

## Final Terms dated 13 January 2021

### NATIONAL GRID GAS PLC

Legal Entity Identifier (LEI): FPCHGTHKVVH9ZWX57S453  
Issue of £250,000,000 1.625 per cent. Instruments due 2043  
under the Euro 10,000,000,000 Euro Medium Term Note Programme

### PART A – CONTRACTUAL TERMS

**PROHIBITION OF SALES TO EEA RETAIL INVESTORS** – The Instruments are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the European Economic Area (“**EEA**”). For these purposes, a retail investor means a person who is one (or more) of: (i) a retail client as defined in point (11) of Article 4(1) of Directive 2014/65/EU (as amended, “**MiFID II**”); (ii) a customer within the meaning of Directive (EU) 2016/97 (the “**Insurance Distribution Directive**”), where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II; or (iii) not a qualified investor as defined in Regulation (EU) 2017/1129 (the “**Prospectus Regulation**”). Consequently no key information document required by Regulation (EU) No 1286/2014 (as amended, the “**PRiIPs Regulation**”) for offering or selling the Instruments or otherwise making them available to retail investors in the EEA has been prepared and therefore offering or selling the Instruments or otherwise making them available to any retail investor in the EEA may be unlawful under the PRiIPs Regulation.

**PROHIBITION OF SALES TO UK RETAIL INVESTORS** – The Instruments are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the United Kingdom (“**UK**”). For these purposes, a retail investor means a person who is one (or more) of: (i) a retail client, as defined in point (8) of Article 2 of Regulation (EU) No 2017/565 as it forms part of domestic law by virtue of the European Union (Withdrawal) Act 2018 (“**EUWA**”); (ii) a customer within the meaning of the provisions of the FSMA and any rules or regulations made under the FSMA to implement Directive (EU) 2016/97, where that customer would not qualify as a professional client, as defined in point (8) of Article 2(1) of Regulation (EU) No 600/2014 as it forms part of domestic law by virtue of the EUWA; or (iii) not a qualified investor as defined in Article 2 of Regulation (EU) 2017/1129 as it forms part of domestic law by virtue of the EUWA. Consequently no key information document required by Regulation (EU) No 1286/2014 as it forms part of domestic law by virtue of the EUWA (the “**UK PRiIPs Regulation**”) for offering or selling the Instruments or otherwise making them available to retail investors in the UK has been prepared and therefore offering or selling the Instruments or otherwise making them available to any retail investor in the UK may be unlawful under the UK PRiIPs Regulation.

**UK MiFIR product governance / Professional investors and ECPs only target market** – Solely for the purposes of each manufacturer’s product approval process, the target market assessment in respect of the Instruments has led to the conclusion that: (i) the target market for the Instruments is only eligible counterparties, as defined in the FCA Handbook Conduct of Business Sourcebook (“**COBS**”), and professional clients, as defined in Regulation (EU) No 600/2014 as it forms part of UK domestic law by virtue of the EUWA (“**UK MiFIR**”); and (ii) all channels for distribution of the Instruments to eligible counterparties and professional clients are appropriate. Any person subsequently offering, selling or recommending the Instruments (a “**distributor**”) should take into consideration the manufacturers’ target market assessment; however, a distributor subject to the FCA Handbook Product Intervention and Product Governance Sourcebook (the “**UK MiFIR Product Governance Rules**”) is responsible for undertaking its own target market assessment in respect of the Instruments (by either adopting or refining the manufacturers’ target market assessment) and determining appropriate distribution channels.

Terms used herein shall be deemed to be defined as such for the purposes of the Conditions set forth in the Prospectus dated 11 September 2020 and the supplementary Prospectus dated 6 January 2021 which together constitute a base prospectus for the purposes of Regulation (EU) 2017/1129 as it forms

part of United Kingdom domestic law by virtue of the European Union (Withdrawal) Act 2018 (the “**UK Prospectus Regulation**”). This document constitutes the Final Terms of the Instruments described herein for the purposes of the UK Prospectus Regulation and must be read in conjunction with such Prospectus as so supplemented. Full information on the Issuer and the offer of the Instruments is only available on the basis of the combination of these Final Terms and the Prospectus as so supplemented. The Prospectus and the supplementary Prospectus are available for viewing at, and copies may be obtained from, the registered address of the Issuer at 1-3 Strand, London WC2N 5EH and the office of the Issuing and Paying Agent at One Canada Square, London E14 5AL and are available for viewing on the website of Regulatory News Services operated by the London Stock Exchange at [www.londonstockexchange.com/exchange/news/market-news/market-news-home.html](http://www.londonstockexchange.com/exchange/news/market-news/market-news-home.html).

1	Issuer:	National Grid Gas plc
2	(i) Series Number:	80
	(ii) Tranche Number:	1
3	Specified Currency or Currencies:	Pounds Sterling (“£”)
4	Aggregate Nominal Amount:	
	(i) Series:	£250,000,000
	(ii) Tranche:	£250,000,000
5	Issue Price:	99.399 per cent. of the Aggregate Nominal Amount
6	Specified Denominations:	£100,000 and integral multiples of £1,000 in excess thereof up to and including £199,000. No Instruments in definitive form will be issued with a denomination above £199,000.
7	Calculation Amount:	£1,000
8	(i) Issue Date:	14 January 2021
	(ii) Interest Commencement Date:	Issue Date
9	Maturity Date:	14 January 2043
10	Interest Basis:	1.625 per cent. Fixed Rate (See paragraph 15 below)
11	Redemption/Payment Basis:	Subject to any purchase and cancellation or early redemption, the Instruments will be redeemed on the Maturity Date at 100 per cent. of their nominal amount
12	Change of Interest or Redemption/Payment Basis:	Not Applicable
13	Put/Call Options:	Issuer Call Make-whole (See paragraphs 20 and 21 below)
14	Date Board approval for issuance of Instruments obtained:	Not Applicable

**PROVISIONS RELATING TO INTEREST (IF ANY) PAYABLE**

15	<b>Fixed Rate Instrument Provisions</b>	Applicable
	(i) Rate of Interest:	1.625 per cent. per annum payable annually in arrear
	(ii) Interest Payment Date(s):	14 January in each year commencing on 14 January 2022 and ending on 14 January 2043
	(iii) Fixed Coupon Amount(s):	£16.25 per Calculation Amount
	(iv) Broken Amount(s):	Not Applicable
	(v) Day Count Fraction (Condition 3.8):	Actual/Actual (ICMA)
	(vi) Determination Dates (Condition 3.8):	14 January in each year
16	<b>Floating Rate Instrument Provisions</b>	Not Applicable
17	<b>Zero Coupon Instrument Provisions</b>	Not Applicable
18	<b>Index Linked Interest Instrument</b>	Not Applicable

**PROVISIONS RELATING TO REDEMPTION**

19	<b>Residual Holding Call Option</b>	Not Applicable
20	<b>Call Option</b>	Applicable
	(i) Optional Redemption Date(s):	On or after 14 October 2042
	(ii) Optional Redemption Amount(s) of each Instrument:	£1,000 per Calculation Amount
	(iii) If redeemable in part:	
	(a) Minimum nominal amount to be redeemed:	£100,000
	(b) Maximum nominal amount to be redeemed:	Not Applicable
	(iv) Option Exercise Date(s):	Not Applicable
	(v) Notice periods (Condition 5.5.2):	Minimum Period: 15 days Maximum Period: 30 days
21	<b>Make-whole Redemption Option</b>	Applicable
	(i) Make-whole Redemption Date(s):	At any time prior to 14 October 2042
	(a) Reference Bond:	UKT 4.5% due December 2042
	(b) Quotation Time:	11:00am (London time)
	(c) Redemption Margin:	0.15 per cent.

	(d) Determination Date:	The third business day in London prior to the applicable Make-whole Redemption Date
	(ii) If redeemable in part:	
	(a) Minimum nominal amount to be redeemed:	£100,000
	(b) Maximum nominal amount to be redeemed:	Not Applicable
	(iii) Notice periods (Condition 5.5.3):	Minimum Period: 15 days Maximum Period: 30 days
22	<b>Put Option</b>	Not Applicable
23	<b>Final Redemption Amount of each Instrument</b>	£1,000 per Calculation Amount
24	<b>Early Redemption Amount</b>	
	(i) Early Redemption Amount(s) of each Instrument payable on redemption for taxation reasons (Condition 5.2) or on Event of Default (Condition 9):	£1,000 per Calculation Amount
	(ii) Redemption for taxation reasons permitted on days other than Interest Payment Dates (Condition 5.2):	Yes
	(iii) Notice Periods (Condition 5.2):	Minimum Period: 30 days Maximum Period: 45 days

#### **GENERAL PROVISIONS APPLICABLE TO THE INSTRUMENTS**

25	<b>Form of Instruments</b>	Temporary Global Instrument exchangeable for a permanent Global Instrument which is exchangeable for Definitive Instruments in the limited circumstances specified in the Permanent Global Instrument
	New Global Note:	Yes
26	Financial Centre(s) or other special provisions relating to Payment Dates (Condition 6.6):	Not Applicable
27	Talons for future Coupons to be attached to Definitive Instruments (and dates on which such Talons mature):	No
28	Eligible Bonds:	No

**THIRD PARTY INFORMATION**

The description of the meaning of the ratings in paragraph 2 of Part B of these Final Terms has been extracted from the website of S&P, Moody's and Fitch (as applicable). The Issuer confirms that such information has been accurately reproduced and that, so far as it is aware and is able to ascertain from information published by S&P, Moody's and Fitch (as applicable), no facts have been omitted which would render the reproduced information inaccurate or misleading.

Signed on behalf of the Issuer:

By: Alexander Heuis

Duly authorised

## PART B – OTHER INFORMATION

### 1 LISTING AND TRADING

- |   |  |
|---|--|
| (i) Listing:  | Official List  |
| (ii) Admission to trading:  | Application has been made by the Issuer (or on its behalf) for the Instruments to be admitted to trading on the London Stock Exchange's regulated market with effect from 14 January 2021. |
| (iii) Estimate of total expenses related to admission to trading: | £4,840   |

### 2 RATINGS

- Ratings:
- The Instruments to be issued are expected to be rated:
- S&P: A-  
(An obligation rated "A" is somewhat more susceptible to the adverse effects of changes in circumstances and economic conditions than obligations in higher-rated categories. However, the obligor's capacity to meet its financial commitments on the obligation is still strong. The modifier "-" shows relative standing within the rating categories (Source: S&P, [https://www.standardandpoors.com/en\\_US/web/guest/article/-/view/sourceId/504352](https://www.standardandpoors.com/en_US/web/guest/article/-/view/sourceId/504352))
- Moody's: A3  
(Obligations rated "A" are judged to be upper-medium grade and are subject to low credit risk. The modifier 3 indicates a ranking in the lower end of that generic rating category. Source: Moody's, <https://www.moody.com/ratings-process/Ratings-Definitions/002002>)
- Fitch: A  
(“A” ratings denote expectations of low default risk. The capacity for payment of financial commitments is considered strong. This capacity may, nevertheless, be more vulnerable to adverse business or economic conditions than is the case for higher ratings. (Source: Fitch, <https://www.fitchratings.com/products/rating-definitions#rating-scales>))

### 3 INTERESTS OF NATURAL AND LEGAL PERSONS INVOLVED IN THE ISSUE

Save for any fees payable to the Managers, so far as the Issuer is aware, no person involved in the offer of the Instruments has an interest material to the offer.

#### 4 REASONS FOR THE OFFER AND ESTIMATED NET PROCEEDS

- |  |                            |
|--|----------------------------|
| (i) Reasons for the offer/use of proceeds: | General Corporate Purposes |
| (ii) Estimated net proceeds:               | £247,947,500               |

#### 5 YIELD

Indication of yield:	Calculated as 1.658 per cent. on the Issue Date. The yield is calculated on the Issue Date on the basis of the Issue Price. It is not an indication of future yield.
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#### 6 OPERATIONAL INFORMATION

ISIN:	XS2284250441
Common Code:	228425044
CFI:	As set out on the website of the Association of National Numbering Agencies or alternatively sourced from the responsible National Numbering Agency that assigned the ISIN
FISN:	As set out on the website of the Association of National Numbering Agencies or alternatively sourced from the responsible National Numbering Agency that assigned the ISIN
Any clearing system(s) other than Euroclear Bank SA/NV and Clearstream Banking S.A. and the identification number(s):	Not Applicable
Delivery:	Delivery against payment
Names and addresses of initial Paying Agent(s):	Not Applicable
Intended to be held in a manner which would allow Eurosystem eligibility:	Yes. Note that the designation "yes" simply means that the Instruments are intended upon issue to be deposited with one of the ICSDs as common safekeeper and does not necessarily mean that the Instruments will be recognised as eligible collateral for Eurosystem monetary policy and intra day credit operations by the Eurosystem either upon issue or at any or all times during their life. Such recognition will depend upon the ECB being satisfied that Eurosystem eligibility criteria have been met.
Names and addresses of additional Paying Agent(s) (if any):	Not Applicable
Relevant Benchmarks:	Not Applicable
If syndicated, names of Managers:	Mizuho International plc NatWest Markets Plc RBC Europe Limited Bank of China Limited, London Branch

ICBC Standard Bank Plc  
The Toronto-Dominion Bank

If non-syndicated, name of Dealer: Not Applicable

Stabilisation Manager(s) if any: RBC Europe Limited

## **7 SELLING RESTRICTIONS**

- (i) U.S Selling Restrictions: Reg. S Compliance Category 2; TEFRA D
- (ii) (a) Prohibition of Sales to EEA Retail Investors: Applicable
- (b) Prohibition of Sales to UK Retail Investors: Applicable
- (iii) Prohibition of Sales to Belgian Consumers: Applicable
- (iv) Method of distribution: Syndicated
- (v) Additional selling restrictions: Not Applicable