



NATIONAL GAS TRANSMISSION PLC

(formerly National Grid Gas plc)

(incorporated with limited liability in England and Wales on 1 April 1986 under registered number 02006000)

Issue of €550,000,000 4.250 per cent. Instruments due 2030 and £250,000,000 5.750 per cent. Instruments due 2035 issued pursuant to the Euro 10,000,000,000 Euro Medium Term Note Programme of National Gas Transmission plc (the "Programme")

This drawdown prospectus (the "**Drawdown Prospectus**") (which must, unless otherwise expressly set out herein, be read and construed as one document in conjunction with all information incorporated by reference herein, including the sections of the base prospectus dated 26 August 2022 (the "**Base Prospectus**") relating to the Programme, see "**Documents Incorporated by Reference**") is prepared in connection with the issue by National Gas Transmission plc ("**National Gas Transmission**" or the "**Issuer**") of (i) €550,000,000 4.250 per cent. Instruments due 2030 (the "**2030 Instruments**") and (ii) £250,000,000 5.750 per cent. Instruments due 2035 (the "**2035 Instruments**"), and together with the 2030 Instruments, the "**Instruments**" and each, a "**Tranche**") under the Programme. Terms used but not defined in this Drawdown Prospectus shall have the same meanings as are ascribed to them in the sections of the Base Prospectus which are incorporated by reference herein.

Application has been made to the Financial Conduct Authority (the "**FCA**") under Part VI of the Financial Services and Markets Act 2000 ("**FSMA**") for the Instruments to each Tranche to be admitted to the official list of the FCA (the "**Official List**") and to the London Stock Exchange plc (the "**London Stock Exchange**") for the Instruments of each Tranche to be admitted to trading the London Stock Exchange's regulated market (the "**Market**"). References in this Drawdown Prospectus to the Instruments of a Tranche being "listed" (and all related references) shall mean that the Instruments of such Tranche have been admitted to trading on the Market and have been admitted to the Official List. The Market is a UK regulated market for the purposes of Article 2(1)(13A) of Regulation (EU) No 600/2014 as it forms part of UK domestic law by virtue of the European Union (Withdrawal) Act 2018 ("**EUWA**") ("**UK MiFIR**").

The issue price of the 2030 Instruments is 99.964 per cent. of the aggregate principal amount of the 2030 Instruments. Interest will be payable annually in arrear on 5 April of each year (each a "**2030 Interest Payment Date**"), commencing on 5 April 2024. The issue price of the 2035 Instruments is 99.883 per cent. of the aggregate principal amount of the 2035 Instruments. Interest will be payable annually in arrear on 5 April of each year (each a "**2035 Interest Payment Date**"), commencing on 5 April 2024.

This Drawdown Prospectus has been approved by the FCA, as competent authority under Regulation (EU) 2017/1129 as it forms part of UK domestic law by virtue of the EUWA (the "**UK Prospectus Regulation**"). The FCA only approves this Drawdown Prospectus as meeting the standards of completeness, comprehensibility and consistency imposed by the UK Prospectus Regulation; such approval should not be considered as (a) an endorsement of the Issuer; or (b) an endorsement of the quality of any Instruments that are the subject of this Drawdown Prospectus. Investors should make their own assessment as to the suitability of investing in the Instruments.

The Instruments of each Tranche will be represented on issue by a temporary global instrument in bearer form (in respect of each, a "**temporary Global Instrument**") and, together with the temporary Global Instrument in respect of the other Tranche, the "**temporary Global Instruments**"), which will be issued in new global note ("**NGN**") form. The temporary Global Instruments will be delivered on or prior to the relevant Issue Date to a common safekeeper (the "**Common Safekeeper**") for Euroclear Bank SA/NV ("**Euroclear**") and Clearstream Banking S.A. ("**Clearstream, Luxembourg**"). The temporary Global Instruments will be exchangeable for interests in a permanent global instrument (in respect of each, a "**permanent Global Instrument**") and, together with the permanent Global Instrument in respect of the other Tranche, the "**permanent Global Instrument**" and, together with the temporary Global Instruments, the "**Global Instruments**"), on or after a date which is expected to be 16 May 2023, upon certification as to non-U.S. beneficial ownership. The provisions governing the exchange of interests in any Global Instruments for interests in any other Global Instruments and Definitive Instruments are described in "**Overview of Provisions Relating to the Instruments while in Global Form**" in this Drawdown Prospectus.

The Instruments are expected to be rated Baa1 and A-, respectively, by Moody's Investors Service Limited ("**Moody's**") and Fitch Ratings Limited ("**Fitch**"). Moody's and Fitch are each established in the UK and registered under Regulation (EC) No 1060/2009 as it forms part of UK domestic law by virtue of the EUWA (the "**UK CRA Regulation**"). In general, UK regulated investors are restricted from using a rating for regulatory purposes if such rating is not issued by a credit rating agency established in the UK and registered under the UK CRA Regulation. A rating is not a recommendation to buy, sell or hold securities and may be subject to suspension, reduction or withdrawal at any time by the assigning rating agency.

Prospective investors should have regard to the factors described under the section headed "**Risk Factors**" below.

The Instruments have not been and will not be registered under the United States Securities Act of 1933, as amended (the "**Securities Act**") and may not be offered or sold within the United States or to, or for the account or benefit of, U.S. persons except in transactions exempt from the registration requirements of the Securities Act.

Joint Lead Managers

BNP PARIBAS
MUFG

Lloyds Bank Corporate Markets
NatWest Markets

RBC Capital Markets

IMPORTANT NOTICES

This Drawdown Prospectus comprises a prospectus for the purposes of the UK Prospectus Regulation and for the purpose of giving information with regard to National Gas Transmission and each of its subsidiary undertakings (together, the “**National Gas Transmission Group**”).

The Issuer accepts responsibility for the information contained in this Drawdown Prospectus. To the best of the knowledge of the Issuer such information contained in this Drawdown Prospectus is in accordance with the facts and this Drawdown Prospectus makes no omission likely to affect its import.

This Drawdown Prospectus should be read and construed together with any amendments or supplements hereto and with any documents deemed to be incorporated herein (see “*Documents Incorporated by Reference*” below).

No person has been authorised to give any information or to make any representation other than those contained in this Drawdown Prospectus in connection with the issue or sale of the Instruments and, if given or made, such information or representation must not be relied upon as having been authorised by the Issuer or any of BNP Paribas, Lloyds Bank Corporate Markets plc, MUFG Securities EMEA plc, NatWest Markets Plc and RBC Europe Limited (together, the “**Joint Lead Managers**”) or The Law Debenture Trust Corporation p.l.c. (the “**Trustee**”).

Neither the delivery of this Drawdown Prospectus nor the offering, sale or delivery of any Instrument shall, under any circumstances, create any implication that the information contained in this Drawdown Prospectus is true subsequent to the date hereof, that there has been no change (or any event reasonably likely to involve a change) in the affairs of the Issuer since the date of this Drawdown Prospectus or the date upon which this Drawdown Prospectus has been most recently amended or supplemented or that there has been no adverse change (or any event reasonably likely to involve any adverse change) in the financial position of the Issuer since the date of this Drawdown Prospectus or the date upon which this Drawdown Prospectus has been most recently amended or supplemented or that any other information supplied in connection with the Programme is correct as of any time subsequent to the date on which it is supplied or, if different, the date indicated in the document containing the same.

The distribution of this Drawdown Prospectus and the offering, distribution or sale of the Instruments in certain jurisdictions may be restricted by law. Persons into whose possession this Drawdown Prospectus comes are required by the Issuer and any of the Joint Lead Managers to inform themselves about and to observe any such restriction. The Instruments have not been and will not be registered under the United States Securities Act of 1933, as amended (the “**Securities Act**”) and will be in bearer form and subject to U.S. tax law requirements. Subject to certain exceptions, the Instruments may not be offered, sold or delivered within the United States or to, or for the account or benefit of, U.S. persons. For a description of certain restrictions on offers and sales of Instruments and on distribution of this Drawdown Prospectus, see “*Plan of Distribution*” set out in the Base Prospectus which is incorporated by reference in this Drawdown Prospectus.

The Instruments are being offered and sold outside the United States to Non-U.S. person in reliance on Regulation S. For a description of these and certain further restrictions on offers, sales and transfers of Instruments and distribution of this Drawdown Prospectus, see “*Plan of Distribution*” set out in the Base Prospectus which is incorporated by reference in this Drawdown Prospectus.

This Drawdown Prospectus does not constitute an offer of, or an invitation by or on behalf of the Issuer or the Joint Lead Managers or the Trustee to subscribe for, or purchase, any Instruments.

IMPORTANT - 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 (as amended, the “**EU 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.

IMPORTANT - 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 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 UK domestic law by virtue of the EUWA; or (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 UK MiFIR; or (iii) not a qualified investor as defined in Article 2 of the UK Prospectus Regulation. Consequently, no key information document required by the PRiIPs Regulation as it forms part of UK 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.

MIFID II PRODUCT GOVERNANCE / PROFESSIONAL INVESTORS AND ELIGIBLE COUNTERPARTIES ONLY TARGET MARKET – Solely for the purposes of any 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 eligible counterparties and professional clients only, each as defined in MiFID II; 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 such target market assessment; however, a distributor subject to MiFID II is responsible for undertaking its own target market assessment in respect of the Instruments (by either adopting or refining any manufacturer’s target market assessment) and determining appropriate distribution channels.

UK MiFIR PRODUCT GOVERNANCE / PROFESSIONAL INVESTORS AND ELIGIBLE COUNTERPARTIES 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, and professional clients, as defined in UK MiFIR; and (ii) all channels for distribution of the Instruments to eligible counterparties and professional clients are appropriate. Any distributor should take into consideration the manufacturers’ target market assessment; however, a distributor subject to the FCA Handbook Product Intervention and Product Governance Sourcebook 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.

Save for the Issuer, no other party has separately verified the information contained in this Drawdown Prospectus. None of the Joint Lead Managers or the Trustee makes any representation, express or implied, or accepts any responsibility, with respect to the accuracy or completeness of any of the information in this Drawdown Prospectus. Neither this Drawdown Prospectus nor any other financial statements are intended to provide the basis of any credit or other evaluation and should not be considered

as a recommendation by the Issuer, the Joint Lead Managers or the Trustee that any recipient of this Drawdown Prospectus or any other financial statements should purchase the Instruments. Each potential purchaser of the Instruments should determine for itself the relevance of the information contained in this Drawdown Prospectus and its purchase of Instruments should be based upon such investigation as it deems necessary. None of the Joint Lead Managers or the Trustee undertakes to review the financial condition or affairs of the Issuer during the life of the arrangements contemplated by this Drawdown Prospectus or to advise any investor or potential investor in the Instruments of any information coming to the attention of any of the Joint Lead Managers or the Trustee.

Each potential investor in any Instruments must determine the suitability of that investment in light of its own circumstances. In particular, each potential investor may wish to consider either on its own or with the help of its financial and other professional advisers, whether it:

- (i) has sufficient knowledge and experience to make a meaningful evaluation of the relevant Instruments, the merits and risks of investing in the relevant Instruments and the information contained or incorporated by reference in this Drawdown Prospectus or any applicable supplement;
- (ii) has access to, and knowledge of, appropriate analytical tools to evaluate, in the context of its particular financial situation, an investment in the relevant Instruments and the impact such investment will have on its overall investment portfolio;
- (iii) has sufficient financial resources and liquidity to bear all of the risks of an investment in the relevant Instruments, including where principal or interest is payable in one or more currencies, or where the currency for principal or interest payments is different from the potential investor's currency;
- (iv) understands thoroughly the terms of the relevant Instruments and be familiar with the behaviour of any relevant indices and financial markets; and
- (v) is able to evaluate possible scenarios for economic, interest rate and other factors that may affect its investment and its ability to bear the applicable risks.

Certain Instruments are complex financial instruments and such instruments may be purchased as a way to reduce risk or enhance yield with an understood, measured, appropriate addition of risk to their overall portfolios. A potential investor should not invest in Instruments which are complex financial instruments unless it has the expertise (either alone or with the help of a financial adviser) to evaluate how the Instruments will perform under changing conditions, the resulting effects on the value of such Instruments and the impact this investment will have on the potential investor's overall investment portfolio.

The investment activities of certain investors are subject to investment laws and regulations, or review or regulation by certain authorities. Each potential investor should consult its legal advisers to determine whether and to what extent (1) Instruments are legal investments for it, (2) Instruments can be used as collateral for various types of borrowing and (3) other restrictions apply to its purchase or pledge of any Instruments. Financial institutions should consult their legal advisers or the appropriate regulators to determine the appropriate treatment of Instruments under any applicable risk-based capital or similar rules.

In this Drawdown Prospectus, unless otherwise specified or the context otherwise requires, references to "€" and "euro" are to the currency of those member states of the European Union which are participating in European Economic and Monetary Union pursuant to the Treaty on the Functioning of the European Community, as amended, to "£" and "sterling" are to the lawful currency of the United Kingdom and to "US dollars" are to the lawful currency of the United States of America.

If a jurisdiction requires that the offering be made by a licensed broker or dealer and any Joint Lead Manager or any affiliate of any Joint Lead Manager is a licensed broker or dealer in that jurisdiction, the offering shall be deemed to be made by such Joint Lead Manager(s) or such affiliate(s) on behalf of the Issuer in such jurisdiction.

SINGAPORE SECURITIES AND FUTURES ACT PRODUCT CLASSIFICATION – In connection with Section 309B of the Securities and Futures Act 2001 of Singapore, as modified or amended from time to time (the “**SFA**”) and the Securities and Futures (Capital Markets Products) Regulations 2018 of Singapore (the “**CMP Regulations 2018**”), the Issuer has determined, and hereby notifies all relevant persons (as defined in Section 309A(1) of the SFA), that the Instruments are “prescribed capital markets products” (as defined in the CMP Regulations 2018) and Excluded Investment Products (as defined in MAS Notice SFA 04-N12: Notice on the Sale of Investment Products and MAS Notice FAA-N16: Notice on Recommendations on Investment Products).

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DOCUMENTS INCORPORATED BY REFERENCE

This Drawdown Prospectus should be read and construed in conjunction with:

- (i) the sections set out below from the Base Prospectus (<https://www.nationalgrid.com/document/147751/download>):

Risk Factors except for the following risk factors which are set out under the headings “ <i>Risk Factors – Factors which are material for the purpose of assessing the market risks associated with Instruments issued under the Programme – Risks related to the structure of certain types of Instruments which may be issued under the Programme</i> ”; “ <i>Risk Factors – Factors which are material for the purpose of assessing the market risks associated with Instruments issued under the Programme – Risks related to all Instruments issued under the Programme – Modification, waivers and substitution</i> ”; and “ <i>Risk Factors – Factors which are material for the purpose of assessing the market risks associated with Instruments issued under the Programme – Risks related to all Instruments issued under the Programme – Credit ratings may not reflect all risks</i> ”	10 – 25
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- (ii) the audited consolidated annual financial statements of the Issuer for the financial years ended 31 March 2021 and 31 March 2022 together in each case with the audit report thereon (available at <https://www.nationalgrid.com/document/142931/download> and <https://www.nationalgrid.com/document/147371/download>, respectively),

each of which has been previously published and which have been, with respect to the Base Prospectus only, approved by the FCA and, with respect to the audited consolidated annual financial statements of the Issuer for the financial years ended 31 March 2021 and 31 March 2022, filed with the FCA.

Such documents shall be incorporated in, and form part of this Drawdown Prospectus, save that any statement contained in a document which is incorporated by reference herein shall be modified or superseded for the purpose of this Drawdown Prospectus to the extent that a statement contained herein modifies or supersedes such earlier statement (whether expressly, by implication or otherwise). Any statement so modified or superseded shall not, except as so modified or superseded, constitute a part of this Drawdown Prospectus. Any documents themselves incorporated by reference in the documents incorporated by reference in this Drawdown Prospectus shall not form part of this Drawdown Prospectus.

The table below sets out the relevant page references for the audited consolidated annual financial statements and the audit reports of the Issuer for the financial years ended 31 March 2021 and 31 March 2022, each of which are incorporated by reference herein:

Audited Consolidated Annual Financial Statements of the Issuer	2021	2022
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Those parts of the Base Prospectus and the audited consolidated annual financial statements of the Issuer for the financial years ended 31 March 2021 and 31 March 2022 which are not specifically incorporated by reference in this Drawdown Prospectus are either not relevant for the investor or are covered elsewhere in this Drawdown Prospectus.

RISK FACTORS

Prospective investors should have regard to the risk factors described under the section headed “*Risk Factors*” set out in the Base Prospectus, which are incorporated by reference into this Drawdown Prospectus, and the additional risk factors set out below.

1 Factors that may affect National Gas Transmission’s ability to fulfil its obligations under Instruments issued under the Programme

Inflation

The RIIO-GD2 price control links National Gas Transmission’s annual revenue allowances and regulatory asset value to CPIH. However, a proportion of National Gas Transmission’s cost base and borrowings are affected by changes in rates of inflation which may differ to CPIH and are instead directly linked to RPI or CPI. There is a risk that inflationary impacts on the business’s costs are higher than CPIH inflation and are not fully compensated by the CPIH adjustment to the Issuer’s revenues. There is also the risk that year-on-year CPIH inflation is negative with no corresponding decrease in costs or insufficient decrease to offset the impact on revenues. Further, CPI and RPI may grow or decrease at a different rate to CPIH which leaves a mismatch between the Issuer’s revenues and liabilities. This may adversely affect the business’s results or operations and the Issuer’s ability to generate sufficient net cash flows, and in turn, may adversely affect the Issuer’s ability to meet its payment obligations under the Instruments or comply with the terms and conditions of the Instruments.

Increasing gas prices

There has been a significant increase in natural gas prices due to several factors including supply chain constraints due to the on-going conflict between Russia and Ukraine. National Gas Transmission is exposed to cashflow timing risks within the gas market arising from shipper or supplier failures due to increasing natural gas commodity prices where those cannot be recovered from the end consumers.

In the event of potential supplier insolvency (a number of which have occurred over the past year), Ofgem has the power to revoke the relevant supplier’s licence and appoint a Supplier of Last Resort (“**SoLR**”). The SoLR would be another energy supply company which has either volunteered to be the SoLR or has been directed by Ofgem to act in this capacity and take on the customers of the insolvent energy company. The SoLR may, with the consent of Ofgem, make a claim for an amount reflecting the extent to which its total costs (including interest on working capital) reasonably incurred in supplying gas to premises as SoLR and a reasonable profit, plus any sums paid or debts assumed by the licensee to compensate any customer in respect of any customer credit balances, are greater than the total amounts it recovers (the “**Last Resort Supply Payment**”). The SoLR regime has been used on numerous occasions where energy supply companies have gone into insolvency.

The consequences of the risk of shipper or supplier failures for National Gas Transmission are mitigated through the regulatory framework which:

- in respect of a Last Resort Supply Payment, permits National Gas Transmission to make a consequential increase to its transportation charges during the following (or, depending on the time of claim, subsequent) regulatory year to such an extent as it reasonably estimates to be appropriate to secure that such consequential increase in its revenue equals the Last Resort Supply Payments; and
- in respect of a shipper failure, allows National Gas Transmission to recover costs and revenues net of any security and successful claims from administrators.

Further, National Gas Transmission is directly exposed to gas price volatility for shrinkage (being leakage from the network, theft of gas volumes and own use gas volumes). Ultimately, there is a risk that, supplier

and shipper failures or high shrinkage costs, reduce the net cash flows of National Gas Transmission because recovery of its transportation charges is delayed, which may adversely affect the ability of National Gas Transmission to meet its payment obligations under the Notes or comply with the terms and conditions of the Notes.

2 Factors which are material for the purpose of assessing the market risks associated with Instruments issued under the Programme

Risks related to the structure of certain types of Instruments which may be issued under the Programme

Instruments subject to optional redemption by the Issuer

The Instruments are callable, at the option of the Issuer, either at certain times or at any time during the life of the Instruments. An optional redemption feature is likely to limit the market value of Instruments. During any period when the Issuer may elect to redeem Instruments, the market value of those Instruments generally will not rise substantially above the price at which they can be redeemed. This also may be true prior to any redemption period.

The Issuer may be expected to redeem Instruments when its cost of borrowing is lower than the interest rate on the Instruments. At those times, an investor generally would not be able to reinvest the redemption proceeds at an effective interest rate as high as the interest rate on the Instruments being redeemed and may only be able to do so at a significantly lower rate. Potential investors should consider reinvestment risk in light of other investments available at that time.

Exchange rate risks and exchange controls may impact the Instruments

The Issuer will pay principal and interest in euro in respect of the 2030 Instruments and sterling in respect of the 2035 Instruments. This presents certain risks relating to currency conversions if an investor's financial activities are denominated principally in a currency or currency unit (the "Investor's Currency") other than euro and sterling. These include the risk that exchange rates may significantly change (including changes due to devaluation of euro or sterling or revaluation of the Investor's Currency) and the risk that authorities with jurisdiction over the Investor's Currency may impose or modify exchange controls. An appreciation in the value of the Investor's Currency relative to euro or sterling would decrease (1) the Investor's Currency equivalent yield on the Instruments, (2) the Investor's Currency equivalent value of the principal payable on the Instruments and (3) the Investor's Currency equivalent market value of the Instruments.

Government and monetary authorities may impose (as some have done in the past) exchange controls that could adversely affect an applicable exchange rate or the ability of the Issuer to make payments in respect of the Instruments. As a result, investors may receive less interest or principal than expected, or no interest or principal at all.

Interest rate risks relevant to the Instruments

The Instruments pay a fixed rate of interest. Investment in the Instruments involves the risk that if market interest rates increase during the life of the Instruments (for example, if the prevailing bank interest rate in the relevant investor's jurisdiction were to increase), this could result in the rate of interest for the time being payable under the terms of the Instruments becoming relatively less attractive which may in turn adversely affect the value of the Instruments.

Risks related to all Instruments issued under the Programme

Modification, waivers and substitution

The Terms and Conditions of the Instruments contain provisions for calling meetings (including meetings held by way of audio or video conference) of Instrumentholders to consider matters affecting their interests generally. These provisions permit defined majorities to bind all Instrumentholders including Instrumentholders who did not attend (or participate remotely in) and vote at the relevant meeting and Instrumentholders who voted in a manner contrary to the majority.

The Terms and Conditions of the Instruments also provide that the Trustee may, without the consent of Instrumentholders, agree to (a) any modification of any of the provisions of the Trust Deed that is of a formal, minor or technical nature or is made to correct a manifest error, (b) any other modification (except as mentioned in the Trust Deed), and any waiver or authorisation of any breach or proposed breach, of any of the provisions of the Trust Deed that is in the opinion of the Trustee not materially prejudicial to the interests of the Instrumentholders, (c) give effect to any Benchmark Amendments (as defined in the Conditions) required by the Issuer pursuant to Condition 3.10.1 or 3.10.4, (d) modifying or varying Condition 2.3, or (e) the substitution of another company as principal debtor under any Instruments in place of the Issuer, in the circumstances described in Condition 11 of the Terms and Conditions of the Instruments.

Credit ratings may not reflect all risks

One or more independent credit rating agencies may assign credit ratings to the Issuer or an issue of Instruments. The ratings may not reflect the potential impact of all risks related to structure, market, additional factors discussed above, and other factors that may affect the value of the Instruments. A credit rating is not a recommendation to buy, sell or hold securities and may be revised, suspended, lowered or withdrawn by the rating agency at any time if in its judgment circumstances in the future so warrant or if a different methodology is applied to assign such credit rating. A revision, suspension, lowering or withdrawal at any time of the credit rating assigned to the Issuer or the Instruments may adversely affect the market price or liquidity of the Instruments. If any of the credit rating agencies that have rated the Instruments or other debt securities of the Issuer downgrades or lowers its credit rating, or if any credit rating agency indicates that it has placed any such rating on a so-called “watch list” for a possible downgrading or lowering or otherwise indicates that its outlook for that rating is negative, it could have an adverse impact on the market value of the Instruments and the Issuer’s borrowing capacity and borrowing costs, which could in turn have an adverse impact on the Issuer’s financial condition, results of operations and cash flows.

National Gas Transmission’s senior unsecured debt has been rated ‘Baa1’ by Moody’s, and ‘A-’ by Fitch.

Fitch and Moody’s are established in the UK and registered under the UK CRA Regulation. Fitch Ratings Ireland Limited currently endorses ratings issued by Fitch and Moody’s Deutschland GmbH currently endorses ratings issued by Moody’s for regulatory purposes in the EEA in accordance with the Regulation (EC) No 1060/2009 (the “**EU CRA Regulation**”). Moody’s Deutschland GmbH is established in Germany and Fitch Ratings Ireland Limited is established in Ireland and each has been registered under the EU CRA Regulation. There can be no assurance that Fitch Ratings Ireland Limited and Moody’s Deutschland GmbH will continue to endorse ratings issued by Fitch and Moody’s, respectively.

In general, UK regulated investors are restricted under the UK CRA Regulation from using ratings for regulatory purposes in the UK unless such ratings are issued by a credit rating agency established in the UK and registered under the UK CRA Regulation (and such registration has not been withdrawn or suspended). Such general restriction will also apply in the case of ratings issued by non-UK rating agencies, unless the relevant ratings are endorsed by a UK-registered rating agency or the relevant non-UK rating agency is certified in accordance with the UK CRA Regulation (and such endorsement action or certification, as the case may be, has not been withdrawn or suspended). The list of registered and certified

rating agencies published on the FCA register in accordance with the UK CRA Regulation is not conclusive evidence of the status of the relevant rating agency included in such list, as there may be delays between certain supervisory measures being taken against a relevant rating agency and the publication of the updated FCA register.

Similarly, EEA regulated investors are restricted under the EU CRA Regulation from using ratings for regulatory purposes in the EEA unless such ratings are issued by a rating agency established in the EEA and registered under the EU CRA Regulation (and such registration has not been withdrawn or suspended). Such general restriction will also apply in the case of ratings issued by non-EEA rating agencies, unless the relevant ratings are endorsed by an EEA-registered rating agency or the relevant non-EEA rating agency is certified in accordance with the EU CRA Regulation (and such endorsement action or certification, as the case may be, has not been withdrawn or suspended). The list of registered and certified rating agencies published on the European Securities and Markets Authority (“**ESMA**”) register in accordance with the EU CRA Regulation is not conclusive evidence of the status of the relevant rating agency included in such list, as there may be delays between certain supervisory measures being taken against a relevant rating agency and the publication of the updated ESMA register.

If the status of the rating agency rating the Instruments changes for the purposes of the UK CRA Regulation or the EU CRA Regulation, UK and/or EEA regulated investors may no longer be able to use the rating for regulatory purposes in the UK or the EEA, as applicable, which may impact the value of the Instruments and their liquidity in the secondary market.

AMENDMENTS TO THE TERMS AND CONDITIONS OF THE INSTRUMENTS

For purposes of issuance of the 2030 Instruments and the 2035 Instruments only, the section headed "TERMS AND CONDITIONS OF THE INSTRUMENTS" of the Base Prospectus shall be amended as follows:

(A) Condition 2 (*Status*) on page 27 of the Base Prospectus shall be deleted in its entirety and replaced with the following:

2 Status, Negative Pledge and Covenants

2.1 Status

The Instruments and the Coupons relating to them constitute direct, unconditional and (subject to Condition 2.2) unsecured obligations of the Issuer and rank *pari passu* without any preference or priority among themselves. The payment obligations of the Issuer under the Instruments and Coupons shall, subject to such exceptions as are from time to time applicable under the laws of England and subject to Condition 2.2, rank equally with all other present and future unsecured obligations (other than subordinated obligations, if any) of the Issuer.

2.2 Negative Pledge

So long as any Instrument or Coupon remains outstanding (as defined in the Trust Deed), 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 Instruments 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 Trustee shall in its absolute discretion deem not materially less beneficial to the interest of the Instrumentholders or (ii) shall be approved by an Extraordinary Resolution (as defined in the Trust Deed) of the Instrumentholders.

In this Condition 2.2,

"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 Instrumentholders;

“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; and

“Subsidiary” has the meaning provided in Condition 2.3 below.

2.3 Covenants

2.3.1 The Issuer shall:

- (a) provide to the Trustee, within 150 days of 31 March and within 90 days of 30 September in each year (commencing with and from 30 September 2023) a certificate signed by two Directors of the Issuer stating its Regulated Asset Ratio as at the most recent Calculation Date (including computations in reasonable detail); and
- (b) subject to Condition 2.3.2 below, not, directly or indirectly, make any Distribution (and shall not put in place alternative arrangements, the purpose of which is to circumvent any such limitation on the payment of Distributions) unless:
 - (i) the most recently delivered certificate referred to in Condition 2.3.1(a) above confirms that the Regulated Asset Ratio as at the most recent Calculation Date was not greater than 0.725:1; and
 - (ii) the Issuer certifies to the Trustee that the Regulated Asset Ratio (as shown in the most recently delivered certificate referred to in paragraph (a) above) recalculated on a pro forma basis following the payment of such Distribution would not be greater than 0.725:1.

2.3.2 The Issuer shall be entitled to, directly or indirectly, make any Distribution:

- (i) prior to the earlier of:
 - (A) the date on which the certificate in respect of 30 September 2023 is delivered by the Issuer to the Trustee; and
 - (B) the deadline for the Issuer to deliver the certificate in respect of 30 September 2023,in each case, pursuant to Condition 2.3.1(a) above, provided that the Regulated Asset Ratio following the payment of such Distribution would not be greater than 0.725:1; or
- (ii) at any time, if such Distribution is a Permitted Business Payment.

2.3.3 The Issuer confirms that its Regulated Asset Ratio as at 30 September 2022 was not greater than 0.725:1.

2.3.4 Definitions and Construction

For the purposes of this Condition 2.3:

“Affiliate” means in relation to any person, a Subsidiary of that person or a Holding Company of that person or any other Subsidiary of that Holding Company;

“Applicable Accounting Principles” means International Financial Reporting Standards (IFRS) or generally accepted accounting principles in the United Kingdom;

“Applicable Mismatch Period” means:

- (a) in relation to Shrinkage, System Operator Allowed Revenue and/or Transmission Allowed Revenue for the purposes of the calculation of Regulatory Timing Mismatch, 2 years from the last day of the relevant period for which a Regulatory Timing Mismatch is being calculated; and
- (b) in relation to System Operator Neutrality Costs, 3 months from the particular date that Net Debt is being calculated;

“Applicable Regulatory Regime” means the Licence, the Uniform Network Code and any other applicable regulation or legislation and/or any regulatory policy or guidance that is binding on the Issuer;

“Authorised Investments” means:

- (a) securities issued by the government of the United Kingdom;
- (b) demand or time deposits, certificates of deposit and short-term unsecured debt obligations, including commercial paper, or other investments with similar liquidity and effective credit quality characteristics to time deposits, provided that the issuing entity or, if such investment is guaranteed, the guaranteeing entity, is rated the Minimum Short-term Rating or (if the relevant Authorised Investments have an original maturity in excess of one year) the Minimum Long-term Rating from at least one of Fitch, Moody's or S&P;
- (c) any other obligations provided that in each case the relevant investment has the Minimum Short-term Rating or (if the relevant Authorised Investments have an original maturity in excess of one year) the Minimum Long-term Rating from at least one of Fitch, Moody's or S&P; and
- (d) any other money market funds having the Minimum Short-term Rating from at least one of Fitch, Moody's or S&P;

in each case denominated in sterling, euros or US Dollars and to which any member of the Group is alone (or together with other members of the Group) beneficially entitled at that time and which is not issued or guaranteed by any member of the Group or subject to any Security;

“Calculation Date” means 31 March and 30 September in each year or any other calculation date agreed as a result of a change in the financial year end date of the Issuer;

“Cash” means, at any time, cash denominated in sterling, euro, US dollars or any other major international currency in hand or at bank and (in the latter case) credited to a bank account in the name of a member of the Group and to which a member of the Group is alone (or together with other members of the Group) beneficially entitled and for so long as:

- (a) that cash is repayable on demand;
- (b) repayment of that cash is not contingent on the prior discharge of any other Financial Indebtedness of any member of the Group or of any other person whatsoever or on the satisfaction of any other condition;
- (c) there is no Security Interest over that cash except comprising a netting or set-off arrangement (including under any Hedging Agreement) entered into by members of the Group in the ordinary course of their banking arrangements;
- (d) the cash is freely available to be applied in payment of any obligation under the Instruments; and
- (e) the cash has not accrued as a result of, nor is attributable to, an Overpayment;

“Distribution” means any payments (including any payments of distributions, dividends, bonus issues, return of capital, interest or principal (by way of loan or repayment of any loan or otherwise)) (in cash or in kind) to any Affiliate of the Issuer;

“Finance Lease” means any lease or hire purchase contract, a liability under which would, in accordance with Applicable Accounting Principles, be treated as a balance sheet liability;

“Financial Indebtedness” means any indebtedness for or in respect of:

- (a) moneys borrowed and debit balances at banks or other financial institutions;
- (b) any acceptance under any acceptance credit or bill discounting facility (or dematerialised equivalent);
- (c) any note purchase facility or the issue of bonds (but not Trade Instruments), notes, debentures, loan stock or any similar instrument;
- (d) the amount of any liability in respect of any Finance Leases;
- (e) receivables sold or discounted (other than any receivables to the extent they are sold on a non-recourse basis);
- (f) any termination amount (but not the marked-to-market value) due from any member of the Group in respect of a derivative transaction;
- (g) any counter-indemnity obligation in respect of a guarantee, indemnity, bond, standby or documentary letter of credit or any other instrument (but not, in any case, Trade Instruments) issued by a bank or financial institution in respect of an underlying liability of an entity which is not a member of the Group which liability would fall within any of the other paragraphs of this definition;
- (h) any amount of any liability under an advance or deferred purchase agreement if:
 - (i) one of the primary reasons behind entering into the agreement is to raise finance or to finance the acquisition or construction of the asset or service in question; or

- (ii) the agreement is in respect of the supply of assets or services and payment is due more than 60 days after the date of supply;
- (i) any amount raised under any other transaction (including any forward sale or purchase, sale and sale back or sale and leaseback agreement) of a type not referred to in any other paragraph of this definition having the commercial effect of a borrowing or otherwise classified as a borrowing under Applicable Accounting Principles; and
- (j) the amount of any liability in respect of any guarantee or indemnity for any of the items referred to in paragraphs (a) to (i) above;

The term “**Financial Indebtedness**” shall not, for the avoidance of doubt, include any obligations in respect of early retirement or termination obligations, pension fund obligations or contributions or similar claims, obligations or contributions (or guarantees, surety bonds, letters of credit or other instruments in relation to any such obligations, contributions or claims);

“**Fitch**” means Fitch Ratings Limited or any successor to its rating business;

“**Group**” means the Issuer and its Subsidiaries from time to time;

“**Hedging Agreements**” means any ISDA Master Agreement (including the schedule and (if any) credit support annex thereto, and any Treasury Transaction thereunder) entered, or to be entered into, by any member of the Group with a Hedge Counterparty, each of which is individually a “**Hedging Agreement**”;

“**Hedge Counterparties**” means the counterparties to any Hedging Agreement, each of which is individually an “**Hedge Counterparty**”;

“**Holding Company**” means, in relation to a company or corporation, any other company or corporation in respect of which it is a Subsidiary;

“**Index-Linked Hedging Agreement**” means any Hedging Agreement with a Hedge Counterparty in respect of an Index-Linked Hedging Transaction;

“**Index-Linked Hedging Transaction**” means any Hedging Transaction pursuant to an Index-Linked Hedging Agreement under which payments to be made by either party are to be indexed;

“**Investment Grade**” means a rating of at least BBB- by S&P or BBB- by Fitch or Baa3 by Moody's (or any replacement notation therefor, or such equivalent ratings by any other internationally recognised credit rating agency);

“**Licence Income Limits**” means the Allowed Revenue (as set out and defined in Special Condition 2.1 (*Transportation owner revenue restriction*) of the Special Conditions of the Material Licence) and SO Allowed Revenue (as set out and defined in Special Condition 2.3 (*System operator revenue restriction*) of the Special Conditions of the Material Licence);

“**Long Term Agreements**” means:

- (a) in respect of the Warwick HQ and Gas National Control Centre:
 - (i) underlease between (1) National Grid Electricity Transmission plc and (2) the Issuer;

- (ii) licence for alterations between (1) National Grid Electricity Transmission plc and (2) the Issuer; and
 - (iii) agreement for critical national infrastructure services between (1) National Grid Electricity Transmission plc and (2) the Issuer;
- (b) in respect of Hams Lane and Backup Gas National Control Centre:
- (i) underlease between (1) National Grid Electricity Transmission plc and (2) the Issuer; and
 - (ii) agreement for critical national infrastructure services between (1) National Grid Electricity Transmission plc and (2) the Issuer;
- (c) in respect of Eakring Training Centre:
- (i) underlease between (1) National Grid Electricity Transmission plc and (2) the Issuer; and
 - (ii) agreement for training services between (1) National Grid Electricity Transmission plc and (2) the Issuer;
- (d) in respect of Homer Road Solihull, underlease between (1) the Issuer and (2) National Grid Property Holdings Limited; and
- (e) in respect of Warrington Archive, an agreement for the provision of archive services between (1) the Issuer and (2) National Grid UK Limited;

“Material Licence” means the Issuer’s gas transporter licence granted pursuant to section 7 of the Gas Act, with respect to its transportation of gas and any other licences notified as such by the Issuer to the Trustee;

“Minimum Long-term Rating” means in respect of:

- (a) any person, such person’s long-term unsecured and unsubordinated debt obligations being rated; or
- (b) any instrument, such instrument being rated,

in the case of Moody’s “Baa2”; in the case of S&P, “BBB”; and in the case of Fitch, “BBB”, provided that, for the purposes of determining whether such a person has satisfied the Minimum Long-term Rating:

- (i) if such person or instrument has (x) two ratings, the lower of those ratings will apply; and (y) three ratings, the two lowest equivalent ratings will apply; and
- (ii) none of Moody’s, S&P or Fitch may assign a rating below Investment Grade to such person or instrument (to the extent that such ratings have been assigned to such person by Moody’s, S&P or Fitch);

“Minimum Short-term Rating” means in respect of:

- (a) any person, such person’s short term unsecured and unsubordinated debt obligations being rated; or
- (b) any instrument, such instrument being rated,

in the case of Moody's, "Prime-2"; in the case of S&P, "A-2"; and in the case of Fitch, "F2", provided that, for purposes of determining whether such a person has satisfied the Minimum Short-term Rating:

- (i) if such person or instrument has (x) two ratings, the lower of those ratings will apply; and (y) three ratings, the two lowest equivalent ratings will apply; and
- (ii) none of Moody's, S&P or Fitch may assign a rating below P-3, A-3 and F3 respectively to such person or instrument (to the extent that such ratings have been assigned to such person by S&P, Fitch or Moody's);

"Moody's" means Moody's Investors Service Limited or any successor to its rating business;

"Net Debt" means, as at any particular time, the aggregate nominal amount (which, for the avoidance of doubt, here means the original face value where relevant) of all outstanding (or, in respect of a future date, forecast to be outstanding) obligations of the Group (on a consolidated basis) in respect of Financial Indebtedness and so that no amount shall be included or excluded more than once provided that, in relation to any amount denominated other than in sterling (the **"foreign currency amount"**), such foreign currency amount shall be expressed in terms of sterling, calculated on the basis of the applicable FX Rate:

- (a) excluding any Subordinated Debt;
- (b) including, in the case of Finance Leases, only the capitalised value thereof;
- (c) including (on a net basis) any accretion portion of any Financial Indebtedness which is indexed and any accretion under any Index-Linked Hedging Transaction;
- (d) excluding any un-crystallised mark to market amount relating to any Hedging Agreement (other than Hedging Agreements having the commercial effect of annuity payments); and
- (e) excluding any amounts owing between members of the Group;
- (f) less:
 - (i) Cash of the Group; and
 - (ii) Authorised Investments of the Group;
- (g) less:
 - (i) Regulatory Receivables Debtors; and
 - (ii) the amount of Regulatory Timing Mismatch accrued or, in the case of a forward-looking financial ratio, projected to be accrued, in the 12 month period prior to the relevant Calculation Date (or, if such number is a negative number, adding the absolute value of such Regulatory Timing Mismatch),

without double counting,

where “**FX Rate**” means, in relation to the amounts referred to in this definition:

- (i) if hedged pursuant to a Treasury Transaction, the exchange rate specified therein; and
- (ii) if not hedged, the spot rate of exchange for the purchase of the relevant currency with sterling in the London foreign exchange market at or about 11:00 a.m. on the date of such calculation;

“**Out-turn Inflation**” means, in respect of any period for which the relevant indices have been published, the actual inflation rate (or rates) applicable to such period determined by reference to movements in any applicable index (or indices) as specified by the Regulator from time to time;

“**Overpayment**” means any amount recovered from customers by the Issuer in respect of any financial year in excess of any limit prescribed by the Regulator in respect of such period;

“**Periodic Review**” means any review of gas transmission price controls conducted by the Regulator from time to time;

“**Permitted Business Payment**” means any payment made by or on behalf of the Issuer to an Affiliate:

- (a) under the Transitional and Long Term Services Agreements; or
- (b) on an arm’s length basis in the ordinary course of its business;

“**Price Control Financial Model**” means the price control financial model (or such other replacement from time to time) of the Issuer approved by the Regulator in respect of the period for which a Regulatory Timing Mismatch is being calculated;

“**RAV**” means, in relation to any date:

- (a) the regulatory asset value in respect of the Issuer as published in the latest Periodic Review in respect of the most recent 31 March (or such other definitive date within a Periodic Review period as may be set by the Regulator in respect of future Periodic Review periods) (in each case, a “**Definitive Date**”) provided that, (i) for any date falling from and excluding a Definitive Date to but excluding the next Definitive Date within a Periodic Review period, the regulatory asset value shall be the Issuer’s good faith interpolation of its regulatory asset value based upon the regulatory asset value for each such Definitive Date; and (ii) for any date in respect of which there has been no final proposal by the Regulator, the regulatory asset value shall be the Issuer’s good faith, present estimate of its regulatory asset value on the relevant date; plus
- (b) (without double counting) amounts of expenditure which have been logged up through a Recognised Regulatory Mechanism for subsequent recognition in the regulatory asset value in a future Periodic Review period,

in each case as adjusted by Out-turn Inflation;

“**Recognised Regulatory Mechanism**” means any of: (i) any correction mechanism employed by the Regulator to adjust the Licence Income Limits for any previous over- or under- recovery against the Issuer’s regulatory allowed revenue, including any income adjusting event exceeding the threshold determined from

time to time by the Regulator; (ii) logging up of RAV, where the Regulator has approved the relevant expenditure; (iii) any mechanism capable of being employed by the Regulator set out in the Special Conditions of the Material Licence; or (iv) any other similar mechanism as agreed from time to time between the Regulator and the Issuer;

“Regulated Asset Ratio” at each Calculation Date or such other date at which a calculation is required to be made, means the ratio of Net Debt to RAV;

“Regulator” means the Gas and Electricity Markets Authority, operating through the Office of Gas and Electricity Markets and any successors thereto.

“Regulatory Receivables Debtors” means amounts owed to the Issuer in respect of System Operator Neutrality Costs which are included under the “debtors” (or equivalent) line item in the Issuer’s balance sheet;

“Regulatory Timing Mismatch” means in respect of any period for which it is being calculated the sum of:

- (a) the aggregate of payments actually made by the Issuer in such period to fund costs in respect of Shrinkage (to the extent such costs are efficiently incurred) *less* the amount of revenues actually collected by the Issuer in such period in respect of Shrinkage;
- (b) System Operator Allowed Revenue *less* System Operator Actual Revenue; and
- (c) Transmission Allowed Revenue *less* Transmission Actual Revenue,

(the result of the sums of each of (a), (b) and (c) being a **“mismatch”**), provided that:

- (i) if a mismatch is a positive number, the Issuer reasonably considers (based on, among other things, the Applicable Regulatory Regime and the level of recovery in previous years) that such amount is or will be fully recoverable within the Applicable Mismatch Period pursuant to the Applicable Regulatory Regime; and
- (ii) if a mismatch is:
 - (x) a positive number, deducting the amount of corporation tax that would have been due and payable (or, in the case of any forward-looking financial ratios, is anticipated to be paid or payable) on the amount of the mismatch, had it been received in such period; or
 - (y) a negative number, adding the amount of corporation tax that was actually paid or payable in such period (or, in the case of any forward-looking financial ratios, is anticipated to be actually paid or payable) to such mismatch;

“S&P” or **“Standard & Poor’s”** means Standard & Poor’s Credit Market Service UK Limited or any successor to its rating business;

“Security” means a mortgage, charge, pledge, lien or other security interest securing any obligation of any person or any other agreement or arrangement having a similar effect;

“Security Interest” means:

- (a) any mortgage, pledge, lien, charge, assignment or hypothecation or other encumbrance securing any obligation of any person;
- (b) any arrangement under which money or claims to money, or the benefit of, a bank or other account may be applied, set off or made subject to a combination of accounts so as to effect discharge of any sum owed or payable to any person; or
- (c) any other type of preferential arrangement (including any title transfer and retention arrangement) having a similar effect;

“Shrinkage” means:

- (a) the management of gas in the national transmission system which is used by the Issuer in connection with the operation of, or which is lost or otherwise unaccounted for as offtaken from, the national transmission system, including gas which cannot be billed due to application of the Gas (Calculation of Thermal Energy) Regulations 1996;
- (b) the procurement of electricity for the purposes of operating electric compressors; and
- (c) emissions trading scheme costs;

“Subordinated Debt” means any indebtedness of a member of the Group which is fully subordinated to the Instruments in a binding and enforceable agreement between the relevant borrower of such indebtedness and the lender of such indebtedness;

“Subsidiary” means a company which is:

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

“System Operator Actual Revenue” means the Issuer’s actual revenue in respect of system operator charges (excluding any revenues in respect of Shrinkage) derived in accordance with the Applicable Regulatory Regime;

“System Operator Allowed Revenue” means the Issuer’s allowed revenue as determined in the Price Control Financial Model and derived in accordance with the Applicable Regulatory Regime in respect of system operator charges (excluding (i) any allowed revenue in respect of Shrinkage; and (ii) any adjustment made in the Price Control Financial Model to reflect any previously incurred Regulatory Timing Mismatch);

“System Operator Neutrality Costs” means the efficiently incurred costs of the Issuer (either actually incurred or, in respect of any forward-looking financial ratios, as estimated to be incurred) in respect of exercising gas operating margin contracts, residual balancing, shipper of last resort obligations and demand side response, which are or will be fully recoverable by the Issuer within the Applicable Mismatch Period pursuant to the Applicable Regulatory Regime;

“Trade Instruments” means any performance bonds, or advance payment bonds or documentary letters of credit issued in respect of the obligations of any member of the Group arising in the ordinary course of trading;

“Transitional and Long Term Services Agreements” means:

- (a) the transitional services agreement dated on or around 25 January 2023 between National Grid UK Limited and the Issuer relating to the transitional services to be provided pursuant to the sale of National Grid Gas Holdings Limited;
- (b) the transitional trademark licence dated on or around 25 January 2023 between NGrid Intellectual Property Limited, National Grid Electricity Transmission Plc and National Grid Gas Holdings relating to the use of certain trademarks during a transitional period;
- (c) the gas forecasting general services agreement for the supply of services by National Grid Electricity Systems Operator Limited to the Issuer;
- (d) the information access agreement between National Grid UK Limited and the Issuer; and
- (e) the Long Term Agreements.

“Transmission Actual Revenue” means the Issuer’s actual revenue recovered through entry and exit charges in accordance with the Applicable Regulatory Regime;

“Transmission Allowed Revenue” means the Issuer’s allowed revenue as determined in the Price Control Financial Model and derived in accordance with the Applicable Regulatory Regime recoverable by the Issuer through entry and exit charges (excluding any adjustment made in the Price Control Financial Model to reflect any previously incurred Regulatory Timing Mismatch);

“Treasury Transaction” means any currency or interest rate purchase, cap or collar agreement, forward rate agreements, interest rate or currency or future or option contract, foreign exchange or currency purchase or sales agreement, interest rate swap, index-linked swap, currency swap or combined interest rate and currency swap agreement and any other similar agreement or any derivative transaction; and

“Uniform Network Code” means the uniform network code administered by the Joint Office of Gas Transporters (as may be amended, updated or replaced from time to time).

For the purpose of this Condition 2.3, no item shall be deducted or credited, and no amount shall be included or excluded, more than once in any calculation.

(B) The following wording shall be deemed to be inserted as a new Condition 5.7 (*Redemption at the Option of the Instrumentholders on a Restructuring Event*) on page 65 of the Base Prospectus and the existing Condition 5.7 (*Cancellation*) (and all cross-references thereto) shall be deemed to be re-numbered accordingly as a new Condition 5.8:

5.7 Redemption at the Option of the Instrumentholders on a Restructuring Event

5.7.1 If, for so long as any Instrument remains outstanding, a Restructuring Event (as defined below) occurs, and prior to the commencement of or during the Restructuring Period (as defined below):

- (a) 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 Instrumentholders; or
- (b) if there are Rated Instruments (as defined below), each Rating Agency (as defined below) that at such time has assigned a current rating to the Rated Instruments 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 Instruments 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 Instruments 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 Condition 5.7 shall cease to have any further effect in relation to such Restructuring Event.

5.7.2 If, for so long as any Instrument remains outstanding, a Restructuring Event occurs and (subject to sub-paragraphs 5.7.1 and 5.7.3):

- (a) within the Restructuring Period, either:
 - (I) if at the time such Restructuring Event occurs there are Rated Instruments, a Rating Downgrade (as defined below) in respect of such Restructuring Event also occurs; or
 - (II) if at such time there are no Rated Instruments, a Negative Rating Event (as defined below) in respect of such Restructuring Event also occurs; and
 - (III) 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 Instrumentholders (a “**Negative Certification**”),

then the holder of each Instrument 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 Instrument 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 Instrumentholders if, notwithstanding the occurrence of a Rating Downgrade or a Negative Rating Event, the rating assigned to the Rated Instruments by any Rating Agency (as defined below) is subsequently increased to, or, as the case may be, there is assigned to the Instruments 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 Condition 5.7, shall, in the absence of manifest error, be conclusive and binding on the Trustee, the Issuer and the Instrumentholders. The Issuer may, at any time, with the approval of the Trustee appoint an independent financial adviser for the purposes of this Condition 5.7. 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 Condition 5.7 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 (as defined below) 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 Instruments then outstanding shall, give notice (a **"Put Event Notice"**) to the Issuing and Paying Agent and Instrumentholders in accordance with Condition 14 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 Instrument must deposit such Instrument (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. No Instrument 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 has occurred and the Trustee has given notice to the Issuer that the Instruments are due and repayable in accordance with Condition 9 in which event such holder, at its option, may elect by notice to the Issuer to withdraw its Instrument(s) and accompanying Exercise Notice. The Issuer shall redeem or purchase (or procure the purchase of) the relevant Instrument 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 Instruments then outstanding are redeemed or purchased pursuant to this Condition 5.7, 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 Condition 14, the Instrumentholders (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 Instruments 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 Instrumentholders 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 Condition 5.7 shall be construed accordingly.

- 5.7.3 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 Condition 5.7 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 Condition 5.7) 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.
- 5.7.4 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 Condition 5.7, 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.
- 5.7.5 The Trustee shall not be obliged to monitor compliance by the Issuer with this Condition 5.7 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 Condition 5.7.
- 5.7.6 The Issuer may not exercise its option to redeem the Instruments under Conditions 5.5.2 or 5.5.3 if an Exercise Notice has been given pursuant to this Condition 5.7.

In this Condition 5.7:

“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.

“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 Instruments 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 Instruments 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 Instruments below investment grade (as described above), the rating is lowered one full rating category or more.

“Rated Instruments” means the Instruments, 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 Instruments; 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 Instruments issued by the Issuer in such form as the Trustee may approve or (y) becomes the primary debtor under the Instruments issued by the Issuer in accordance with Condition 11.3; 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 Instruments, 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 Instruments, 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.

(C) Limb (ii) set out in Condition 6.4 (Appointment of Agents) on page 66 of the Base Prospectus shall be deleted in its entirety and the Issuer shall not be required to appoint and maintain a Paying Agent having a specified office in a continental European city with respect to the Instruments.

(D) Condition 9 (*Events of Default*) on page 68 of the Base Prospectus shall be amended with the inclusion, immediately after paragraph (f) (*Bankruptcy*), of the following new paragraph (g):

- (g) **Cross-Acceleration:** (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 Event of Default shall occur under this Condition 9(g) 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 Condition 9(g) have occurred equals or exceeds £100 million (or its equivalent in any other currency).

(E) Condition 11.2 (*Meetings of Instrumentholders, Modifications and Substitution - Modification of the Trust Deed*) on page 70 of the Base Prospectus shall be deleted in its entirety and replaced with the following:

11.2 Modification of the Trust Deed

- 11.2.1 The Trustee may agree, without the consent of the Instrumentholders or Couponholders, to (i) any modification of any of the provisions of the Trust Deed that is of a formal, minor or technical nature or is made to correct a manifest error, and (ii) any other modification (except as mentioned in the Trust Deed), and any waiver or authorisation of any breach or proposed breach, of any of the provisions of the Trust Deed that is in the opinion of the Trustee not materially prejudicial to the interests of the Instrumentholders. In addition, the Trustee shall be obliged to concur with the Issuer in (x) using its reasonable endeavours to effect any Benchmark Amendments in the circumstances and as otherwise set out in Condition 3.10; and (y) modifying or varying Condition 2.3 in accordance with Condition 11.2.3 below, without the consent or approval of the Instrumentholders and Couponholders. Any such modification, authorisation or waiver shall be binding on the Instrumentholders and the Couponholders and, if the Trustee so requires, such modification shall be notified to the Instrumentholders as soon as practicable.
- 11.2.2 Notwithstanding anything contained in these Conditions or the Trust Deed but without limiting Condition 11.2.3 below, the Issuer may from time to time, modify, abrogate or vary the provisions of Condition 2.3 in respect of an individual series of Instruments (such series of Instruments to which such modification, abrogation or variation relates being the “**Affected Series**”) (and for the avoidance of doubt the series of Instruments other than the Affected Series shall not be affected by such modification, abrogation or

variation of Condition 2.3), provided that the Trustee of the Affected Series has provided its prior written consent to such modification, abrogation, variation or termination (acting in accordance with these Conditions and the Trust Deed of such Affected Series including, by acting on the instructions of the relevant percentage of Instrumentholders of that Affected Series required under these Conditions and the Trust Deed of that Affected Series).

11.2.3 Notwithstanding anything contained in these Conditions or the Trust Deed, the Issuer may from time to time, modify or vary Condition 2.3 in respect of all outstanding series of Instruments if:

(a) the Issuer delivers a certificate in writing to the Trustee confirming that such modification or variation is being made in connection with a change in applicable law or regulation or the Applicable Accounting Principles, which change becomes effective on or after the date on which agreement is reached to issue the last tranche of the Instruments; and

(b) either:

(i) the Issuer delivers to the Trustee a rating affirmation from each Rating Agency then providing a solicited long-term credit rating of any outstanding series of Instruments confirming in writing that the then current rating of such Instruments to which their ratings relate would not be adversely affected by such modification or variation; or

(ii) where any such Rating Agency is not willing to issue a rating affirmation due to its then prevailing policy regarding the issue of rating affirmations, the Issuer delivers a certificate in writing to the Trustee that, in its opinion (and where the relevant Rating Agency was prepared to consult with the Issuer this opinion is based on consultation with such Rating Agency), such exercise would not cause a downgrade to the then current credit rating of the outstanding series of Instruments rated by such Rating Agency.

11.2.4 For the purposes of this Condition 11.2, "**Rating Agency**" means Moody's, Fitch, S&P or their respective successors or affiliates or any rating agency substituted for any of them by the Issuer from time to time.

ISSUE TERMS OF THE 2030 INSTRUMENTS

The terms and conditions of the 2030 Instruments shall consist of the terms and conditions set out in the section entitled “Terms and Conditions of the Instruments” on pages 26 to 72 of the Base Prospectus, which are incorporated by reference into this Drawdown Prospectus, as amended by the section titled “Amendments to the Terms and Conditions of the Instruments” on pages 13 to 29 of this Drawdown Prospectus (together, the “**Base Conditions**”), as amended and/or supplemented by Part A – Contractual Terms below (together, referred to as the “**Conditions**”).

For the purposes of the 2030 Instruments, references in the Base Conditions and in the sections of the Base Prospectus which are incorporated by reference herein to Final Terms shall be deemed to refer to the issue final terms set out below.

PART A – CONTRACTUAL TERMS

Terms used in this section but not otherwise defined in this section shall have the meanings given to them in the Base Conditions.

1	Issuer:	National Gas Transmission plc
2	(i) Series Number:	81
	(ii) Tranche Number:	1
3	Specified Currency or Currencies:	Euro (“€”)
4	Aggregate Nominal Amount:	
	(i) Series:	€550,000,000
	(ii) Tranche:	€550,000,000
5	Issue Price:	99.964 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
7	Calculation Amount:	€1,000
8	(i) Issue Date:	5 April 2023
	(ii) Interest Commencement Date:	Issue Date
9	Maturity Date:	5 April 2030
10	Interest Basis:	4.250 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 (3-month par call) Make-whole (See paragraphs 20 and 21 below)
14	Date of Board approval for issuance of Instruments obtained:	16 March 2023

PROVISIONS RELATING TO INTEREST (IF ANY) PAYABLE

15	Fixed Rate Instrument Provisions	Applicable
	(i) Rate of Interest:	4.250 per cent. per annum payable annually in arrear
	(ii) Interest Payment Date(s):	5 April in each year commencing on 5 April 2024 and ending on the Maturity Date
	(iii) Fixed Coupon Amount:	€42.50 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):	5 April in each year
16	Floating Rate Instrument Provisions	Not Applicable
17	Zero Coupon Instrument Provisions	Not Applicable
18	Index Linked Interest Instrument	Not Applicable

PROVISIONS RELATING TO REDEMPTION

19	Residual Holding Call Option	Not Applicable
20	Call Option	Applicable
	(i) Optional Redemption Date(s):	On or after 5 January 2030
	(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) Par Call Commencement Date :	5 January 2030
	(vi) Notice periods (Condition 5.5.2):	Minimum Period: 15 days Maximum Period: 30 days
21	Make-whole Redemption Option	Applicable
	(i) Make-whole Redemption Date(s):	At any time prior to 5 January 2030
	(a) Reference Bond:	DBR 0.000 per cent. due 15 February 2030
	(b) Quotation Time:	11.00am (CET)
	(c) Redemption Margin:	0.30 per cent.
	(d) Determination Date:	The third Business Day 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	Put Option	Not Applicable
23	Final Redemption Amount of each Instrument	€1,000 per Calculation Amount
24	Early Redemption Amount	
	(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	Form of Instruments	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):	London
27	Talons for future Coupons to be attached to Definitive Instruments (and dates on which such Talons mature):	No

THIRD PARTY INFORMATION

The description of the meaning of the ratings in paragraph 2 of Part B of these Issue Terms has been extracted from the website of 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 Moody's and Fitch (as applicable), no facts have been omitted which would render the reproduced information inaccurate or misleading.

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 5 April 2023.

- (iii) Estimate of total expenses related to £5,800 admission to trading:

2 RATINGS

Ratings:

The Instruments to be issued are expected to be rated:

Moody's: Baa1

An obligation rated 'Baa' is subject to moderate credit risk. It is considered medium-grade and as such may possess speculative characteristics. The modifier '1' indicates that the obligation ranks in the higher end of its generic category.

(Source: Moody's,

<https://www.moody's.com/ratings-process/Ratings-Definitions/002002>)

Fitch: A-

An obligation rated 'A' denotes 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. The modifier "-" appended to the rating denotes relative status within major rating categories.

(Source, Fitch Ratings,

<https://www.fitchratings.com/products/rating-definitions>)

3 INTERESTS OF NATURAL AND LEGAL PERSONS INVOLVED IN THE ISSUE

Save for any fees payable to the Joint Lead 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, including refinancing of existing indebtedness, which may be payable to certain of the Joint Lead Managers. |
| (ii) Estimated net proceeds: | €548,014,500 |

5 YIELD

Indication of yield:

Calculated as 4.256 per cent. per annum 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.

6 OPERATIONAL INFORMATION

ISIN:	XS2607040958
Common Code:	260704095
Trade Date:	29 March 2023
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 Benchmark:	Not Applicable
If syndicated, names of Managers:	Joint Lead Managers BNP Paribas Lloyds Bank Corporate Markets plc MUFG Securities EMEA plc NatWest Markets Plc RBC Europe Limited
If non-syndicated, name of Dealer:	Not Applicable
Stabilisation Manager(s) if any:	Not Applicable

7 SELLING RESTRICTIONS

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

ISSUE TERMS OF THE 2035 INSTRUMENTS

The terms and conditions of the 2035 Instruments shall consist of the terms and conditions set out in the section entitled “Terms and Conditions of the Instruments” on pages 26 to 72 of the Base Prospectus, which are incorporated by reference into this Drawdown Prospectus, as amended by the section titled “Amendments to the Terms and Conditions of the Instruments” on pages 13 to 29 of this Drawdown Prospectus (together, the “**Base Conditions**”), as amended and/or supplemented by Part A – Contractual Terms below (together, referred to as the “**Conditions**”).

For the purposes of the 2035 Instruments, references in the Base Conditions and in the sections of the Base Prospectus which are incorporated by reference herein to Final Terms shall be deemed to refer to the issue final terms set out below.

Terms used in this section but not otherwise defined in this section shall have the meanings given to them in the Base Conditions.

PART A – CONTRACTUAL TERMS

Terms used in this section but not otherwise defined in this section shall have the meanings given to them in the Base Conditions.

1	Issuer:	National Gas Transmission plc
2	(i) Series Number:	82
	(ii) Tranche Number:	1
3	Specified Currency or Currencies:	Sterling (“£”)
4	Aggregate Nominal Amount:	
	(i) Series:	£250,000,000
	(ii) Tranche:	£250,000,000
5	Issue Price:	99.883 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
7	Calculation Amount:	£1,000
8	(i) Issue Date:	5 April 2023
	(ii) Interest Commencement Date:	Issue Date
9	Maturity Date:	5 April 2035
10	Interest Basis:	5.750 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 (3-month par call)

		Make-whole (See paragraphs 20 and 21 below)
14	Date of Board approval for issuance of Instruments obtained:	16 March 2023
PROVISIONS RELATING TO INTEREST (IF ANY) PAYABLE		
15	Fixed Rate Instrument Provisions	Applicable
	(i) Rate of Interest:	5.750 per cent. per annum payable annually in arrear
	(ii) Interest Payment Date(s):	5 April in each year commencing on 5 April 2024 and ending on the Maturity Date
	(iii) Fixed Coupon Amount:	£57.50 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):	5 April in each year
16	Floating Rate Instrument Provisions	Not Applicable
17	Zero Coupon Instrument Provisions	Not Applicable
18	Index Linked Interest Instrument	Not Applicable
PROVISIONS RELATING TO REDEMPTION		
19	Residual Holding Call Option	Not Applicable
20	Call Option	Applicable
	(i) Optional Redemption Date(s):	On or after 5 January 2035
	(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) Par Call Commencement Date:	5 January 2035
	(vi) Notice periods (Condition 5.5.2):	Minimum Period: 15 days Maximum Period: 30 days
21	Make-whole Redemption Option	Applicable
	(i) Make-whole Redemption Date(s):	At any time prior to 5 January 2035
	(a) Reference Bond:	UKT 0.625 per cent. due 31 July 2035
	(b) Quotation Time:	11.00am (London time)
	(c) Redemption Margin:	0.35 per cent.
	(d) Determination Date:	The third Business Day 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	Put Option	Not Applicable
23	Final Redemption Amount of each Instrument	£1,000 per Calculation Amount
24	Early Redemption Amount	
	(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	Form of Instruments	
		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

THIRD PARTY INFORMATION

The description of the meaning of the ratings in paragraph 2 of Part B of these Issue Terms has been extracted from the website of 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 Moody's and Fitch (as applicable), no facts have been omitted which would render the reproduced information inaccurate or misleading.

PART B – OTHER INFORMATION

1 LISTING AND TRADING

(i) Listing:	Official List
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- | | |
|---|---|
| (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 5 April 2023. |
| (iii) Estimate of total expenses related to admission to trading: | £5,500 |

2 RATINGS

Ratings:

The Instruments to be issued are expected to be rated:

Moody's: Baa1

An obligation rated 'Baa' is subject to moderate credit risk. It is considered medium-grade and as such may possess speculative characteristics. The modifier '1' indicates that the obligation ranks in the higher end of its generic category.

(Source: Moody's, <https://www.moody's.com/ratings-process/Ratings-Definitions/002002>)

Fitch: A-

An obligation rated 'A' denotes 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. The modifier "-" appended to the rating denotes relative status within major rating categories.

(Source, Fitch Ratings, <https://www.fitchratings.com/products/rating-definitions>)

3 INTERESTS OF NATURAL AND LEGAL PERSONS INVOLVED IN THE ISSUE

Save for any fees payable to the Joint Lead 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, including refinancing of existing indebtedness, which may be payable to certain of the Joint Lead Managers. |
| (ii) Estimated net proceeds: | £248,895,000 |

5 YIELD

Indication of yield: Calculated as 5.764 per cent. per annum 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.

6 OPERATIONAL INFORMATION

ISIN: XS2607040792
Common Code: 260704079
Trade Date: 29 March 2023
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 Benchmark: Not Applicable
If syndicated, names of Managers: **Joint Lead Managers**
BNP Paribas
Lloyds Bank Corporate Markets plc
MUFG Securities EMEA plc
NatWest Markets Plc
RBC Europe Limited
If non-syndicated, name of Dealer: Not Applicable
Stabilisation Manager(s) if any: Not Applicable

7 SELLING RESTRICTIONS

(i) U.S. Selling Restrictions: Reg. S Compliance Category 2; TEFRA D Rules
(ii) Prohibition of Sales to UK Retail Investors: Applicable
(iii) Prohibition of Sales to EEA Retail Investors: Applicable

- (iv) Prohibition of Sales to Belgian Consumers: Applicable
- (v) Method of distribution: Syndicated
- (vi) Additional selling restrictions: Not Applicable

DESCRIPTION OF NATIONAL GAS TRANSMISSION PLC

National Gas Transmission plc (formerly known as National Grid Gas plc) is a direct wholly-owned subsidiary of National Gas Transmission Holdings Limited (formerly known as National Grid Gas Holdings Limited). The Issuer was incorporated in England and Wales on 1 April 1986 as a public company limited by shares under the Companies Act 1985.

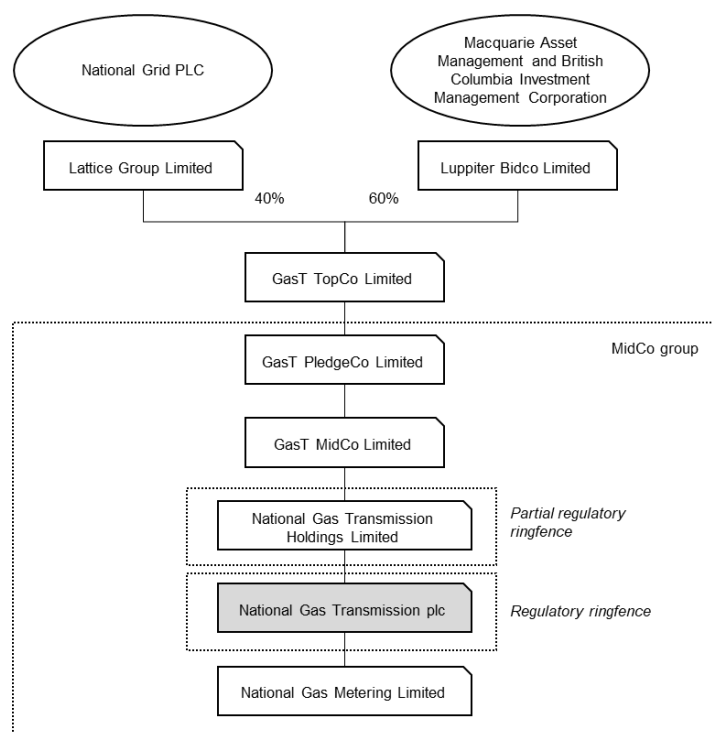
The address of National Gas Transmission’s registered office is National Grid House, Warwick Technology Park, Gallows Hill, Warwick CV34 6DA and the telephone number of the registered office is +44 (0) 1926 65 3000. The website of National Gas Transmission is <https://www.nationalgas.com/>. No information on such website forms part of this Drawdown Prospectus except as specifically incorporated by reference, see “*Documents incorporated by reference*”.

The Issuer used to be an indirect wholly-owned subsidiary of National Grid plc (“**National Grid**”). On 27 March 2022, National Grid announced the agreement for sale of a 60 per cent. equity interest in the Issuer to a consortium comprised of Macquarie Asset Management and British Columbia Investment Management Corporation. Additionally, National Grid has also granted a call option giving the consortium the option to purchase the remaining 40 per cent. equity interest in the Issuer. This call option may be exercised at the consortium’s discretion.

On 31 January 2023, the sale of 60 per cent. equity interest in the Issuer was completed. Following completion of sale, on 6 February 2023 the Issuer changed its name from National Grid Gas plc to National Gas Transmission plc along with various subsidiaries within the National Gas Transmission Group which also changed their names.

As a consequence, (i) all references to “National Grid Gas plc” in the sections of the Base Prospectus incorporated by reference in this Drawdown Prospectus shall be read as references to “National Gas Transmission plc” and (ii) all references to “National Grid Metering Limited” in the sections of the Base Prospectus incorporated by reference in this Drawdown Prospectus shall be read as references to “National Gas Metering Ltd”.

Please see below for an updated structure chart for the Issuer:



Separately, on 2 February 2023, S&P Global Ratings Europe Limited (“**S&P**”) withdrew National Gas Transmission’s credit rating provided by it with immediate effect. As a consequence, all references to S&P rating the Issuer as BBB+ in the sections of the Base Prospectus incorporated by reference in this Drawdown Prospectus shall be deemed to be deleted.

Midco Financing

The Issuer’s indirect shareholders has a financing platform in a ring-fenced group of companies at the level of GasT MidCo Limited (“**Midco**”) which is capable of being used to provide finance to the Issuer’s business (the “**Midco Financing**”).

The Midco Financing is a multi-source secured financing platform at the Midco level including capability for capital market financing, hedging, private placements, term loans and other forms of debt. All the secured creditors under the multi-source secured debt platform benefit from a common security package, common covenants and common intercreditor terms.

The Issuer is part of the ring-fenced group. However, in relation to the Midco Financing, the secured creditors in respect of the Midco Financing have only limited recourse to the Issuer.

The Issuer has not guaranteed the debt (or other obligations) created at the level of the Midco Financing nor has the Issuer granted any security in favour of the creditors under the Midco Financing. However, the Issuer has given certain representations and undertakings (in certain cases, in respect of itself and its subsidiaries) in respect of the Midco Financing.

As the Issuer has not provided a guarantee in respect of the Midco-level debt, no Midco creditor may claim against the Issuer for the amount of the debt owed to it. Instead, claims by any Midco creditor against the Issuer in respect of any breach of a representation or undertaking given by the Issuer in relation to the Midco Financing would be limited to a damages claim for breach of contract (and subject to satisfying standard loss, causation and remoteness requirements in making any such claim).

Directors

As at the date of this Drawdown Prospectus, the Directors of National Gas Transmission plc and their principal activities outside National Gas Transmission plc are as follows:

Name	Title	Principal Activities outside National Gas Transmission plc
Jonathan Butterworth	Director	Non-Executive Director of Pennon Group plc, Non-Executive Director of South West Water Limited, Director of TMA Property Limited, Director of The National Gas Museum Trust and Director of E. Tapp & Co Limited.
Nick Hooper	Director	None.
Dr Phil Nolan	Director	Chair of Associated British Ports Holdings Limited, Chair of ABPA Holdings Limited, Non-Executive Chair of Encyclis HoldCo Limited and Non-Executive Director of KKR Infrastructure Conglomerate LLC.
Cathryn Ross	Director	Sufficiently Independent Director of National Grid Electricity Transmission plc and Director of Oxford Economic Consulting Limited.
Will Price	Director	Manager of CEI Investments S.à r.l., Manager of CEI Ventures S.à r.l., Manager of CGN Holdings 2 Sarl, Manager of CGN Holdings Sarl, Manager A of Czech Gas Networks Investments S.à r.l., Manager A of Czech Gas Networks S.à r.l., Director of Czech Grid Holding, a.s., Director of Distributie Energie Oltenia SA, Director of EP Energy, a.s., Director of EP Infrastructure, a.s., Manager of Filly Co-Invest Sarl, Manager of Filly Investments S.à r.l., Director of GasT Midco Limited, Director of GasT Pledgeco Limited, Director of GasT Topco Limited, Director of Greensands (UK) Limited, Director of Greensands Europe Limited, Director of Greensands Finance Holdings Limited, Director of Greensands Finance Limited, Director of Greensands Financing Plc, Director of Greensands Holdings Limited, Director of Greensands Investments Limited, Director of Greensands Junior Finance Limited, Director of Greensands Senior Finance Limited, Manager of LMIF CEI Investments S.à r.l., Director of Luppiter Bidco Limited, Director of Luppiter Consortium Limited, Manager of Luppiter Ventures 1 S.à r.l., Manager of Luppiter Ventures 2 S.à r.l., Manager of MEIF 5 CEI Holdings S.à r.l., Manager of MEIF 5 Co-Invest CEI Investments S.à r.l., Manager of MGIF Luppiter Holdings S.à r.l., Manager of MGIF Luppiter Investments S.à r.l., Manager of MGIF SC 4 S.à r.l., Manager of MGIF SC 5 S.à r.l., Manager of MGIF SC 8 S.à r.l., Director of MIRA Core Gas Limited, Manager of MSCIF Luppiter Investments S.à r.l., Manager of MSCIF SC 6 S.à r.l., Manager of MSCIF SC 7 S.à r.l., Manager of MSCIF SC 8 S.à r.l., Director of MSCIF Wight Bidco Limited, Manager of MSCIF Wight Holdings Sarl, Director of MSCIF Wight Midco Limited, Director of National Gas Transmission Holdings Limited, Director of National Gas Metering Limited, Manager of Smetana Investments S.à r.l., Director of Southern Water (Greensands) Financing Plc, Director of Southern Water Capital Limited, Director of Southern Water Services Limited,

Name	Title	Principal Activities outside National Gas Transmission plc
		Manager of UK Electricity Networks Holdings S.à.r.l. and Manager of Wight Ventures S.à r.l.
Mark Mathieson	Director	Director of Cadent Gas Limited, Director of Distributie Energie Oltenia SA, Director of GasT Midco Limited, Director of GasT Pledgeco Limited, Director of GasT Topco Limited, Director of Greensands Holdings Limited, Director of Luppiter Bidco Limited, Director of Luppiter Consortium Limited, Director of MIRA Core Gas Limited, Director of MSCIF Wight Bidco Limited, Director of MSCIF Wight Midco Limited, Director of National Gas Transmission Holdings Limited, Director of National Gas Metering Limited, Director of Quadgas HoldCo Limited, Director of Quadgas Holdings Topco Limited, Director of Quadgas Investments Bidco Limited, Director of Quadgas MidCo Limited, Director of Quadgas PledgeCo Limited and Director of Southern Water Services Limited.
Howard Higgins	Director	Member of Czech Grid Holding, a.s., Director of GasT Midco Limited, Director of GasT Pledgeco Limited, Director of GasT Topco Limited, Director of LMIF Storage Holdings Ltd, Director of Lombard Odier Infrastructure Fund GP Limited, Director of Luppiter Bidco Limited, Director of Luppiter Consortium Limited, Director of Macquarie Storage Holdings Limited, Director of National Gas Transmission Holdings Limited, Director of National Gas Metering Limited, Director of Quadgas Holdings Topco Limited and Director of Tanquid Administration Limited.
Lincoln Webb	Director	Director of Czech Grid Holding, a.s., Director of Edwards A Pty Limited, Director of Edwards A Holdings Pty Limited, Director of Endeavour Energy Network Asset Partnership, Director of Endeavour Energy Network Operator Partnership, Director of Mosaic Forest Management Corp, Director of Open Grid Europe GmbH, Director of Viterra Limited, Director of Pacific Pension & Investment Institute, Director of Global Infrastructure Investor Association, Director of GasT Midco Limited, Director of GasT Pledgeco Limited, Director of GasT Topco Limited, Director of Luppiter Bidco Limited, Director of Luppiter Consortium Limited, Director of National Gas Transmission Holdings Limited and Director of National Gas Metering Limited.
Jerry Divoky	Director	Director of Czech Grid Holding, a.s., Director of GCT Global Container Terminals Inc., Director of Pacific National Pty Ltd, Australia, Director of Kemble Water Eurobond PLC, Director of Kemble Water Finance Limited, Director of Kemble Water Holdings Limited, Director of Thames Water Limited, Director of Thames Water Utilities Holdings Limited, Director of GasT Midco Limited, Director of GasT Pledgeco Limited, Director of GasT Topco Limited, Director of Luppiter Bidco Limited, Director of Luppiter Consortium Limited, Director of National Gas Transmission Holdings Limited and Director of National Gas Metering Limited.
Ben Wilson	Director	Chairman of National Grid Renewables, Director of GasT Midco Limited, Director of GasT Pledgeco Limited, Director of GasT Topco

Name	Title	Principal Activities outside National Gas Transmission plc
Katerina Tsirimpa	Director	<p>Limited, Director of National Gas Transmission Holdings Limited, Director of National Gas Metering Limited, Director of National Grid Grain LNG Limited, Director of National Grid North America Inc., Manager of National Grid Partners Limited, Manager of Community Offshore Wind, LLC, Manager of NGV US, LLC, Manager of National Grid Renewables, LLC and Director of Cambria Mews Limited.</p> <p>Director of GasT Midco Limited, Director of GasT Pledgeco Limited, Director of GasT Topco Limited, Director of National Gas Transmission Holdings Limited and Director of National Gas Metering Limited.</p>

The business address of each of the Directors listed above is National Grid House, Warwick Technology Park, Gallows Hill, Warwick CV34 6DA.

There are no potential conflicts of interest between the duties to National Gas Transmission plc of each of the Directors listed above and his/her private interests or other duties.

On 31 January 2023, the following individuals were appointed as Directors: Dr Phil Nolan, Will Price, Mark Mathieson, Howard Higgins, Lincoln Webb, Jerry Divoky and Katerina Tsirimpa.

The following individuals resigned from their role as Director: Alexandra Lewis and Clive Elphick resigned on 31 January 2023; and Lawrence Hagan resigned as a company secretary on 18 November 2022.

GENERAL INFORMATION

- (1) It is expected that listing of the Instruments of each Tranche on the Official List and admission of the Instruments of each Tranche to trading on the Market will be granted on or around 5 April 2023, subject only to the issue of the temporary Global Instruments.
- (2) National Gas Transmission has obtained all necessary consents, approvals and authorisations in the United Kingdom in connection with the issue and performance of the Instruments. The issue of the Instruments was authorised by resolutions of the Board of Directors of the Issuer passed on 16 March 2023.
- (3) There are no, nor have there been any, governmental, legal or arbitration proceedings (including any such proceedings which are pending or threatened of which National Gas Transmission is aware) during the 12 months preceding the date of this Drawdown Prospectus which may have, or have had in the recent past a significant effect on the financial position or profitability of National Gas Transmission or of the National Gas Transmission Group.
- (4) There has been no significant change in the financial performance or financial position of the National Gas Transmission Group since 31 March 2022 to the date of this Drawdown Prospectus.
- (5) There has been no material adverse change in the prospects of National Gas Transmission or the National Gas Transmission Group since 31 March 2022.
- (6) Each Instrument, Coupon and Talon will bear the following legend: *“Any United States person who holds this obligation will be subject to limitations under the United States income tax laws, including the limitations provided in Sections 165(j) and 1287(a) of the Internal Revenue Code”*.
- (7) The Instruments have been accepted for clearance through the Euroclear and Clearstream, Luxembourg systems (which are the entities in charge of keeping the records).

In respect of the 2030 Instruments, the common code is 260704095 and the International Securities Identification Number (“**ISIN**”) is XS2607040958.

In respect of the 2035 Instruments, the common code is 260704079 and the ISIN is XS2607040792.

The address of Euroclear is 1 Boulevard du Roi Albert II, B-1210 Brussels, Belgium and the address of Clearstream, Luxembourg is 42 Avenue JF Kennedy L-1855 Luxembourg.

- (8) Deloitte LLP (registered to carry on audit work in the UK and Ireland by the Institute of Chartered Accountants in England and Wales) has audited the financial statements of the National Gas Transmission Group for the years ended 31 March 2021 and 31 March 2022 in accordance with international financial reporting standards and reported thereon without qualification.
- (9) For so long as any of the Instruments of each Tranche remain outstanding, copies of the following documents will be available on the website of the Issuer (<https://www.nationalgas.com/about-us/investors>):
 - (i) a copy of this Drawdown Prospectus and the Base Prospectus together with any supplement to this Drawdown Prospectus or the Base Prospectus;
 - (ii) the Memorandum and Articles of Association of National Gas Transmission; and
 - (iii) the amended and restated Trust Deed together with any supplement to this Trust Deed.

In addition, this Drawdown Prospectus will be, available on the website of the Regulatory News Service operated by the London Stock Exchange at www.londonstockexchange.com/exchange/news/market-news/market-news-home.html.

- (10) Certain of the Joint Lead Managers and their affiliates have engaged, and may in the future engage, in investment banking and/or commercial banking transactions with, and may perform services for the Issuer and its affiliates in the ordinary course of business. Certain of the Joint Lead Managers and their affiliates may have positions, deal or make markets in the Instruments, related derivatives and reference obligations, including (but not limited to) entering into hedging strategies on behalf of the Issuer and its affiliates, investor clients, or as principal in order to manage their exposure, their general market risk, or other trading activities.

In addition, in the ordinary course of their business activities, the Joint Lead Managers and their affiliates may make or hold a broad array of investments and actively trade debt and equity securities (or related derivative securities) and financial instruments (including bank loans) for their own account and for the accounts of their customers. Such investments and securities activities may involve securities and/or instruments of the Issuer or the Issuer's affiliates. Certain of the Joint Lead Managers or their affiliates that have a lending relationship with the Issuer routinely hedge their credit exposure to the Issuer consistent with their customary risk management policies. Typically, such Joint Lead Managers and their affiliates would hedge such exposure by entering into transactions which consist of either the purchase of credit default swaps or the creation of short positions in securities, including potentially the Instruments. Any such positions could adversely affect future trading prices of Instruments. The Joint Lead Managers and their affiliates may also make investment recommendations and/or publish or express independent research views in respect of such securities or financial instruments and may hold, or recommend to clients that they acquire, long and/or short positions in such securities and instruments.

- (11) The Legal Entity Identifier (LEI) of the Issuer is FPCHGTHKVH9ZWXS7S453.

REGISTERED OFFICE OF THE ISSUER

National Gas Transmission plc

National Grid House
Warwick Technology Park
Gallows Hill
Warwick CV34 6DA

THE TRUSTEE

The Law Debenture Trust Corporation p.l.c.

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London EC2N 4AG

THE JOINT LEAD MANAGERS

BNP Paribas

16, boulevard des Italiens
75009 Paris
France

Lloyds Bank Corporate Markets plc

10 Gresham Street
London EC2V 7AE

MUFG Securities EMEA plc

Ropemaker Place
25 Ropemaker Street
London EC2Y 9AJ

NatWest Markets Plc

250 Bishopsgate
London EC2M 4AA

RBC Europe Limited

100 Bishopsgate
London EC2N 4AA

LEGAL ADVISERS

To the Issuer

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To the Joint Lead Managers and to the Trustee

Allen & Overy LLP

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London E4V 4LA

OTHER PAYING AGENT

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43, Boulevard Royal
L-2955 Luxembourg

AUDITORS

Deloitte LLP

1 New Street Square
London EC4A 3HQ