers face long connection wait times, negatively impacting consumer sentiment. However, NESO has initiated reforms to the connections queue that will help us to deliver faster, more strategic grid connections for our customers.

We are committed to

Supporting an affordable energy transition

We have established the Grid for Good Energy Affordability Fund to provide assistance with energy bills.

National Grid remains committed to ongoing support for those that cannot meet energy costs and maintains the Grid for Good Energy Affordability Fund to provide bill assistance. This fund assists vulnerable households and businesses struggling with energy costs via our charity partners including the Fuel Bank Foundation, the Centre for Sustainable Energy and the National Energy Foundation.

We worked with key charity partners in the UK and US to provide assistance with energy efficiency upgrades, emergency financial support and provision of energy advice to low-to-moderate-income customers. In the last year in the UK, we supported over 20,000 households through our programmes.

The current Grid for Good Energy Affordability Fund will run through 2026/27 to continue financial support for organisations that assist vulnerable households. Each year, the fund commits £3.5 million of support in the UK and £3.3 million in the US.

More information on how our funding is supporting charities and organisations to provide relief to vulnerable households can be found on our website.

In the US, we offer a range of programmes to help income-eligible families and customers manage their energy bills. These include tiered discount rates, bill discounts, energy efficiency programmes, budget billing structures and payment extensions. However, we acknowledge that there is more to be done to support bill assistance to help our customers manage rising costs.

More details on our contributions to UK bills and average billing to US households can be found in our Responsible Business data tables.

More information on our affordability initiatives in ED, NY and NE can be found on pages 19 – 21

We are committed to

Accelerating social mobility

We support social mobility in the communities we serve through partnerships with registered charities, not-for-profit organisations, social enterprises, educators, and our supply chain.

With these organisations, we have created skills and employability pathways that help ensure everyone has the opportunity to reach their potential, regardless of background. Our work is focused on improving awareness of the energy industry and National Grid as an employer, providing energy education programmes to disadvantaged youth and work-ready adults, and offering coaching for potential future talent.

We've exceeded our goal to upskill 45,000 people in our communities and we remain dedicated to actively supporting these programmes.

We ranked 8th out of the top 75 employers in the 2025 UK Social Mobility Index (SMI), rising 34 places from the previous year. This achievement demonstrates our leadership in building an inclusive, representative, and successful workplace that supports upward social mobility.

Responsible Business review cont. Our customer and communities

We are

Engaging directly in our communities through volunteering

Across the UK and US we have delivered **52,620 volunteering hours in 2025/26 to support our communities.**



Our volunteering programmes enable our colleagues across the UK and US to connect with their communities and have a tangible impact on the causes that matter. We work with many partner organisations to provide opportunities for colleagues to volunteer their time in local communities. Our volunteer efforts focus on increasing access to affordable energy, increasing access to STEM/STEAM education and building community resilience. Colleagues this year have logged 52,620 volunteering hours, bringing our total to 292,611 volunteering hours since 2021. Case studies on our volunteering engagement can be found on our website.

We act

On the feedback we receive from our customers on the service we provide

Across the UK and US, we serve millions of households and thousands of businesses. We are committed to delivering secure and reliable energy as affordably as possible, maximising the capacity of our assets and ensuring our customers benefit from an efficient and reliable network.

We recognise that there has been limited progress across the business, especially in the US, on customer satisfaction due to bill increases and delays in connecting to our network. We are listening to feedback and taking steps to address these issues.

US customer satisfaction

This year, our US businesses refocused their CSAT metric to better reflect overall customer experience. The metric is measured through our monthly Brand Image Relationship study and through post-interaction customer surveys, and it is designed to help us improve customer experience and strengthen customer-centred thinking across our business.

In 2025/26, New York saw a CSAT score of 72.8% and New England saw a score of 72.2%. Customers in both regions faced high fuel prices and temperature extremes that increased bills, which negatively affected customer perceptions.

We recognise that we need to do more to improve customer satisfaction. We are committed to raising awareness of financial assistance and other services that help customers manage their energy bills. In Massachusetts, we launched a new tiered discount rate programme that expands eligibility and assistance for our most vulnerable customers. In New York, our NIMO rate plan, approved by the Public Service Commission, includes enhancements to affordability programmes.

We also held in-person customer assistance events across our US jurisdictions. These events bring our customer service specialists into community centres, senior centres and other public gathering places, to meet directly with customers. Here, our customers can ask questions, discuss assistance programmes and get help with our energy efficiency initiatives. These events are critical to connect our customers to the support programmes and tools they need.

We are in the process of implementing Kraken, a groundbreaking, cost-effective platform that will support end-to-end ownership of the customer experience. We will be the first major regulated US utility to adopt Kraken, which will improve the

customer experience by simplifying and modernising how customers interact with us.

We continue to deploy Advanced Metering Infrastructure (AMI) technology across New York and Massachusetts, giving customers greater visibility of their energy use. We have cumulatively deployed over 500,000 smart meters in New England and over 1.5 million in New York.

UK ED customer satisfaction

In UK ED, we have delivered a high level of customer satisfaction for 2025/26 with a score of 9 out of 10.

We identify areas of best practice across our licence areas to expand those solutions across the business. We continue to undertake customer service training, have customer engagement group forums, and learn from the activities of other distribution network operators to ensure we are making the right decisions for our customers and improve the customer experience.

UK ET customer satisfaction

In UK ET, Quality of Connections remains a pivotal initiative, underpinning our commitment to capturing valuable customer insights at every stage of the connection lifecycle by measuring customer satisfaction and gathering feedback. In UK ET, our customer satisfaction score for 2025/26 was 7 out of 10, demonstrating a positive shift compared to last year, marked by significant industry reform and rapid change.

NESO initiated reforms to the existing connections queue that will aim to help UK ET deliver faster, fairer and more strategic grid connections for existing and future customers. For more on these reforms, see page 18.

UK ET also drives broader societal economic benefits to support customer satisfaction. For example, we are currently upgrading our Didcot substation in Oxfordshire to enable the connection of data centres and battery storage systems to the electricity transmission network. Located just two miles from the UK's first AI Growth Zone at Culham, Didcot substation will boost grid capacity for future digital projects. It will also connect 300

MW of battery schemes, helping to meet growing demand for flexible, zero carbon power in the region. Read more about the Didcot substation project on our website.

NGV customer satisfaction

NGV conducts customer satisfaction surveys across its business units and achieved good scores overall in 2025/26.

Our UK subsea electricity interconnectors and US NGV operations have scored the following:

IFA, IFA2 and Viking

92%

Prior year: 86%

BritNed

90%

Prior year: 87%

Nemo

91%

Prior year: 92%

The US Northeast

8 out of 10

Prior year: 8 out of 10

Responsible Business review cont.
Our people

Our people

Our 33,017 colleagues across the UK and US are central to delivering the grid of the future.

To deliver on our commitments, we need to attract, develop and retain the skilled workforce needed to respond to changes in our external environment and within the business.

The physical and mental health of our colleagues is central to everything we do. We continue to focus on ensuring fair pay for all our people and providing them with development opportunities.

81%

Employee engagement index in 2025/26

73%

'Safe to say' in Grid:Voice in 2025/26

77%

Employee wellbeing index in 2025/26

We are

Investing in our people and building the skills needed to deliver the clean energy future

Our workforce is increasing and new skills will be needed to deliver the grid of the future. Attracting, developing and retaining a qualified and competent workforce requires training programmes that are robust, comprehensive, in line with local regulations and focused on safety and competence.

In the UK, 132 graduates participated in our graduate scheme, which aims to enhance graduates' capabilities while emphasising leadership development.

In the US, 98 graduates joined our refreshed 12-month development programme, which includes a three-week orientation, blended virtual and in-person skills training, three months of coaching, and rotational placements for some roles in months six to twelve.

In the US, we also continue to have a strong Gridtern internship programme, welcoming 147 interns on summer internships in 2025.

 **Further details on our development programmes can be found on our careers website.**

Alongside early careers programmes, we provide a wide range of development opportunities to our colleagues through external learning providers, including on-demand digital learning, behavioural science-based development, team effectiveness sessions and tailored virtual coaching for leaders and senior colleagues.

We also run targeted leadership programmes to identify and develop future senior leaders and to support new and experienced managers in becoming effective people leaders.

To achieve our commitments and deliver the grid of the future, we need to attract, hire, and retain people from a wide array of backgrounds, who have different experiences and perspectives. We take a clear stance against discrimination. Our Global Recruitment and Hiring Policy ensures that individuals identifying themselves as having a disability receive fair consideration for all vacancies, with reasonable accommodations and additional resources provided whenever feasible. We are dedicated to equal opportunities in recruitment, training, promotion, and career development for all our colleagues, including those with disabilities.

We aim to drive proactive sourcing, create a best-in-industry candidate experience, and maintain recruitment practices that help us build a strong future workforce. We launched a new global careers website to provide a single, modern platform for candidates and a more tailored and intuitive job searching tool.

In 2025/26, 41% of our vacancies were filled by internal promotions and moves, demonstrating our commitment to developing talent. We are also increasing external hiring to secure the specialist skills required for the future. Our workforce planning helps us anticipate capability needs and shape targeted recruitment strategies, including engaging with relevant talent pools ahead of demand.

For more information, see our People Capability and Capacity Group Principal Risk on page 35.

Responsible Business review cont.
Our people

We are committed to

A workplace where all colleagues can thrive

At National Grid, we believe that diversity of thought drives innovation, enhances performance, and strengthens our ability to deliver for our customers and communities. We are committed to fostering a workplace that is inclusive, respectful and empowering, where every individual feels welcome and supported.

Our focus is on our work environment, ensuring colleagues are treated fairly, respecting the right to differing opinions, and maintaining a safe work environment. We will continue to adapt our approach to meet the needs of our people, our industry, and our stakeholders while staying true to our values of doing the right thing and finding a better way.

We are committed to

Creating an inclusive culture

Fostering a culture in which colleagues feel safe to speak up and confident their voices are heard by the Group Executive Committee and Board remains a priority.

Our leaders play a central role in shaping this culture, supported by a global learning curriculum that provides inclusive leadership training for people managers.

Our Employee Resource Groups (ERGs) play a vital role at National Grid. Open to all colleagues, 33% of our workforce are members of at least one ERG. ERGs help build awareness of inclusion and belonging by offering support and development opportunities, enabling colleagues to bring their true selves to work and reach their full potential.

We carry out two annual employee engagement surveys to provide the Group Executive Committee and Board with further insight and understanding of our culture and engagement. In our 2025/26 survey, our employee engagement index was 81% and our Safe-to-Say score was 73%, demonstrating that our employees feel engaged in their work and empowered to speak up.

Throughout the year we were recognised for numerous industry awards, including being named in Times Top 50 Employers for Gender Equality, a Glassdoor 2026 Best Place to Work, 8th out of the top 75 employers in the 2025 UK SMI, and The Equality 100 Award: Leader in LGBTQ+ Workplace Equality Distinction by the Human Rights Campaign Foundation.

In 2025, we participated in the Workforce Disclosure Initiative for the eighth consecutive year, achieving a disclosure score of 88% compared to the sector average of 67%.

We are committed to

Leading the industry on employee health and wellbeing

Our employee wellbeing index is 77%.

We aim to empower our colleagues to prioritise their health and wellbeing by promoting healthy practices and by offering wellbeing resources through multiple channels. By focusing on health and wellbeing, we aim to foster an environment where everyone can thrive together.

In 2025/26, we continued to deliver our Thriving Together health and wellness ambition to support our people in feeling engaged and empowered to prioritise health, wellbeing, and performance. We provide our colleagues with educational and support resources, materials for managers to promote health and wellbeing on their teams, a full range of health and wellness benefits, support for neurodiverse colleagues, and on-site health professionals. We also provide digital health and wellbeing apps and access to an Employee Assistance Programme to our colleagues in the UK and US.

We are committed to

Ensuring all colleagues receive fair and equitable pay

We are continuing to focus on our gender pay gap.

In the UK, we remain an accredited Living Wage Foundation employer, which demonstrates that we go beyond the Living Wage requirements, voluntarily paying our trainees the Living Wage. We undertake a Living Wage review each year to ensure continued alignment. Our commitment to the Living Wage for our direct workforce also extends to our contractors. In the US, colleagues are paid above the statutory minimums. We also provide a range of competitive benefits to our colleagues that go beyond statutory minimums.

When making remuneration decisions for our Executive Directors and other senior leaders, our People & Remuneration Committee takes account of the remuneration arrangements and outcomes for the wider workforce.

We review gender and ethnicity pay gaps annually and our UK gender pay gap is reported one year in arrears in accordance with UK legal requirements on gender pay gap reporting. Our UK base gender pay gap continues to be minimal.

 **Our gender pay gap disclosure can be found on our website**

Gender demographic as at 31 March 2026¹

Our Board²

46%

Male 6 Female 5



Senior management³

44%

Male 90 Female 72



Whole company³

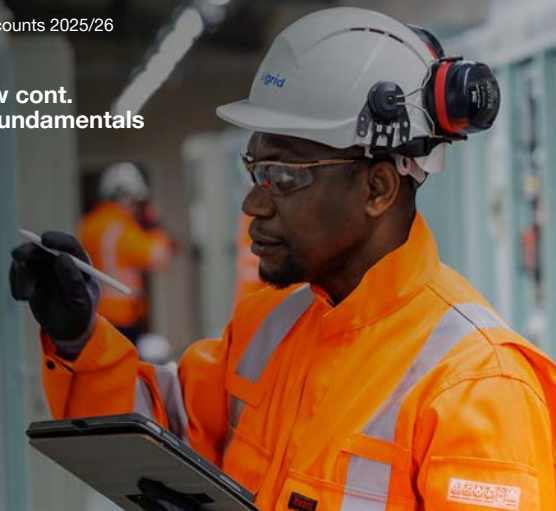
25%

Male 24,803 Female 8,214



1. Companies Act 2006 disclosure. We have included information relating to subsidiary directors, in accordance with the Companies Act 2006. Senior management is defined as those managers who are at the same level as, or one level below, the Group Executive Committee. It also includes those who are Directors of subsidiaries where we have a majority interest, or who have responsibility for planning, directing or controlling the activities of the Group, or a strategically significant part of the Group, and are employees of the Group.
2. Board refers to Directors of National Grid plc as defined on page 256 of this document.
3. In scope are active, permanent employees. Out of scope are non-employees, temporary staff and interns.

Responsible Business review cont. Our Responsible Business Fundamentals



Responsible Business Fundamentals

Every day, we safely, securely and reliably connect millions of people to energy, prioritise resilience and operate responsibly.

Our Responsible Business Fundamentals are the foundation of the pillars of our Responsible Business Charter. We aim to continue to deliver on what is expected of us and to be a compliant and ethical business in everything we do. We seek to do this by ensuring safe and reliable operations and living our values, while influencing our partners and supply chain and holding them to the same standards.

We invest in technology and governance, monitor security and risks, and advocate for responsible business practices.

We are committed to

Safely, reliably and efficiently connecting millions of people to the energy they use

Health and safety

The health and safety of all our colleagues and contractors is paramount. We require our people to demonstrate our company-wide safety principles of:

- Safe to Say: open and honest conversations
- Safe Choices: make smart decisions
- Safe to Stop: stop the job whenever there is a safety concern
- Safe to Learn: learn from every experience

We endeavour to mitigate risks and eradicate injuries to our workforce, supported by our safety management processes and Group safety reporting system. To promote safe practices, we maintain a full range of internal safety policies and procedures, including our Employee Safety Handbook and various process specific procedures. We are also in the process of implementing Cority, our enhanced safety reporting system, to drive continuous improvement and ongoing learning.

There have been no fatalities in 2025/26.

Lost time injuries (LTIs)

We have recorded a Group LTIFR of 0.11 this year, compared to 0.10 in the prior year against our Group target of 0.10 or less, per 100,000 hours worked (this includes contractors working on our behalf). The majority of the injuries were linked to common and well-known exposures such as slips, trips and falls, musculoskeletal injuries, and struck-by incidents.

Various initiatives have been undertaken to intervene with rising LTIs, including safety stand-down days, issuance of safety refocus packs, and various campaigns and intervention groups. We aim to prevent serious injuries and fatalities through a focus on our six fatal risk groups, with processes

in place to thoroughly assess and mitigate safety risks, select and apply appropriate safety controls, and intentionally monitor changes in the work environment.

Injuries to members of the public

This year, there have been three incidents resulting in injuries to members of the public which involved our assets. These events all related to our UK ET business.

Reliability and resilience

We have maintained reliability at 99.9% across our networks. Details per business unit can be found on page 28. We maintain a robust business continuity programme to ensure we maintain operations in the event of a disaster or significant disruption.

We are also innovating to use AI and technology to improve grid resilience. This year, we implemented solutions to automate crew management during storm response, piloted x-ray imaging of gas pipelines, and tested demand response solutions for data centres.

Further detail on resilience in our strategy can be found in our TCFD disclosure on page 56.

Efficiently connecting customers to the energy they use

We aim to deliver energy to the homes and businesses of our customers in an efficient way, and all our business units are undertaking network projects to improve efficiency and optimise connections.

In UK ET, we are modernising how the network is controlled, including making upgrades to our control centre, and engaging with NESO on connections reform. In the US, we've launched the Kraken programme to drive efficiency in the customer experience, and New York's Smart Path Connect programme is enabling large-scale renewable interconnections.

➤ Further information on how we operate safely and efficiently can be found on page 17.

➤ Further details on our initiatives to improve efficiency can be found on pages 18 – 22.

Responsible Business review cont. Our Responsible Business Fundamentals

We are committed to

Influencing our supply chain to operate responsibly

Suppliers must adhere to our Supplier Code of Conduct which includes commitments to the real Living Wage, compliance with the Conflict Minerals Rule and the development of environmental strategies and targets.

This year we transitioned our supply chain sustainability risk assessments and data to EcoVadis, a globally recognised platform widely used in the UK and US utility sectors. EcoVadis provides us with enhanced visibility, assurance and insights into our suppliers' sustainability practices. Our key suppliers are determined by our UK and US supply chain science-based targets and our strategic supplier lists. To date, over 50% of our key suppliers hold EcoVadis scorecards and we will continue to engage with the remainder to increase impact and accountability across our supplier base.

We are a partner of the Supply Chain Sustainability School in both the UK and US, providing free education and learning pathways to our key suppliers.

We are

Fair to our suppliers and committed to paying them promptly

We recognise that timely payment is crucial for the financial health and operational stability of our suppliers. We aim to adhere to the agreed payment terms set out in contracts or purchase orders and our finance team works diligently to ensure that all invoices are processed efficiently.

In the UK, we are a signatory of the Prompt Payment Code and we also encourage our suppliers to adopt the principles of this code. In 2025/26, 91% of our supplier payments in the UK and 94% in the US were paid to contractual term.

We are committed to

Our Human Rights Policy

Human Rights are integral to our Code of Ethics. We aim to be an ethical company that stakeholders want to do business with and colleagues want to work for.

We have a separate Human Rights Policy to hold ourselves accountable to respect the rights of our workforce, our value chain and those impacted by our operations and to provide a safe, secure and inclusive work environment. We also publish an annual Human Rights Report and Modern Slavery Statement, outlining our approach to mitigating the risk of modern slavery in our business and supply chain. In our annual Modern Slavery Statement we summarise the progress we have made, our key policies, including their scope and focus, and the key measures we use to assess our progress and programme effectiveness. Further details of our human rights and modern slavery disclosures can be found on page 234. Further information and copies of our policies can be found in our Responsible Business reporting centre on our website.

We are committed to

Being a compliant and ethical business

We are committed to maintaining high standards of compliance and ethical conduct. We have established rigorous internal incident reporting to drive the right behaviours, identify and monitor themes and trends, and facilitate learning.

A breach of the Code of Ethics can have different outcomes depending on the severity and impact on people and our organisation, including disciplinary actions, up to and including dismissal.

Sexual harassment prevention and response is included in our Respect at Work policy, Grievance policy, Code of Ethics, and Supplier Code of Conduct. Communications across the business have taken place to highlight our expectations and how colleagues can speak up and report concerns.

We have a communication and training programme for colleagues which aims to promote a strong ethical culture and includes mandatory e-learning for colleagues to understand and apply our Code of Ethics. We take a zero-tolerance approach to fraud, bribery and corruption of any kind. We have established policies and governance that set and monitor our approach to preventing financial crimes, fraud, bribery and corruption, including our Code of Ethics. These are available on our website.

To ensure compliance with relevant anti-fraud and bribery legislation, including but not limited to the UK Economic Crime and Corporate Transparency Act and the US Foreign Corrupt Practices Act, we conduct a periodic risk assessment and continuous monitoring of ethical conduct across our operations and ethics processes. This includes regular fraud and ethics risk assessments and dashboard-driven monitoring. These processes provide systematic verification of ethical behaviour, detection of potential misconduct, and timely response to ethics incidents.

Ethics, compliance and business conduct matters are discussed quarterly at the Group Executive Audit, Risk & Finance Committee and twice a year at the Audit & Risk Committee. Serious issues that meet our escalation criteria are reported in line with our escalation process to the General Counsel Litigation and Chief Compliance Officer, Chief Legal Officer, Chief Executive, Audit & Risk Committee and the Board, as appropriate. Investigations are conducted promptly and thoroughly and, where appropriate, acted upon.

Whistleblowing

We operate confidential internal and external helplines that are always available in all the regions where we operate for individuals to raise concerns about breaches of the Code of Ethics. This is supported by our "Speak-up" policy which sets out how we protect anonymity and have zero-tolerance for any form of retaliation.

Whistleblowing is regularly discussed at the Ethics, Risk & Compliance Committee and the Audit & Risk Committee.

Artificial intelligence

We use AI to solve problems and gain insights for ourselves, our customers and society. We recognise the importance of developing and using AI in a responsible manner. Our use of AI is guided by the principles of only using AI where appropriate, using it as a tool to streamline and accelerate ways of working, and always maintaining human accountability and intervention. Our Business Management Data Standard is reinforced by a dedicated Responsible AI policy and controls, due diligence assessments of both ourselves and external partners, and an AI Governance Council.

We've launched a Data and AI Academy with training programmes for employees at all levels of AI competence to develop the skills and knowledge they need to thrive in a data-driven future. We continually review and update our approach to AI in line with regulatory, sustainability, and technological advancements.

Responsible Business review cont. Our Responsible Business Fundamentals


We are committed to

Investing in developing technologies and innovations

National Grid Partners (NGP) has invested c.\$30.8 million in Responsible Business aligned companies since its creation in 2018.

This year, investments included:

- training AI models to reliably identify gas pipeline weaknesses in x-ray imagery, improving reliability;
- grid simulations to identify areas of underused capacity, ideal for connecting large-load customers; and
- AI technology for data centre demand response, reducing the need for costly network upgrades.

 **Further details on technological change can be found on page 14.**


 **Find out more about our innovative projects and investments on our NGP website.**

We are committed to

Ensuring we have appropriate governance in place to deliver on our Responsible Business commitments

Through our Board and its five sub-committees, including the Responsible Business Committee of the Board, we receive strategic direction and structure to deliver sustainable shareholder value.

We also maintain an internal Responsible Business Management Standard that applies to all our employees and contractors and that sets out how we will create a positive impact while delivering excellent customer service.

 **For further information on the Board and Committees please refer to pages 88 – 126.**

We are

Ensuring security and risks – cyber and physical – are appropriately monitored

We are prioritising physical and cyber security, data protection, and responsible AI through the implementation of effective solutions which manage vulnerabilities, ensure compliance with regulatory requirements and fulfil reporting obligations. All our employees undergo mandatory cyber and physical security training. We enforce data protection controls to comply with relevant privacy laws and standards, such as the use of strong passwords, regular software updates and colleague training on best practices.

To minimise security incidents, protect customer data and ensure the ethical use of AI, we keep up to date with the latest trends and technologies, collaborate with industry and government, and share information and best practices.

 **Please see our Operational Group Principal Risks on pages 32 – 33 for further information.**

We are committed to

Working with stakeholders and the wider industry to promote Responsible Business topics and advocate for action

 **Details on stakeholder engagement at National Grid can be found on pages 23 – 25.**

Community engagement

We engage extensively with communities affected by our infrastructure through planning consultations on major projects, and we use their feedback to inform our development proposals. Throughout the year, Board members visit operational sites and receive updates on community matters. This input is a key enabler for progression of new infrastructure projects, allowing us to support economic growth in local communities.

International engagement

At COP30 in November 2025, we partnered with the UK Government, Business Council for Sustainable Energy, US Council for International Business and other UK, US and international organisations to participate in discussions on the energy transition.

We focused on showcasing how we're helping to deliver the energy transition and on sharing best practice with international peers. We also were able to bring back key learnings from others to inform our own strategy and engage our colleagues on sustainability issues.

As part of our wider international engagement this year, we've provided technical support and participated in knowledge sharing with governments and initiatives worldwide. Early in the year, we welcomed a delegation of officials from around the world on a tour of the London Power Tunnels. Throughout the year, we hosted several international delegations to share insights on energy regulation, offshore wind infrastructure, and the UK power system.

We also partnered with the British embassies in Vietnam and Egypt and worked with global organisations and alliances on research and engagement. Finally, we were a major participant in New York Climate Week and London Climate Action Week.

Responsible political lobbying

National Grid is committed to responsible lobbying and engagement with our elected leaders across the jurisdictions in which we operate. We engage with elected officials in a manner appropriate to the jurisdiction, with attention to variations in lobbying definitions across the geographies in which we work.

All our lobbying and engagement is conducted in line with the principles and targets set out within our RBC.

We have global corporate policies on political contributions, responsible political lobbying, employment of former public officials and secondment of employees into public bodies, all accessible on our website. Our guidelines include clear principles, an integrated management approach, and Board accountability and oversight.

 **Full details of our political donations and expenditure can be found on page 235.**

Responsible Business review cont. Our Responsible Business Fundamentals

Transparent reporting


Transparent and public reporting is an integral part of being a responsible business. We remain committed to reporting our activities, commitments and performance in a transparent manner, including our sustainability data and performance.

Our approach

To determine which Responsible Business issues are important to our business and essential for us to embed in our strategy, we undertook a double materiality assessment in 2022. The double materiality assessment forms the basis of our reporting. We identified six topics that encompass the most significant factors for our business and that align with the priorities of our stakeholders.

We are currently in the process of refreshing our double materiality assessment to reflect the most current internal and external environment.

We recognise the need to adapt to changes and remain proactive in addressing emerging challenges and opportunities. We are committed to continuously evolving our approach and striving for improvement to maintain robust performance on Responsible Business.

 **Further details on our material topics and double materiality assessment, as well as our work against the UN SDGs, can be found on our website.**

Our Responsible Business reporting methodology

The Directors are responsible for reporting our Responsible Business data as of 31 March 2026, in accordance with the reporting criteria as set out in Our Reporting Methodology document. Our reporting methodology document presents metric definitions, scope and calculations and underpins our reporting.

 **For further details, please refer to our Reporting Methodology document on our website.**

Scope of Responsible Business reporting

Our methodology applies the GHG Protocol operational control approach across all emissions and environmental metrics unless stated otherwise. Key changes to the Group's global operations over the past three years have been reflected in the scope of our Responsible Business reporting, namely:

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

Assurance

We engaged Deloitte LLP to undertake an independent limited assurance engagement using the International Standard on Assurance Engagements (ISAE) 3000 (Revised): “Assurance Engagements Other than Audits and Review of Historical Financing Information” and ISAE 3410 “Assurance Engagements on Greenhouse Gas Statements”.

The Board of Directors of National Grid plc has reviewed and approved the Responsible Business data tables for the 12-month reporting period ended as of 31 March 2026. The Board of Directors confirms that the information provided is accurate and in line with the mandatory requirements, and selected information has been independently assured by Deloitte.

Deloitte has issued an unqualified opinion on the metrics identified by the symbols within the Our KPIs and TCFD sections on pages 26 – 29 and 53 – 68 respectively.



2025/26 data externally assured by Deloitte.



2024/25 data externally assured by Deloitte.



2023/24 data externally assured by PwC.

The Responsible Business Assurance Opinion Statements from both Deloitte and PwC are available on our website. This Responsible Business review section of the Annual Report includes many externally assured metrics, though they are not separately marked with assurance symbols for presentational purposes. All Responsible Business metrics in the data tables not covered by Deloitte have been assured independently by our internal second-line Risk and Controls team. Further details are provided in the Responsible Business data tables.

Each year we reassess our assurance scope to ensure that we obtain external assurance for our most material metrics. We intend to evolve our assurance approach in line with market developments and evolving reporting requirements, and we will actively explore opportunities to incorporate more rigour into our approach in future years. Non-financial information, particularly GHG quantification, is subject to more inherent limitations than financial information. It is important to read this report in the context of Deloitte's full limited assurance opinion and our reporting methodology.



Our reporting centre

Beyond our Responsible Business review and TCFD statement in this report, we also produce supplementary reports aligning to established sustainability reporting standards:

- Responsible Business data tables
- EU Taxonomy
- Green Financing
- SASB
- GRI
- Our Reporting Methodology

Our Responsible Business reporting centre on our website consolidates our suite of documents, policies and our commitment to reporting.