

By email: policy@issgovernance.com

16 October 2019

Dear Sir / Madam,

National Grid's response to the ISS 2019 Benchmark Policy Consultation

About National Grid

National Grid is a regulated utility with businesses in both the UK and the US with principal operations in electricity and gas transmission and distribution. National Grid plc is listed on the London Stock Exchange and has American Depositary Receipts ("ADRs") in issue and is accordingly subject to SEC and PCAOB external reporting regulations and regulatory oversight as a Foreign Private Issuer ("FPI") in the USA as well as UK requirements.

Response

National Grid welcomes this opportunity to respond to the 2019 Benchmark Policy Consultation and is supportive of the proposed UK changes. As a company, in compliance with the UK Corporate Governance Code 2018 (the Code), National Grid believes that both Director appointments and succession plans should be based on merit and objective criteria and, within this context, should promote diversity of gender, social and ethnic backgrounds, cognitive and personal strengths. Through the Board's Diversity Policy, National Grid aspires to meet the voluntary target of 33% of Board and Executive Committee positions, and direct reports to the Executive Committee, to be held by women by 2020, set by the Davies Review.

National Grid also supports the proposal that the Remuneration Committee should disclose how it has taken into account any relevant environmental, social, and governance (ESG) matters when determining remuneration outcomes. This is widely taken into consideration by National Grid's Remuneration Committee through the decision-making process already undertaken.

Yours sincerely,

Alison Kay
Group General Counsel & Company Secretary