nationalgrid

RIGHTS ISSUE GUIDE

For ordinary shareholders holding shares in their own name on the register of members and issued with a Provisional Allotment Letter ('PAL')

! This document is important and requires your immediate attention

This document is an advertisement for the purposes of the Prospectus Rules of the UK Financial Conduct Authority ('**FCA**') and not a prospectus (or prospectus equivalent document) for the purposes of EU Directive 2003/71/EC or Part VI of the Financial Services and Markets Act 2000 (as amended). A prospectus ('the **Prospectus**') has been published by National Grid plc in connection with the Rights Issue and is available to view online at www.nationalgrid.com. Any decision to apply for shares in National Grid plc should be based solely on the published Prospectus.

This document is not a summary of the Prospectus or the Provisional Allotment Letter and should not be regarded as a substitute for reading the full Prospectus and Provisional Allotment Letter. You should read the Prospectus for detailed information about the Rights Issue before deciding whether to invest in the Nil Paid Rights, Fully Paid Rights, or New Shares.

You have various options available to you which have different deadlines. **You can make your election online by visiting nationalgridrightsissue.equiniti.com or by returning your completed Provisional Allotment Letter and cheque.**

If you are in any doubt as to what action you should take, you are recommended to seek your own personal financial advice from your stockbroker, bank manager, solicitor, accountant, fund manager or other appropriate independent financial adviser, who is authorised under the Financial Services and Markets Act 2000 (as amended), if you are resident in the UK or, if not, from another appropriately authorised independent financial adviser in your own jurisdiction.

IMPORTANT DISCLAIMER

This document is not an offer of securities for sale, nor a solicitation of an offer to acquire or a recommendation to sell or buy securities, in any jurisdiction, including in the United States or any "**Excluded Territory**". In this document, "**Excluded Territories**" shall have the meaning given to the term in the prospectus published by National Grid plc (the "**Company**") on 23 May 2024. Neither this document nor any part of it shall form the basis of or may be relied on in connection with or shall act as an inducement to enter into any contract or commitment whatsoever.

Neither this document nor the information contained herein nor any copy of it is for distribution or release, in whole or in part, directly or indirectly, in or into the United States or any Excluded Territory or any other jurisdiction where to do so would constitute a violation of the relevant laws of such jurisdiction.

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Any securities referred to herein have not been and will not be registered under the US Securities Act of 1933, as amended (the "**US Securities Act**"), or under any securities laws of any state or other jurisdiction of the United States, and may not be offered sold, taken up, renounced or delivered, directly or indirectly, into or within the United States except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the US Securities Act and in compliance with any applicable securities laws of any state or other jurisdiction of the United States.

Any potential offer and sale of securities referred to herein will not be registered or qualified under the applicable securities laws of any state, province, or territory of the United States or any Excluded Territory except pursuant to an applicable exemption from registration or qualification requirements. There will be no public offer of the securities in the United States or any Excluded Territory.

No action has been taken by the Company or its advisers that would permit a public offer of the securities or possession or distribution of any offering or publicity material relating to the rights issue in any jurisdiction where action for that purpose is required, other than in the United Kingdom.

The price and value of securities can go down as well as up. Past performance is not a guide to future performance. Information in this document cannot be relied upon as a guide to future performance. Before purchasing any securities referred to in this document, persons reading this document should make sure that they fully understand and accept the risks which are set out in the prospectus referred to above. Potential investors should consult an independent professional advisor. The contents of this document are not to be construed as legal, financial, investment or tax advice.

BACKGROUND

National Grid plc (the '**Company**') is undertaking a capital raise of approximately £7 billion by way of a fully underwritten Rights Issue (the '**Rights Issue**'). You can read all about the Rights Issue and our rationale for undertaking it at www.nationalgrid.com.

As a Shareholder, you have a number of options available to you and these are summarised in this Guide. Capitalised terms used but not defined in this Guide have the meanings assigned to them in the Prospectus published on 23 May 2024. The Prospectus is available to view online at www.nationalgrid.com.

WHAT IS A RIGHTS ISSUE?

A Rights Issue is a way for a **listed company** to raise additional capital. Rather than going to the market, a company issues new shares (the '**New Shares**') and gives its existing Shareholders the right (the '**Rights**') to buy the New Shares in proportion to their existing shareholding.

WHAT ARE THE TERMS OF THE OFFER?

The Rights Issue is an offer for Qualifying Shareholders to subscribe for 7 New Shares, at an issue price of 645 pence per share (the '**Issue Price**'), for every 24 Existing Shares held as at 6.00 pm on **20 May 2024**, which was the Record Date.

The right to buy the New Shares (the '**Rights**') is potentially valuable. You should therefore consider any decisions that you make in connection with the Rights Issue carefully.

KEY DATES

> Record Date for entitlement under the Rights Issue: **6.00pm 20 May 2024**

> Announcement of the Rights Issue: **23 May 2024**

> Despatch of Provisional Allotment Letter: **23 May 2024**

> Dealing in Nil Paid Rights commences: **8.00am 24 May 2024**

> Latest time and date for Sales and Cashless Take-up elections to be submitted: **5.00pm 31 May 2024**

> Earliest date Sale advices & Cheques issued for Sales/Cashless Take-up: **5 June 2024**

> Latest time and date for acceptance and payment in full and registration of renounced Provisional Allotment Letters: **11.00am 10 June 2024**

> Commencement of dealings in New Shares fully paid on the London Stock Exchange: **12 June 2024**

> Premium Payments made by BACS: **24 June 2024**

> Despatch of definitive share certificates for New Shares in certificated form: **24 June 2024**

HOW WILL THE RIGHTS ISSUE AFFECT MY EXISTING SHARES?

If you decide to take up all of your Rights to subscribe for New Shares, the proportion of Existing Shares that you own will remain the same as before the Rights Issue (subject to rounding down of fractional entitlements). If you decide to sell some or all of your Rights, or you take no action and let your entitlement to the Rights lapse, then the proportion of Shares that you own will be smaller once the Rights Issue is completed.

If you hold fewer than 4 Existing Shares as at close of business on the Record Date, you will not be entitled to subscribe for any New Shares under the terms of the Rights Issue.

WHAT DO I NEED TO DO NOW?

Read this Guide, which outlines what your options are in relation to the Rights Issue, and how you can apply for these various options. Further information on the Rights Issue and the options available to you can be found at nationalgridrightsissue.equiniti.com.

The Provisional Allotment Letter enclosed with this Guide or email sent to you inviting you to apply sets out the reference numbers you will need to complete your online Rights Issue application.

Please also read the Prospectus (available to view online at www.nationalgrid.com) carefully before taking any action and contact your broker, bank, or other appropriately authorised financial adviser if you wish to seek advice about the action you should take.

All references in this Guide to 'Rights' are to Nil Paid Rights to which you are entitled, unless expressly stated.

WHAT ARE MY OPTIONS?

If you are a Qualifying Certificated Shareholder, there are a number of options available to you:

TAKE UP ALL YOUR RIGHTS

You will have the right, for a limited time, to buy a certain number of New Shares at the Issue Price. Taking up these Rights in full ensures that the value of your existing shareholding will not be 'diluted'. In other words, your percentage ownership of the Company will remain the same before and after the Rights Issue.

TAKE UP SOME OF YOUR RIGHTS

You can also choose to take up only some of the Rights to which you are entitled at the Issue Price, in which case your shareholding will be diluted proportionately.

SELL ALL OF YOUR RIGHTS*

The Rights to which you are entitled can be traded in the market and have an intrinsic value. They are known as 'Nil Paid Rights'. You can opt to sell your Nil Paid Rights to someone else in return for cash, without having to sell your Existing Shares. Your shareholding will, however, be diluted.

CASHLESS TAKE-UP OR 'TAIL-SWALLOWING'*

You can choose to sell some of your Nil Paid Rights to cover the cost of New Shares that you buy in the Rights Issue; this is known as 'Tail-swallowing'. Under this option, you would sell a sufficient number of your Nil Paid Rights to take up the balance of your entitlement under the Rights Issue, using the net proceeds from the sale of the Rights to do so – no further investment is required to take up the balance. Your shareholding will be diluted, but not by as much as if you were to sell all your Rights.

DO NOTHING

If you do not want to take up your Rights, you do not need to do anything and your Rights will lapse. Arrangements have been made for lapsed Rights to be sold through the Company's underwriters. If a premium above the Issue Price is achieved, the premium proceeds will be distributed to Shareholders.

*Sell all or Cashless Take-up are only available to those Shareholders who are nationals of, and resident in, the UK, Channel Islands and Isle of Man.

HOW DO I PARTICIPATE?

You can participate in the Rights Issue by visiting nationalgridrightsissue.equiniti.com and selecting your chosen Option ('**Online Application**'). Full instructions on completing your Online Application, including where to find your login details, can be found in this Guide.

If you are unable to access the Online Application, a paper application has also been sent to you. For Qualifying Certificated Shareholders this is a white Provisional Allotment Letter.

APPLICATION DEADLINES

Depending on your chosen Option, your application must be received by Equiniti no later than:

> Take up all: **11.00am** (UK time) on **10 June 2024**
> Take up some: **11.00am** (UK time) on **10 June 2024**
> Sell all: **5:00pm** (UK time) on **31 May 2024**
> Cashless Take-up: **5.00pm** (UK time) on **31 May 2024**

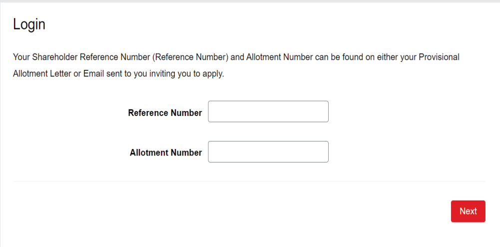
PARTICIPATION EXCEPTIONS

Please note that if you have a registered address or are located or resident in the United States or any Excluded Territory, you will not be able to participate in the Rights Issue. For further information, please see our FAQs on page 7 of this Guide.

COMPLETING YOUR ONLINE APPLICATION

You can access your Online Application by visiting nationalgridrightsissue.equiniti.com and following the instructions below. The login details required can be found on the Provisional Allotment Letter that was sent to you along with this Guide or the email sent to you inviting you to apply. Please note that by submitting an Online Application you declare that only one application has been made and that your Provisional Allotment Letter will be destroyed.

STEP 1 – START YOUR APPLICATION



Login

Your Shareholder Reference Number (Reference Number) and Allotment Number can be found on either your Provisional Allotment Letter or Email sent to you inviting you to apply.

Reference Number

Allotment Number

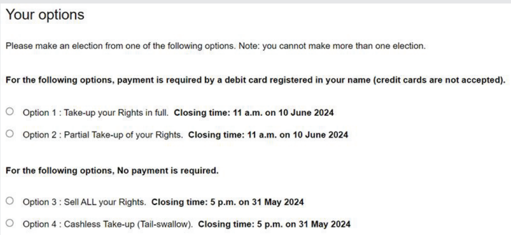
Next

WHERE TO FIND YOUR LOGIN DETAILS

Shareholder Reference Number
Your Shareholder Reference Number can be found on your Provisional Allotment Letter or on the email sent to you inviting you to apply.

Allotment Number
Your Allotment Number can be found on your Provisional Allotment Letter or on the email inviting you to apply.

STEP 2 – APPLICATION



Your options

Please make an election from one of the following options. Note: you cannot make more than one election.

For the following options, payment is required by a debit card registered in your name (credit cards are not accepted).

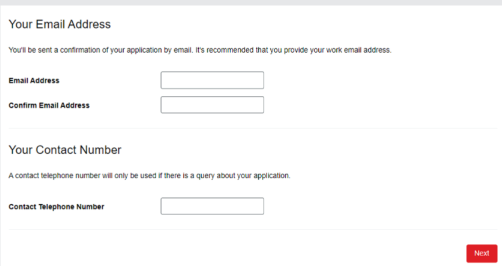
Option 1 : Take-up your Rights in full. **Closing time: 11 a.m. on 10 June 2024**

Option 2 : Partial Take-up of your Rights. **Closing time: 11 a.m. on 10 June 2024**

For the following options, No payment is required.

Option 3 : Sell ALL your Rights. **Closing time: 5 p.m. on 31 May 2024**

Option 4 : Cashless Take-up (Tail-swallow). **Closing time: 5 p.m. on 31 May 2024**



Your Email Address

You'll be sent a confirmation of your application by email. It's recommended that you provide your work email address.

Email Address

Confirm Email Address

Your Contact Number

A contact telephone number will only be used if there is a query about your application.

Contact Telephone Number

Next

Your Options
Please select your choice from one of the options as outlined on page 1 of this Guide.

If you do not want to take up your Rights, you do not need to do anything, and your Rights will lapse. Arrangements have been made for lapsed Rights to be sold through the Company's Underwriters. If a premium above the Issue Price is achieved, the premium proceeds will be distributed to Shareholders.

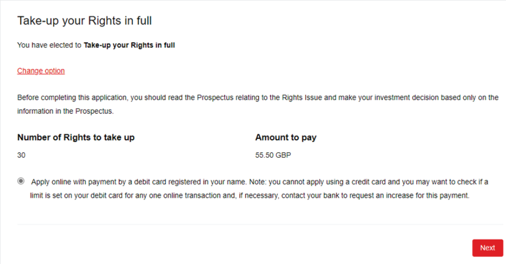
Full details around the premium payment can be found in Part II of the Prospectus.

Your Email address and Contact Number

> Please enter the email address that you would like the confirmation of your application to be sent to.

> Please enter a contact telephone that we will be able to contact you on if there is a query with your application.

STEP 3 – OPTION SELECTION


Take-up your Rights in full

You have elected to **Take-up your Rights in full**

Change option

Before completing this application, you should read the Prospectus relating to the Rights Issue and make your investment decision based only on the information in the Prospectus.

Number of Rights to take up	**Amount to pay**
30	55.50 GBP

Apply online with payment by a debit card registered in your name. Note: you cannot apply using a credit card and you may want to check if a limit is set on your debit card for any one online transaction and, if necessary, contact your bank to request an increase for this payment.

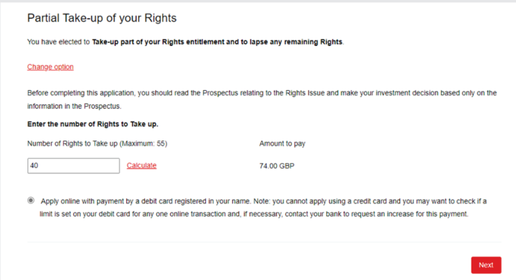
Next

OPTION 1: TAKE UP ALL OF YOUR RIGHTS

Selection details

If you have selected Option 1, you will be presented with the following details which you should check carefully:

> Election Choice
> Number of Rights Elected
> Total Cost of Rights


Partial Take-up of your Rights

You have elected to **Take-up part of your Rights entitlement and to lapse any remaining Rights.**

Change option

Before completing this application, you should read the Prospectus relating to the Rights Issue and make your investment decision based only on the information in the Prospectus.

Enter the number of Rights to Take up.

Number of Rights to Take up (Maximum: 55)	Amount to pay
40 Calculate	74.00 GBP

Apply online with payment by a debit card registered in your name. Note: you cannot apply using a credit card and you may want to check if a limit is set on your debit card for any one online transaction and, if necessary, contact your bank to request an increase for this payment.

Next

OPTION 2: PARTIAL TAKE-UP OF YOUR RIGHTS

Selection details

If you have selected Option 2, you will be presented with the following details which you should check carefully:

> Election Choice
> Number of Rights Elected
> Total Cost of Rights

OPTION 3 & 4: SELL ALL OF YOUR RIGHTS OR CASHLESS TAKE-UP (TAIL-SWALLOW)

Special Dealing Service

If you have selected Option 3 or Option 4 to sell all of your Rights or effect a Cashless Take-up, you are opting to sell all or some of your Rights through Equiniti's Special Dealing Service, the Terms and Conditions of which can be found on pages 8 of this Guide. The proceeds from the sale of your Rights will be sent to you via a cheque.

To use the Special Dealing Service, you will need to identify your nationality from the drop-down menu and then provide the information requested in the Online Application screen. Please note this information can only be used by Equiniti Limited and Equiniti Financial Services Limited.

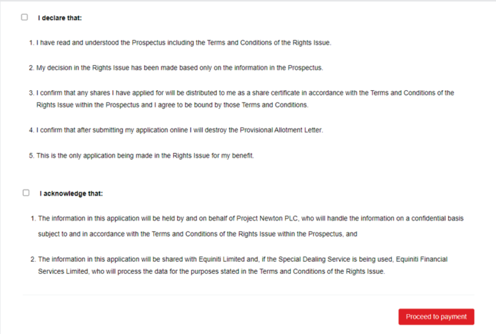
These options incur a commission charge due to brokerage costs at a preferential fixed rate of 1.5% with no minimum fee deducted from the sale proceeds.

For sole UK Nationals:
> Date of Birth
> National Insurance Number

For Channel Islands and Isle of Man Nationals:
> Date of Birth

If you are non-UK national or you have dual nationality, the requirements will vary depending on your nationality. Further guidance on identifying the correct National Client Identifiers (NCIs) required is available from www.nationalitycalculator.co.uk

STEP 4 – YOUR DECLARATION AND ACKNOWLEDGEMENT



I declare that:

1. I have read and understood the Prospectus including the Terms and Conditions of the Rights Issue.
2. My decision in the Rights Issue has been made based only on the information in the Prospectus.
3. I confirm that any shares I have applied for will be distributed to me as a share certificate in accordance with the Terms and Conditions of the Rights Issue within the Prospectus and I agree to be bound by those Terms and Conditions.
4. I confirm that after submitting my application online I will destroy the Provisional Allotment Letter.
5. This is the only application being made in the Rights Issue for my benefit.

I acknowledge that:

1. The information in this application will be held by and on behalf of Project Newton PLC, who will handle the information on a confidential basis subject to and in accordance with the Terms and Conditions of the Rights Issue within the Prospectus, and
2. The information in this application will be shared with Equiniti Limited and, if the Special Dealing Service is being used, Equiniti Financial Services Limited, who will process the data for the purposes stated in the Terms and Conditions of the Rights Issue.

Proceed to payment

DECLARATION AND ACKNOWLEDGEMENT

To complete your online application, you must click both of the following boxes:

> ‘I declare that’
> ‘I acknowledge that’

STEP 5 – PAYMENT DETAILS

If you have selected Option 1 or 2 to take up all or some of your Rights, you will need to pay in full for all of the Rights that you take up.

IMPORTANT: Making your payment online

TO MAKE A VALID ONLINE PAYMENT YOU MUST:

> Have sufficient cleared available funds as the money will be authorised immediately and debited from your account on the next working day.
> Make payment using a valid, in-date debit card. The card must be registered:
> in the name of the Shareholder (or a joint Shareholder if applicable); and
> with a billing address which is the same as the registered shareholding.
> Not make payment by credit card. Payments by credit cards will not be accepted.
> There will be no additional charge levied by the Company, or the Receiving Agent for payments for New Shares.
> **Important:** You may want to check if a limit is set on your debit card for any one online transaction and, if necessary, contact your bank to request an increase for this payment.

STEP 6 – APPLICATION COMPLETE

Once your application is complete you will be presented with a printable summary of your application containing the following:

APPLICANT DETAILS

> Shareholder Reference and Allotment Numbers
> Name and Address

CONFIRMATION OF RIGHTS ISSUE ENTITLEMENT

> Rights Issue Entitlement
> Total cost of Rights

YOUR SELECTED OPTION

> Election Choice
> Number of Rights taken up/sold
> Total cost of Rights taken up (if applicable)

WHAT HAPPENS NEXT/EXPECTED TIMETABLE

> Links to Rights Issue Guide
> Expected timetable

UPDATING YOUR PERSONAL DETAILS

You cannot update your personal details as part of your online application. You can check/update your personal details via your Shareview Portfolio at www.shareview.co.uk. If you have not already registered for an account, you can do so at www.shareview.co.uk.

COMPLETING THE PROVISIONAL ALLOTMENT LETTER

If you are unable to access and complete your Online Application, you can use the paper Provisional Allotment Letter that was sent to you with this Guide.

nationalgrid

Provisional Allotment Letter ("PAL")
7 for 24 Rights Issue of 1,085,448,980 New Shares at 645 pence per New Share

Box 1	Box 2	Box 3
Your shareholding at close of business on 20 May 2024	The number of New Shares provisionally allotted to you (your "Rights")	The amount you must pay at 645 pence per Right if you elect to invest and take up all your Rights

Apply online at nationalgridrightsissue.equiniti.com or scan the QR code above and make ONE of the following choices
Please read the Rights Issue Guide for further information on how to apply

Either

Take Up ALL or some of your Rights
What will I get? New Shares for every Right taken up at the Issue Price of 645 pence, up to the maximum stated in Box 2 above.
How can I apply? Go online to nationalgridrightsissue.equiniti.com or scan the QR code above. The deadline for applications is 11.00 a.m. on 10 June 2024. You will receive an e-mail confirmation of receipt. You DO NOT need to return this form. If you cannot go online you should return this PAL and refer to the Rights Issue guide for guidance.

Or

SELL ALL of your Rights – UK, Channel Islands & Isle of Man residents only
What will I get? The sale proceeds of the Rights stated in Box 2 above.
How can I apply? Go online to nationalgridrightsissue.equiniti.com or scan the QR code above. The deadline for applications is 5.00 p.m. on 31 May 2024. You will receive an e-mail confirmation of receipt. You can only apply online. Do NOT return this form.

Or

CASHLESS Take Up – UK, Channel Islands & Isle of Man residents only
What will I get? New Shares, as some of your Rights will be sold to fund the take up of remaining Rights.
How can I apply? Go online to nationalgridrightsissue.equiniti.com or scan the QR code above. The deadline for applications is 5.00 p.m. on 31 May 2024. You will receive an e-mail confirmation of receipt. You can only apply online. DO NOT return this form.

Or

Do Nothing
What will I get? You may (but not guaranteed) receive some cash if the underlying New Shares are sold at a premium to the Issue Price. **You do not need to return this form.**

> **Take up all or some of your Rights**

You can choose to take up some or all of your Rights using the Provisional Allotment Letter ('**PAL**'). Refer to page 2 of the PAL and select to either take up some or all of your Rights by placing an "X" in the corresponding box (A or B). You must then complete the number of Rights you wish to take up and the total cheque value.

You will need to complete and enclose a cheque for the relevant cash value. Cheques must be completed in black ink, signed and dated. The cheque should be made payable to "Equiniti Ltd Re National Grid plc Rights Issue" and crossed "A/C payee only".

Please provide your contact telephone number in case we need to contact you.

You must return your completed PAL and cheque to Equiniti no later than 11.00am on 10 June 2024.

> **Sell all of your Rights and Cashless Take-up**

Shareholders are only able to make an application to sell all or Cashless Take-up online at nationalgridrightsissue.equiniti.com. Refer to page 2 of this Guide – 'Completing your Online Application' for more information.

> **Do Nothing**

If you do not want to take up your Rights, you do not need to do anything and your Rights will lapse. Arrangements have been made for lapsed Rights to be sold through the Company's underwriters. If a premium above the Issue Price is achieved, the premium proceeds will be distributed to Shareholders.

POSTAL APPLICATION DEADLINES

If you post your form within the UK by first-class post, it is recommended that you allow at least four business days for delivery.

Depending on your chosen Option, your application must be received by Equiniti no later than:

- Take up all or some of your Rights: 11.00am (UK time) on **10 June 2024**
- Sell all or Cashless Take-up: 5.00pm (UK time) on **31 May 2024** **Important: Online only**

FAQs

What if the number of New Shares which I am entitled to apply for is not a whole number? Am I entitled to a fraction of a share?

Your entitlement to New Shares will be calculated as at close of business on the Record Date. If this is not a whole number, you will not receive a fraction of a New Share and your entitlement will be rounded down to the nearest whole number.

The Company intends to sell or seek subscribers for the New Shares representing any aggregated fractions, and an equivalent amount will accrue for the ultimate benefit of the Company.

What are the Excluded Territories and what should I do if I have a registered address or I am located or resident outside the UK, Channel Islands or Isle of Man?

If you have a registered address or are located or resident in the United States or any Excluded Territory, subject to certain exceptions, you will not be eligible to participate in the Rights Issue.

Your ability to take up Rights to subscribe for New Shares may be affected by the laws of the country in which you live. You should take professional advice as to whether you require any legal, regulatory, governmental, or other consents or need to observe any other formalities to allow you to take up your Rights.

The “**Excluded Territories**” are set out in the prospectus published by the Company on 23 May 2024.

If I have a registered address in the UK, Channel Islands or Isle of Man and I buy or sell ordinary shares after the Record Date (20 May 2024) will I be able to participate in the Rights Issue?

If you purchased your ordinary shares after the close of business on the Record Date but before 8.00am (UK time) on **24 May 2024** (the time when trading ex-rights on the London Stock Exchange commenced) you will most likely be eligible to participate in the Rights Issue.

If you sold your ordinary shares at or after 8.00am (UK time) on **24 May 2024** (the time when trading ex-rights on the London Stock Exchange commenced) you will most likely be eligible to participate in the Rights Issue.

If you bought ordinary shares at or after 8.00am (UK time) on **24 May 2024**, you will not be eligible to participate in the Rights Issue in respect of those ordinary shares.

If you sold ordinary shares before 8.00am (UK time) on **24 May 2024**, you will not be eligible to participate in the Rights Issue in respect of those ordinary Shares.

If you are in any doubt, please consult your stockbroker, bank, or other appropriate financial adviser, or whoever arranged your sale, to understand your position and/or to ensure you claim your entitlement.

I have a registered address or I am located or resident in the United States or any Excluded Territory. What will happen to my Rights?

The Company has made arrangements to try and find investors to subscribe for the New Shares that your Rights entitled you to buy, together with those of any other Shareholders who also do not take up all of their Rights. If investors are found and agree to pay a premium above the Issue Price and the related expenses of procuring those subscribers (including any brokerage and commissions and amounts in respect of value added tax), you will be entitled to a premium payment for your share of the amount (if any) of that premium. Amounts less than £5 will ultimately accrue to the benefit of the Company.

For Qualifying Certificated Shareholders, payments for the amounts due will be made in pounds sterling by BACs payment to the mandated bank account registered with Equiniti Limited for the payment of dividends. Where no mandate has been registered with Equiniti Limited, you will receive a letter detailing how you can claim your payment.

What are the tax implications of participating in the Rights Issue?

Certain information relevant to certain Qualifying Shareholders who are resident and, in the case of individuals domiciled, in (and only in) the UK for Tax purposes is provided in the Prospectus available at. Part XI.

Qualifying Shareholders who are in any doubt as to their tax position, should consult an appropriate professional adviser as soon as possible. Please note that the Equiniti helpline is unable to assist you with taxation issues.

EQUINITI FINANCIAL SERVICES LIMITED SPECIAL DEALING SERVICE TERMS AND CONDITIONS

Risk Warning: The price and value of investments and any income from them can go down as well as up. Past performance is no guide to future performance. It is entirely your decision whether or not to conduct a transaction using this dealing service.

We have updated our Privacy Notice to clearly explain how we protect your data and how your enhanced rights apply. Please read 'Equiniti and your personal data' section on the Essential Information page enclosed for further details.

DEFINITIONS

'Company' means National Grid plc.

'CSN' means Corporate Sponsored Nominee Service

'Equiniti' means Equiniti Financial Services Limited

'Final Cut-Off Date' means 5.00 pm on 31 May 2024 unless that date is postponed

'Final Dealing Date' means the last date the Rights can be traded on the London Stock Exchange

'FCA' means Financial Conduct Authority

'FCA Rules' means the rules made by the FCA as amended from time to time

'CSN Letter' means the Letter issued to you stating the Rights held through the CSN

'PAL' means the Provisional Allotment Letter representing the Rights provisionally allotted to you

'Prospectus' means the document setting out the terms and conditions of the Rights Issue

'Rights' means New Shares in nil paid form provisionally allotted to you pursuant to the National Grid plc Rights Issue

'We, Our, Us' means Equiniti

'You, Yours' means the person(s) named on the accompanying share dealing form

THE SERVICE

1. This dealing service is provided on an execution-only basis. In other words, we will carry out your instructions but we do not give any kind of investment or tax advice, nor advise you on the merits of any particular transaction. In particular, we will not assess the suitability and appropriateness of transactions conducted for you or services provided to you under these terms and conditions and you are not subject to the FCA Rules on assessing appropriateness. If you are in any doubt about using this dealing service, you should consult a professional adviser.

2. You agree that this dealing service is provided on an execution-only basis, you have not asked for or received any advice from us and it is your decision alone to accept this dealing service as suitable to your requirements.

3. This dealing service is provided by Equiniti, which is authorised and regulated by the Financial Conduct Authority of 12 Endeavour Square, London E20 1JN (under reference 468631). The main business of Equiniti is investment and general insurance services. Our registered office is in the United Kingdom at Aspect House, Spencer Road, Lancing, West Sussex BN99 6DA. Registered in England and Wales, number 6208699.

4. You can use this dealing service to effect a sale of your Rights or Cashless Take-Up in connection with the National Grid plc Rights Issue.

Instructions received after **5.00pm** on the Final Cut-Off Date will not be accepted.

INSTRUCTION TO SELL ALL OF YOUR RIGHTS

You may instruct us to sell all of your Rights by following the instructions for the sale of Rights using the online facility or by another means when agreed to by Equiniti.

Instructions received after **5.00pm** on the Final Cut-Off Date will not be accepted. We will not accept partial sales instructions through this service.

EQUINITI FINANCIAL SERVICES LIMITED SPECIAL DEALING SERVICE TERMS AND CONDITIONS CONTINUED

INSTRUCTION TO ELECT FOR CASHLESS TAKE-UP

You may elect for Cashless Take-Up following the instructions for Cashless Take-Up using the Online facility or by another means when agreed to by Equiniti. We will instruct the Broker to execute the sale of your Rights to the extent required to produce sufficient sale proceeds to take up one or more of your unsold Rights.

Any cash balance which cannot be used to buy new ordinary Rights will be returned to you. A transaction advice recording both these transactions will be sent to you. A share certificate representing your New Shares will be sent to you separately if applicable.

5. Please read carefully through these terms and conditions. They describe the basis on which we will provide this dealing service, and they will come into effect as soon as we have received your instructions and accepted you as a customer.

6. When giving us your instruction you appoint Equiniti as your agent to arrange to sell the Rights to which you are entitled.

7. When selling Rights you may only use this dealing service to sell Rights that belong to you and/or that you have the right to sell. When you give us an instruction to sell, you will be guaranteeing that you have the right to sell the Rights shown on your PAL or CSN Letter free from any liens, charges and other third party rights. You also authorise Equiniti to execute a transfer to give effect to the sale of those Rights. You will indemnify Equiniti for all losses in relation to a breach of this clause 7.

8. You must be 18 or over to use this dealing service. We reserve the right to refuse to accept a dealing instruction. If your instruction is incomplete or includes a mistake, we may try to contact you for clarification or we may return your instruction without carrying it out. We will not be liable for any loss you suffer as a result of this clause. Instructions to deal Rights which are held in joint names must be signed by all registered holders.

9. Once you have made your instruction online (or by another means when agreed to by Equiniti), you will not be able to cancel your instructions. We cannot take orders over the phone. A Rights price may change significantly between the time you give us your instruction and the time we actually sell your Rights.

10. The decision to sell Rights is your responsibility. This service can only be used by those with a registered address in the United Kingdom, Isle of Man, the Channel Islands. Instructions to deal Rights from any other country will not be actioned.

11. We reserve the right to extend or end this dealing service.

SHARE DEALINGS

12.1. We will normally instruct the Broker to sell your Rights on the Business Day following the Final Cut-Off Date. We reserve the right to instruct the Broker to sell your Rights on any date following the Final Cut-Off Date.

We will aggregate your instruction with all instructions received from other Shareholders using this Special Dealing Service. In this case you would receive an average price for your Rights of all prices obtained by all Shareholders for all instructions received for this Special Dealing Service. This may result in a more or less favourable price than if your Rights had been sold separately.

Your Rights may be sold in several transactions and on separate days in which case you would receive an average price for your Rights. This may result in a more or less favourable price than if your instruction had been executed in a single transaction or on a single day.

Based on market conditions, if on any given Dealing Date it is in our reasonable opinion unlikely that the proceeds from the sale of Rights would exceed the Charges for the majority of Shareholders or, in the case of Cashless Take-Up, would be insufficient to meet the Charges and take up at least one of their Rights, we will not sell your Rights.

Notwithstanding any other provision of these terms and conditions, if your Rights are not sold by the Final Dealing Date, some or all of your Rights will not be sold and they will lapse. Lapsed Rights may be sold by the Company's underwriters and you will be paid in accordance with the terms and conditions within the Prospectus.

EQUINITI FINANCIAL SERVICES LIMITED SPECIAL DEALING SERVICE TERMS AND CONDITIONS CONTINUED

12.2 Orders will be transmitted by us or another of our approved entities for execution. There are currently more than ten approved entities and all of them have been selected by us because they have demonstrated that they have policies and procedures that enable them to deliver the best possible result for you, given the types of orders and the market conditions involved. In particular, these entities will treat price and costs (total consideration) as the most important factors when dealing with or executing orders, although they may also take into account other factors such as speed, likelihood of execution and settlement, size or any other relevant consideration.

These approved entities will normally execute orders on a regulated market but may choose to use other execution venues (including off-exchange dealers) where this is advantageous.

We will monitor the performance of these entities and periodically review our internal arrangements and policies for dealing with orders with a view to achieving the best possible result for you.

Further information about these internal arrangements and policies (including a full list of our approved entities) is available on request.

CHARGES

13. We will charge you commission of 1.5% to sell your Rights through this service. Commission will be deducted from the proceeds of your sale of Rights.

TRADE SETTLEMENT POLICY

14. Due to the large size of the aggregated sales expected, we will undertake a series of processes to confirm the accuracy of transactions, register the sales and print transaction advices. We will complete these processes and send you a transaction advice and sale proceeds cheque, where applicable, as soon as reasonably practicable thereafter and only once the sales proceeds have been received from the broker.

We will make cheques or payments payable to the registered Shareholder(s). We will not accept any instruction to make payments to a third party.

COMMUNICATIONS

15. The language of any agreements and transactions between you and us under these terms and conditions will be English. We will always communicate with you in English.

Please address all letters, instructions, notices and other documents for us to:
Equiniti, Aspect House, Spencer Road, Lancing, West Sussex BN99 6DA United Kingdom

16. If you have a complaint of any kind, please let us know. We will do our utmost to sort it out. You can put your complaint in writing to us at:

Complaint Resolution, Equiniti, PO Box 4608, Worthing, West Sussex BN99 6NZ United Kingdom or email us at concerns@equiniti.com or call us on +44(0)371 384 2456. Lines are open 8.30am to 5.30pm (UK time) Monday to Friday.

If we cannot resolve the issue between us, you may – if you are eligible – ask the independent Financial Ombudsman Service to review your complaint. Our leaflet what will happen if you complain has more details about our complaints procedure. You're welcome to ask us for a copy at any time.

We are a member of the Financial Services Compensation Scheme, set up under the Financial Services and Markets Act 2000. If we cannot meet our obligations, you may be entitled to compensation from the scheme. This will depend on the type of agreement you have with us and the circumstances of the claim. Most types of claims for FCA regulated business are covered for 100% of the first £85,000 per person. This limit applies to all assets held by Equiniti. The maximum compensation is £85,000.

For more details about the Financial Services Compensation Scheme
- call the helpline on 0800 678 1100 or 0207 741 4100
- go to its website at www.fscs.org.uk
- write to FSCS, 10th floor, Beaufort House, 15 St Botolphs Street, London EC3A 7QU.

OTHER TERMS AND CONDITIONS

17. Using this service may alter your personal tax position. Also, the levels and bases of taxation can change. To be sure you understand all the possible tax implications, you should consult a qualified tax adviser. Your tax treatment will depend on your own personal circumstances.

EQUINITI FINANCIAL SERVICES LIMITED SPECIAL DEALING SERVICE TERMS AND CONDITIONS CONTINUED

18. This agreement is only for the benefit of you and us. It will not give any benefits to, nor be enforceable by, any third party.

19. In order to comply with UK money laundering regulations, we may need to confirm your identity. To help us do this, we may:
- make a search with a credit reference agency, which will keep a record of that search and will share that information with other businesses; and/or
- ask you to supply us with proof of identity.

This could lead to a delay in carrying out an instruction you've given us, or in paying you the proceeds of a sale, or not being able to carry out an instruction at all. In any of these circumstances, we will not be responsible for any resulting loss:

- make a search with a credit reference agency, which will keep a record of that search and will share that information with other businesses; and/or
- ask you to supply us with proof of identity. This could lead to a delay in carrying out an instruction you've given us, or in paying you the proceeds of a sale, or not being able to carry out an instruction at all.

In any of these circumstances, we will not be responsible for any resulting loss.

20. We will not be responsible for:
- any indirect, special or consequential loss (including direct or indirect loss of profit), however caused; nor
- any loss connected to the timing of a transaction

21. We will not be responsible for any delays, losses, costs, damages or expenses you suffer in the event of a 'force majeure' meaning any failure, interruption or delay in the performance of our obligations as a result of:
- industrial action;
- the malfunction or failure of any telecoms or computer service, or CREST;
- the failure of third parties to carry out their obligations;
- the activities of government or international authorities, including changes in law or regulations;
- the circumstances contemplated by paragraph 13.2; or
- any other event or circumstance not within our reasonable control provided, where relevant, that we have complied with the FCA Rules on business continuity. If this type of situation arises, however, we will remedy the situation as soon as reasonably possible.

22. We will be entitled to keep any gains made in the process of correcting mistaken Rights deals, which would include buying or selling Rights at the prevailing market price without an instruction from you.

23. We will send any documents, at your risk, by post to your registered address. Neither we nor the Company will be responsible for any document before it reaches us or after we have sent it to you.

OUR POLICY ON CONFLICTS OF INTEREST

24.1 We have organisational and administrative arrangements in place, that are intended to prevent conflicts of interest from adversely affecting the interests of our clients. So, we take all appropriate steps to identify and prevent or manage conflicts of interest (a) between us and our clients; and (b) between one client and another, that arise in the course of providing an investment or ancillary service. If these arrangements are not sufficient to ensure, with reasonable confidence, that the risk of damage to you will be prevented, we will tell you about the nature and/or sources of conflicts of interest and the steps we have taken to mitigate these risks, buying or selling Rights for you.

You're welcome to call and request for a copy of our policy concerning possible conflicts of interest. At the time of the issue of this document no conflicts of interest were identified which could damage your interests.

24.2 Without prejudice to clauses 12.1 and 24.1, nothing in these terms and conditions will prevent us carrying out services for others.

25. All cash balances will be held by us as client money under the FCA Rules and as follows:

- We will deposit the cash with a suitably authorised bank, or other financial institution, that is either regulated within the UK to hold client money or is regulated in another EEA country to hold deposits and permissions extend to offering these services within the UK.
- The bank will hold the cash on our behalf in an account separate to any account used to hold money belonging to us in our own right and pooled with client money of our other customers. Equiniti is committed to holding its client money with banks which are well capitalised as this better spreads the risk of any default by these institutions which could impact our customers.

EQUINITI FINANCIAL SERVICES LIMITED SPECIAL DEALING SERVICE TERMS AND CONDITIONS CONTINUED

We will not however, be responsible any acts or admissions of the bank.

- If the bank becomes insolvent, we will have a claim on behalf of our clients against the bank. If, however, the bank cannot repay all of its creditors, any shortfall may have to be shared pro rata between them.
- You will not be paid interest on cash balances. We will also keep any interest earned or any equivalent fee that the bank in question pays us.

If, for any reason, a payment we send to you under these terms and conditions does not reach you, we will continue to hold the cash as client money. However, if after a period of six years no activity has been recorded on your account, and provided we have taken reasonable steps to trace you (as outlined in the FCA's Client Assets rule book), to return these monies to you, we may cease to treat the money as client money having donated it to a charity of our choice. We will still honour any valid claims made against monies previously released to charity once the validity of the claim is established.

- If we are holding cash we may withdraw the cash and apply it towards paying any fees, charges, and other sums due to us.
- If in the course of settling a transaction, the movement of funds as part of the transaction which may be through a commercial settlement system on a "delivery versus payment" basis and for a period of time (normally less than 1 business day, but not exceeding three business days) will not be treated as client money.
- In accordance with FCA rules we are able to deposit some client monies with banks under unbreakable term deposit arrangements, or notice period accounts, of up to ninety-five (95) days. In the unlikely event of any issues experienced by us or any of our banks which requires a return of any client money to you, you should be aware there may be a delay in the funds being distributed to you as a result of these extended deposit terms being applied. This change does not in any way affect your ability to withdraw funds from your account or undertake any transactions under normal conditions.

26. You will be classified for the purposes of the FCA Rules as a retail client. If, however, you would otherwise be an eligible counterparty or a professional client, you may not necessarily have the rights of a retail client under the Financial Services Compensation Scheme.

For more information on complaints/compensation, please see paragraph 16 of these terms and conditions.

27. These terms and conditions are governed by English law. You agree that any disputes relating to this agreement may only be dealt with by the courts of England and Wales.

28. In accepting these terms and conditions you agree that we may transfer our obligations under this agreement to any other company, if that other company writes to you and undertakes to carry out all our duties and obligations under this agreement. If it does so, you agree that we will be released from all those duties and obligations that such company has undertaken to carry out. We shall satisfy ourselves that any such company is competent to carry out those functions and duties transferred, and is regulated do so by the FCA, if such regulation is required. As part of transferring our rights and obligations to a third party, we may transfer all of the cash, investments and information we hold under these terms and conditions to the third party or its nominee. Where funds are held by us as client money, the third party will continue to hold this as client money.

ALTERNATIVE FORMATS

To request these Terms and Conditions in an alternative format, for example Braille, large print or audio tape, please contact us on:

Helpline: +44 (0)371 384 2456

Lines are open from 8.30am to 5.30pm (UK time) Monday to Friday.

HELPFUL INFORMATION

WEB

nationalgridrightsissue.equiniti.com

TELEPHONE

Shareholder Helpline
Tel: +44 (0)371 384 2456*

* Please use the country code when calling from outside the UK. Lines are open Mondays to Fridays from 8.30 a.m. to 5.30 p.m. (UK time) (excluding English and Welsh public holidays).

For deaf and speech impaired shareholders, we welcome calls via Relay UK. Please see www.relayuk.bt.com for more information. Calls to the helpline from outside the UK will be charged at applicable international rates. Different charges may apply to calls from mobile telephones and calls may be recorded and randomly monitored for security and training purposes. Please note that calls to this helpline may be monitored or recorded.

POST

Equiniti
Corporate Actions
Aspect House
Spencer Road
Lancing
West Sussex
BN99 6DA

The Shareholder Helpline operators can advise you on the options that are available to you and the actions that you should take once you have decided what you wish to do. Please note that the Shareholder Helpline agents cannot provide advice on the merits of the Rights Issue nor give financial, tax, investment, or legal advice. If you are in any doubt as to the action you should take, please contact your broker, bank or other appropriately authorised financial adviser.