

Linklaters

DEED POLL

Relating to various debt instruments issued by the Issuer

Dated 29 March 2023

NATIONAL GAS TRANSMISSION plc

as Issuer

This Deed Poll (the “**Deed**”) is made on 29 March 2023 by:

- (1) **NATIONAL GAS TRANSMISSION plc**, (formerly known as National Grid Gas plc) a company incorporated in England and Wales (registered number 02006000) (the “**Issuer**”)

in favour of the Beneficiaries (as defined below).

Whereas:

- (A) The Issuer has issued the debt instruments set out in Schedule 1 hereto (the “**NGT Bonds**”).
- (B) The Issuer now wishes to commit to adhering to a new negative pledge restriction with respect to incurring any new secured relevant indebtedness; and to provide the Bondholders (as defined below) additional rights to require their NGT Bonds to be redeemed early in the event of revocation, transfer or surrender of the Issuer’s Gas Transporter Licence (as defined below) and a consequential negative rating action and to trigger an event of default under the NGT Bonds if any other present or future indebtedness of the Issuer or any of its material subsidiaries becomes due and payable, all subject to the terms and conditions set out below.

1 Definitions and Interpretation

1.1 For the purposes of this Deed:

“**Beneficiaries**” means each Trustee, and “**Beneficiary**” means any one of them;

“**Bondholders**” means, in respect of a series of NGT Bonds, the holders of that series of NGT Bonds, and “**Bondholder**” means any one of them;

“**Gas Transporter Licence**” means a gas transporter licence of the Issuer granted or transferred under section 7(2) of the UK Gas Act 1986 (as amended by section 76 of the Utilities Act 2000 and further amended from time to time);

“**London Business Day**” means any day on which commercial banks are open for general business (including dealing in foreign exchange and foreign currency deposits) in London;

“**Material Subsidiary**” means at any time a Subsidiary:

- (i) whose total consolidated assets or consolidated turnover represents not less than 10 per cent. of the consolidated total assets or, as the case may be, consolidated turnover of the Issuer and its consolidated subsidiaries taken as a whole, all as calculated by reference to the then latest consolidated audited accounts of the Issuer and its consolidated subsidiaries; or
- (ii) to which is transferred the whole or substantially the whole of the assets and undertakings of a Subsidiary which immediately prior to such transfer is a Material Subsidiary whereupon (x) the transferor Subsidiary shall immediately cease to be a Material Subsidiary and (y) the transferee Subsidiary shall immediately become a Material Subsidiary for the purpose of this definition, provided that the transferee shall cease to be a Material Subsidiary upon the next audited accounts of the Issuer and its Subsidiaries becoming available if those accounts show that it is not a Material Subsidiary within the terms of paragraph (i) above).

A certificate signed by two Directors of the Issuer (whether or not addressed to the Trustee) that in their opinion a Subsidiary is or is not or was or was not during a particular period a Material Subsidiary shall, in the absence of manifest error, be conclusive and binding on the Trustee and the Bondholders;

“Negative Rating Event” shall be deemed to have occurred if (1) the Issuer does not either prior to or not later than 21 days after the date of the relevant Restructuring Event seek, and thereupon use all reasonable endeavours to obtain, a rating of the relevant series of NGT Bonds or any other unsecured and unsubordinated debt of the Issuer having an initial maturity of five years or more from a Rating Agency or (2) if it does so seek and use such endeavours, it is unable, as a result of such Restructuring Event, to obtain such a rating of at least investment grade (BBB-/Baa3, or their respective equivalents for the time being);

“Put Event” occurs on the date of the last to occur of (1) a Restructuring Event, (2) either a Rating Downgrade or, as the case may be, a Negative Rating Event and (3) the relevant Negative Certification;

“Rating Agency” means Moody’s Investors Service Limited (**“Moody’s”**), Fitch Ratings Limited (**“Fitch”**) and S&P Global Ratings Europe Limited (**“S&P”**) or any of their respective affiliates or successors or any rating agency (a **“Substitute Rating Agency”**) substituted for any of them by the Issuer from time to time;

“Rating Downgrade” shall be deemed to have occurred in respect of a Restructuring Event if the then current rating assigned to the Rated NGT Bonds by any Rating Agency is withdrawn or reduced from an investment grade rating (BBB-/Baa3, or their respective equivalents for the time being), or better to a non-investment grade rating (BB+/Ba1, or their respective equivalents for the time being), or worse or, if the Rating Agency shall then have already rated the Rated NGT Bonds below investment grade (as described in Clause 2.4), the rating is lowered one full rating category or more;

“Rated NGT Bonds” means the relevant series of NGT Bonds, if at any time and for so long as they have a rating from a Rating Agency, and otherwise any other unsecured and unsubordinated debt of the Issuer having an initial maturity of five years or more which is rated by a Rating Agency;

“Restructuring Event” means the occurrence of any one or more of the following events:

(a)

- (x) the relevant regulatory authority giving the Issuer written notice of revocation or the transfer of its Gas Transporter Licence in accordance with the terms as to revocation or transfer of the Gas Transporter Licence or any relevant laws and regulations relating to the provision of the Gas Transporter Licence, provided that such revocation or transfer will become effective no later than the Maturity Date of the of the relevant series of NGT Bonds; or
- (y) the Issuer agreeing in writing with the relevant regulatory authority to any revocation, transfer or surrender of its Gas Transporter Licence; or
- (z) any legislation (whether primary or subordinate) being enacted which terminates, transfers or revokes the Issuer’s Gas Transporter Licence,

except, in each such case, in circumstances where a licence or licences on terms certified by any one director of the Issuer as being substantially no less favourable is or are granted or transferred to the Issuer or another wholly-owned subsidiary of the Issuer, where such subsidiary at the time of such grant or transfer either (x) executes in favour of the Trustee an unconditional and irrevocable guarantee in respect of all NGT Bonds issued by the Issuer in such form as the Trustee may approve or (y) becomes the primary debtor under the NGT Bonds issued by the Issuer in accordance with the terms and conditions of the relevant series of NGT Bonds; or

- (b) any modification (other than a modification which is of a formal, minor or technical nature) being made to the terms and conditions upon which the Issuer is authorised and empowered under relevant legislation to transport gas in the United Kingdom unless any one director of the Issuer has certified in good faith to the Trustee that the modified terms and conditions do not have a material adverse effect on the financial condition of the Issuer; or
- (c) any legislation (whether primary or subordinate) is enacted which removes, qualifies or amends (other than an amendment which is of a formal, minor or technical nature or to correct a manifest error) the duties of the Secretary of State for Business, Innovation and Skills (or any successor) and/or the Gas and Electricity Markets Authority (or any successor) under section 4AA of the UK Gas Act 1986 (as this may be amended from time to time) unless any one director of the Issuer has certified in good faith to the Trustee that such removal, qualification or amendment does not have a materially adverse effect on the financial condition of the Issuer;

“Restructuring Period” means:

- (a) if at the time a Restructuring Event occurs there are Rated NGT Bonds, the period of 90 days starting from and including the day on which that Restructuring Event occurs; or
- (b) if at the time a Restructuring Event occurs there are no Rated NGT Bonds, the period starting from and including the day on which that Restructuring Event occurs and ending on the day 90 days following the later of (aa) the date (if any) on which the Issuer shall seek to obtain a rating as contemplated by the definition of Negative Rating Event; (bb) the expiry of the 21 days referred to in the definition of Negative Rating Event and (cc) the date on which a Negative Certification shall have been given to the Trustee in respect of that Restructuring Event;

“Relevant Indebtedness” means any indebtedness which has an original maturity of more than one year from its date of issue and is in the form of, or represented or evidenced by, bonds, notes, debentures or other securities which for the time being are or are intended to be quoted, listed or dealt in or traded on any stock exchange or over-the-counter or other securities market;

“Subsidiary” means a company which is:

- (i) a subsidiary within the meaning of section 1160 of the Companies Act 2006; and
- (ii) unless the context otherwise requires, a subsidiary undertaking within the meaning of section 1162 of the Companies Act 2006; and

“Trustees” means the trustees for the outstanding series of NGT Bonds, being The Law Debenture Trust Corporation p.l.c., The Bank of New York Mellon and any successor trustee appointed in accordance with any trust deed constituting any NGT Bonds, and **“Trustee”** means the trustee for the relevant series of NGT Bonds.

Any term capitalised but not defined in this Deed shall have the meaning given to it in the relevant trust deed constituting the relevant series of NGT Bonds.

2 Obligations of the Issuer

2.1 The Issuer agrees that:

- (i) paragraphs 2.2, 2.3 and 2.4 below shall be incorporated into, and shall form part of, the terms and conditions of each series of the NGT Bonds; and

- (ii) this Deed shall be supplemental to the trust deeds constituting the NGT Bonds.

2.2 Negative Pledge

So long as any NGT Bond or Coupon remains outstanding (as defined in the relevant trust deed constituting the relevant series of NGT Bonds), the Issuer will not, and will ensure that none of its Material Subsidiaries will, create or have outstanding any mortgage, charge, lien, pledge or other security interest, upon the whole or any part of its present or future undertaking, assets or revenues (including any uncalled capital) to secure any Relevant Indebtedness or to secure any guarantee or indemnity in respect of any Relevant Indebtedness, without at the same time or prior thereto (a) according to the NGT Bonds and the Coupons the same security as is created or subsisting to secure any such Relevant Indebtedness, guarantee or indemnity or (b) providing such other security as either (i) the relevant Trustee shall in its absolute discretion deem not materially less beneficial to the interest of the Bondholders or (ii) shall be approved by an Extraordinary Resolution of the Bondholders.

2.3 Event of Default

The relevant Trustee at its discretion may, and if so requested by the holders of at least one-quarter in nominal amount of the relevant series of NGT Bonds then outstanding or if so directed by an Extraordinary Resolution, shall (subject in each case to being indemnified and/or secured and/or prefunded to its satisfaction), give notice to the Issuer at its registered office that the relevant series of NGT Bonds are, and they shall accordingly immediately become due and repayable at their Redemption Amount together with accrued interest (if any) to the date of payment, if any of the following events (an “**Event of Default**”) occurs and is continuing:

- (i) any other present or future indebtedness of the Issuer or any of its Material Subsidiaries for or in respect of moneys borrowed or raised becomes due and payable prior to its stated maturity by reason of an event of default or the like (howsoever described); or
- (ii) any such indebtedness is not paid when due or, as the case may be, within any applicable grace period; or
- (iii) the Issuer or any of its Material Subsidiaries fails to pay when due any amount payable by it under any present or future guarantee for, or indemnity in respect of, any moneys borrowed or raised;

provided that, no such Event of Default shall occur under this Clause 2.3 unless the aggregate amount of the relevant indebtedness, guarantees and indemnities in respect of which one or more of the events mentioned above in this Clause 2.3 have occurred equals or exceeds £100 million (or its equivalent in any other currency).

2.4 Redemption at the Option of the Bondholders on a Restructuring Event

2.4.1 If, for so long as any NGT Bond remains outstanding, a Restructuring Event occurs, and prior to the commencement of or during the Restructuring Period:

- (i) an independent financial adviser (as described below) shall have certified in writing to the Trustee that such Restructuring Event will not be or is not, in its opinion, materially prejudicial to the interests of the Bondholders; or
- (ii) if there are Rated NGT Bonds, each Rating Agency that at such time has assigned a current rating to the Rated NGT Bonds confirms in writing to the Issuer

at its request (which it shall make as set out below) that it will not be withdrawing or reducing the then current rating assigned to the Rated NGT Bonds by it from an investment grade rating (BBB-/Baa3, or their respective equivalents for the time being, or better) to a non-investment grade rating (BB+/Ba1, or their respective equivalents for the time being, or worse) or, if the Rating Agency shall have already rated the Rated NGT Bonds below investment grade (as described above), the rating will not be lowered by one full rating category or more, in each case as a result, in whole or in part, of any event or circumstance comprised in or arising as a result of the applicable Restructuring Event,

the following provisions of this Clause 2.4 shall cease to have any further effect in relation to such Restructuring Event.

2.4.2 If, for so long as any NGT Bond remains outstanding, a Restructuring Event occurs and (subject to Clause 2.4.1 and Clause 2.4.3):

- (i) within the Restructuring Period, either:
 - (a) if at the time such Restructuring Event occurs there are Rated NGT Bonds, a Rating Downgrade in respect of such Restructuring Event also occurs; or
 - (b) if at such time there are no Rated NGT Bonds, a Negative Rating Event in respect of such Restructuring Event also occurs; and
- (ii) an independent financial adviser shall have certified in writing to the Trustee that such Restructuring Event is, in its opinion, materially prejudicial to the interests of the Bondholders (a "**Negative Certification**"),

then the holder of the relevant series of NGT Bonds will, upon the giving of a Put Event Notice (as defined below), have the option (the "**Restructuring Put Option**") to require the Issuer to redeem or, at the option of the Issuer, purchase (or procure the purchase of) such NGT Bond on the Put Date (as defined below), at its principal amount together with (or, where purchased, together with an amount equal to) interest (if any) accrued to (but excluding) the Put Date.

A Restructuring Event shall be deemed not to be materially prejudicial to the interests of the Bondholders if, notwithstanding the occurrence of a Rating Downgrade or a Negative Rating Event, the rating assigned to the Rated NGT Bonds by any Rating Agency is subsequently increased to, or, as the case may be, there is assigned to the relevant series of NGT Bonds or other unsecured and unsubordinated debt of the Issuer having an initial maturity of five years or more by any Rating Agency, an investment grade rating (BBB-/Baa3, or their respective equivalents for the time being) or better prior to any Negative Certification being issued.

Any Negative Certification, and any other certificate of an independent financial adviser appointed under this Clause 2.4, shall, in the absence of manifest error, be conclusive and binding on the Trustee, the Issuer and the Bondholders. The Issuer may, at any time, with the approval of the Trustee appoint an independent financial adviser for the purposes of this Clause 2.4. If, within five London Business Days following the occurrence of a Rating Downgrade or a Negative Rating Event, as the case may be, in respect of a Restructuring Event, the Issuer shall not have appointed an independent financial adviser for the purposes of this Clause 2.4 and (if so required by the Trustee) the Trustee is indemnified and/or prefunded and/or secured to its satisfaction against the costs of such adviser, the Trustee may appoint an

independent financial adviser for such purpose following consultation with the Issuer. Promptly upon the Issuer becoming aware that a Put Event has occurred, and in any event not later than 14 days after the occurrence of a Put Event, the Issuer shall, and at any time upon the Trustee becoming similarly so aware the Trustee may, and if so requested by the holders of at least one-quarter in principal amount of the relevant series of NGT Bonds then outstanding shall, give notice (a “**Put Event Notice**”) to the Issuing and Paying Agent and Bondholders in accordance with the terms and conditions of the relevant series of NGT Bonds specifying the nature of the Put Event and the procedure for exercising the Restructuring Put Option.

To exercise the Restructuring Put Option, the holder of the NGT Bond must deposit such NGT Bond (together with all unmatured Coupons and unexchanged Talons) with any Paying Agent at any time during normal business hours of such Paying Agent falling within the period (the “**Put Period**”) of 45 days commencing on the day on which the Put Event Notice is given, accompanied by a duly signed and completed exercise notice (“**Exercise Notice**”) in the form obtainable from any Paying Agent. No NGT Bond so deposited and option so exercised may be withdrawn without the prior consent of the Issuer or where, prior to the date of redemption, an event of default under the relevant series of NGT Bonds has occurred and the Trustee has given notice to the Issuer that the relevant series of NGT Bonds are due and repayable in by reason of an event of default under the relevant series of NGT Bonds in which event such holder, at its option, may elect by notice to the Issuer to withdraw its NGT Bond(s) and accompanying Exercise Notice. The Issuer shall redeem or purchase (or procure the purchase of) the relevant NGT Bond on the fifteenth day after the date of expiry of the Put Period (the “**Put Date**”) unless previously redeemed or purchased.

If 80 per cent. or more in principal amount of the relevant series of NGT Bonds then outstanding are redeemed or purchased pursuant to this Clause 2.4, the Issuer may, on giving not less than 15 nor more than 30 days’ notice to the Trustee, the Issuing and Paying Agent and, in accordance with the terms and conditions of the relevant series of NGT Bonds, the Bondholders (such notice being given within 30 days after the Put Date), which notice shall be irrevocable, redeem or purchase (or procure the purchase of), at its option, all but not some only of the remaining outstanding NGT Bonds at their principal amount, together with interest (if any) accrued to (but excluding) the date fixed for such redemption or purchase. Such notice to the Bondholders shall specify the date fixed for redemption or purchase and the manner in which such redemption or purchase will be effected. If the rating designations employed by any Rating Agency are changed from those which are described in the definition of a “Rating Downgrade” below, or if a rating is procured from a Substitute Rating Agency, the Issuer shall determine, with the agreement of the Trustee (who shall be entitled to consult with independent advisers in relation thereto, at the cost and expense of the Issuer), the rating designations of such Rating Agency or such Substitute Rating Agency (as appropriate) as are most equivalent to the prior rating designations of such Rating Agency and this Clause 2.4 shall be construed accordingly.

- 2.4.3** A Rating Downgrade or a Negative Rating Event or a non-investment grade rating shall be deemed not to have occurred as a result or in respect of a Restructuring Event if the Rating Agency making the relevant reduction in rating or, where applicable, refusal to assign a rating of at least investment grade as provided in this

Clause 2.4 does not announce or publicly confirm or inform the Issuer or the Trustee in writing upon request (which the Issuer shall make as set out in this Clause 2.4) that the reduction or, where applicable, declining to assign a rating of at least investment grade resulted, in whole or in part, from the occurrence of the Restructuring Event or any event or circumstance comprised in or arising as a result of the applicable Restructuring Event.

- 2.4.4 The Issuer undertakes to contact the relevant Rating Agency immediately following the reduction, or where applicable the refusal to assign a rating of at least investment grade, in each case referred to in this Clause 2.4, to confirm whether that reduction, or refusal to assign a rating of at least investment grade was the result, in whole or in part, of any event or circumstance comprised in or arising as a result of the applicable Restructuring Event. The Issuer shall notify the Trustee immediately upon receipt of any such confirmation from the relevant Rating Agency.
- 2.4.5 The Trustee shall not be obliged to monitor compliance by the Issuer with this Clause 2.4 and the Trustee shall be entitled to rely absolutely, without further investigation or enquiry and without liability to any persons, on any notice or certificate of the Issuer provided under this Clause 2.4.
- 2.4.6 The Issuer may not exercise any call option applicable pursuant to the terms and conditions of the relevant series of NGT Bonds if an Exercise Notice has been given pursuant to this Clause 2.4.

3 Benefit of the Deed

- 3.1 The Issuer undertakes in favour of the Beneficiaries to comply with its obligations under this Deed.
- 3.2 This Deed inures for the benefit of the Beneficiaries (for itself and each of the holders of the NGT Bonds).
- 3.3 Each Beneficiary shall have the benefit of all rights, powers, protections, indemnities, authorisations and discretions provided to it under the trust deed constituting the relevant NGT Bonds.

4 Miscellaneous

If any provision in this Deed should be illegal, invalid or unenforceable, the legality, validity and enforceability of the remaining provisions shall not be affected thereby.

5 Contracts (Rights of Third Parties) Act 1999

- 5.1 Other than as provided in Clause 5.2 below, a person who is not a party to this Deed may not enforce any of its terms under the Contracts (Rights of Third Parties) Act 1999.
- 5.2 The Beneficiaries may rely on and enforce the terms of this Deed.

6 Governing law

This Deed and any non-contractual obligations arising out of or in connection with it are governed by English law.

7 Jurisdiction

The English courts shall have exclusive jurisdiction to settle any dispute in connection with this Deed.

Schedule 1 NGT Bonds

1 Instruments under the Issuer's Euro Medium Term Note Programme:

- (i) GBP 50,000,000 fixed rate instruments issued 1998 due 2028 (ISIN: XS0091221258);
- (ii) GBP 100,000,000 index linked instruments issued 2006 due 2036 (ISIN: XS0250104345);
- (iii) GBP 115,000,000 index linked instruments issued 2006 due 2046 (ISIN: XS0258589646);
- (iv) GBP 300,000,000 index linked instruments issued 2006 due 2036 (ISIN: XS0270621138);
- (v) GBP 140,000,000 index linked instruments issued 2007 due 2037 (ISIN: XS0280586081);
- (vi) GBP 50,000,000 index linked instruments issued 2007 due 2037 (ISIN: XS0281549336);
- (vii) GBP 25,000,000 index linked instruments issued 2007 due 2037 (ISIN: XS0281936889);
- (viii) GBP 50,000,000 index linked instruments issued 2007 due 2037 (ISIN: XS0283715604);
- (ix) GBP 100,000,000 index linked instruments issued 2007 due 2037 (ISIN: XS0286452015);
- (x) GBP 25,000,000 index linked instruments issued 2007 due 2037 (ISIN: XS0286151914);
- (xi) GBP 50,000,000 index linked instruments issued 2007 due 2037 (ISIN: XS0289189093);
- (xii) GBP 50,000,000 index linked instruments issued 2007 due 2037 (ISIN: XS0291309226);
- (xiii) GBP 100,000,000 index linked instruments issued 2007 due 2037 (ISIN: XS0291522091);
- (xiv) GBP 100,000,000 index linked instruments issued 2007 due 2039 (ISIN: XS0293033717);
- (xv) GBP 75,000,000 index linked instruments issued 2007 due 2052 (ISIN: XS0316596476);
- (xvi) GBP 25,000,000 index linked instruments issued 2007 due 2037 (ISIN: XS0327278247);
- (xvii) GBP 65,000,000 index linked instruments issued 2007 due 2037 (ISIN: XS0287794456);
- (xviii) GBP 457,000,000 fixed rate instruments due 2038 (8 tranches) (ISIN: XS0363511873);
- (xix) GBP 50,000,000 index linked instruments issued 2010 due 2041 (ISIN: XS0529594037);
- (xx) GBP 300,000,000 fixed rate instruments issued 2020 due 2031 (ISIN: XS2112228676);
- (xxi) GBP 250,000,000 fixed rate instruments issued 2021 due 2033 (ISIN: XS2284250284);
- (xxii) GBP 250,000,000 fixed rate instruments issued 2021 due 2043 (ISIN: XS2284250441); and
- (xxiii) HKD 300,000,000 fixed rate instruments issued 2012 due 2027 (ISIN: XS0868855064).

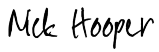
2 Standalone bonds:

- (i) GBP 200,000,000 fixed rate 7 1/8 per cent. bonds issued 1994 due 2044 (ISIN: XS004850835);
- (ii) GBP 275,000,000 fixed rate 8 3/4 per cent. bonds due 2025 (two tranches) (ISIN: XS0058343251); and
- (iii) GBP 503,780,000 guaranteed fixed rate 7.0 per cent. bonds issued 1999 due 2024 (ISIN: XS0103338496).

In witness whereof this Deed has been delivered on the date first stated above.

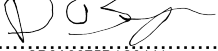
ISSUER

Executed as a DEED by **NATIONAL GAS TRANSMISSION plc**

DocuSigned by:

.....B8F4966BDD8F461.....

Name: Nick Hooper

Title: Director

DocuSigned by:

.....CD8A9675D1C0441.....

Name: David Byrne

Title: General Counsel and Company Secretary