SSE plc
AGM 2026

Pre-submitted shareholder questions

The following questions from shareholders were submitted in advance of SSE plc's Annual General Meeting which will be held in Perth and online on 16 July 2026. Names and other personal details have been withheld for data protection reasons.

Please note: Answers to questions regarding specific shareholdings, customer relations and any other personal matters have been communicated directly with the relevant individuals.

Decarbonisation pathways

Q

The following question was submitted in advance on behalf of CA100+ and read out at the AGM by Matt Crossman of Rathbones.

SSE has been clear that achieving its 2030 renewable generation ambitions is becoming more challenging. As you continue to invest in transmission and distribution assets with multi-decade lifespans, how is the Board satisfying itself that the company is:

1. **Maintaining momentum on decarbonisation despite these delivery challenges;**
2. **Ensuring that climate adaptation and physical resilience risks are adequately incorporated into long-term investment decisions beyond existing regulatory planning cycles; and**
3. **Managing key execution risks, including workforce readiness, planning constraints and community support, that could affect delivery of critical network and renewable infrastructure?**

A

What follows is the reply provided during the AGM by SSE's Chair, Sir John Manzoni.

Thank you, Matt, and thank you to CA 100+ for their ongoing and constructive engagement on issues that are important to our shareholders and taken seriously by us as a responsible company.

Firstly, you're right that we have been open about the challenges in delivering our renewables ambition. We've also been clear that we remain firmly committed to supporting the clean energy transition. Indeed, over 95% of our five-year £33bn investment plan is expected to be 'green investment' in infrastructure that enables this transition.

The pace of delivery is influenced by a range of external factors, but the underlying need for investment in clean energy and electricity networks remains strong.

The Board closely monitors progress against our strategic objectives and is confident that our investment programme is focused on areas where SSE can make a meaningful contribution to decarbonisation while creating long-term value for shareholders and other stakeholders.

On your second point, resilience and adaptation are increasingly important considerations in our decision making.

Just as some of our hydro assets have been generating for almost a century, the energy infrastructure we are investing in today is expected to operate for decades to come. And we recognise the importance of understanding how physical climate risks may evolve over that time.

The Board considers climate-related risks and opportunities, and these are incorporated into our governance, risk management and investment processes. This helps ensure that we are not only supporting the energy transition but also building infrastructure that is resilient to the impacts of a changing climate.

As the recent heatwaves have shown, there will need to be more strategic investment into resilience to ensure the electricity system remains resilient to climate change.

Finally, the Board agrees that successful project delivery depends on more than capital investment alone. Workforce capability, supply chain capacity, community support and planning frameworks are all critical, particularly as our Transmission business grows at pace.

We have continued to invest in our people, with a six-fold increase in Transmission staff over the past six years. We have locked in vital supply chain agreements with contract partners who are expanding their own operations to support our plans. And while there is a dependency on consent for outstanding planning applications, we are engaging with the Scottish Government to have these secured as soon as possible.

Of course, communities across the north of Scotland are central to our delivery approach. Extensive consultation has helped shape our plans, while commitments including the delivery of 1,000 new homes and over £100m of community benefit funding aim to leave a lasting local legacy. And ultimately our investments will support jobs and economic activity that will continue to benefit communities for years to come.

Thank you again for your question. I can assure you the themes you raise are carefully considered by the Board as we oversee delivery of the company's strategy.

Coire Glas pumped storage hydro

Q

Is the Coire Glas project still viable given that the prices of Battery Energy and Storage Systems (BESS) are falling and new sodium batteries might have a better cost advantage?

A

Coire Glas is one of the UK's most advanced pumped storage hydro projects and its potential delivery would support a cleaner, more secure and more affordable energy system.

It would provide at least 45GWh of long duration electricity storage – making it Great Britain's largest energy storage project if delivered and doubling the country's existing electricity storage capacity.

The need for long duration electricity storage increases significantly by the end of the decade as the UK rapidly ramps up its renewable energy capacity. There are already periods during the year when renewables are providing more electricity than the country needs and whilst we can store very small amounts and export some, some is going to waste.

A big part of the solution is energy storage, which comes in many forms. In terms of electricity storage, lithium-ion BESS are suitable for rapid, short-term system response while sodium-ion BESS are now reaching commercial scale, but neither is cost effective for longer durations.

The benefit of Long Duration Electricity Storage (LDES) is being able to continuously charge up the storage with excess renewables and also discharge power to the grid for several hours or days when wind and solar output is low.

In June 2026 Ofgem included Coire Glas as one of 16 LDES projects named in its 'Minded-to-Decision' list for receipt of cap and floor investment support. SSE is now assessing this outcome and will engage fully with Ofgem to work through a significant number of points of detail, which will need to be resolved for the project to progress.

Any final decision to progress the project would be taken in line with SSE's continued focus on capital

discipline and with strict adherence to its return thresholds.

Dogger Bank offshore wind farm

Q

There have been significant delays to the build of the Dogger Bank wind farm with turbines not being available and blades failing. How will the loss of revenue to shareholders be recovered? Are GE Vernova paying penalty payments and if so how much?

A

At Dogger Bank, we're delivering the world's largest offshore wind farm. Once complete, it will become a long-term national asset strengthening energy security and supplying clean electricity for decades.

We are continuing to build momentum in the delivery of Dogger Bank A with turbine installation completed in February. Commissioning is ongoing and expected to be substantially complete by the end of the calendar year, with final commissioning work continuing into early 2027.

Turbine installation and commissioning is progressing strongly at Dogger Bank B with first power achieved in early March and, as at 1 July 2026, 25 turbines installed and all 25 energised. The run-rate of installations has far exceeded that achieved previously thanks to a number of improvements based on learnings from the initial stage.

At Dogger Bank C installation of transition pieces was completed in November 2025, marking successful foundation installation across all three phases.

When fully complete, Dogger Bank will produce 6% of the UK's current demand, making a huge impact on homegrown energy production.

Given commercial sensitivities, we cannot comment on specific commercial contractual agreements with our contractors or sub-contractors.

While Dogger Bank wind farm has been subject to a number of delays over the construction period, equity returns across all phases remain within hurdle rates. This demonstrates the importance of understanding the risks, pricing accordingly, and executing robust project management with adequate contingencies.

Dogger Bank will be a world class asset delivering clean energy for consumers for decades to come across its expected operational lifetime of 35 years.

Q

Dogger Bank A wind farm appears to have been completed some time in February 2026 when the last turbine was erected yet it is yet to generate at full output. It was generating more power in Q4 of 2025 (up to 450MW) than it has done since the beginning of 2026. What is the problem? When will it generate at full power?

A

We are continuing to build momentum in the delivery of Dogger Bank A with turbine installation completed in February and commissioning ongoing. A steady increase in generating capacity is expected until all the turbines are substantially available for generation by the end of 2026 and full wind farm completion by the end of Q1 2027.

Q

The erection of turbines started at Dogger Bank B in April and progress has been relatively steady but interrupted by the jack up ship Voltaire stopping progress to attend to problems on Dogger Bank A. How much time has been lost and at what cost?

A

Turbine installation and commissioning is progressing strongly at Dogger Bank B with first power achieved in early March and, as at 1 July 2026, 25 turbines installed and all 25 energised. The run-rate of installations has far exceeded that achieved previously thanks to a number of improvements based on learnings from the initial stage – these include improved quality controls, streamlined installation processes and improved tooling and vessel efficiency. Due to the momentum gained through the significantly faster installation rates at Dogger Bank B, there has been no negative impact on the planned installation programme.

Q

The Port of Nigg is now being used to load turbines onto Voltaire. What was the reason for moving from Able Seaton dock which is much closer to Dogger Bank?

A

Given commercial sensitivities, we cannot comment on specific commercial contractual agreements with our contractors or sub-contractors. The move to Port of Nigg is part of the multi-year installation of Dogger Bank A, Dogger Bank B and Dogger Bank C. Port of Nigg has proven capability as a site for marshalling activity and storage.

Q

Seaway Ventus has been chartered to speed up the completion of the Dogger Bank wind farms, When do you expect it to be available? According to the Notice to Mariners 26 of 2026 issued by Scottish Power it has some 17 monopile foundations to install at East Anglia 3 which should be completed by mid August.

A

The Voltaire is due to finish at Dogger in Q4 2026, with Seaway Ventus taking over as primary installation vessel from then. It is possible there may be a short period of overlap between these two vessels. The teams will be continuously reviewing operational progress. The project continues to look at further additional vessel options for 2027.

Q

Iberderola's East Anglia 3 teams have erected 30 turbines since mid-April using two vessels operating out of Esbjerg. Do you see Dogger Bank B and C finished by June of 2027.
Will SSE be adopting faster build times on future projects for example the Berwick Bank wind farm?

A

Dogger Bank B installation is expected to continue until Summer 2027, with substantially all turbines being available for generation by the end of Q2 2027. Dogger Bank C is currently forecast to be completed mid-2028.

The run-rate of installations on Dogger Bank B has far exceeded that achieved previously thanks to a number of improvements based on learnings from the initial stage – these include improved quality controls, streamlined installation processes and improved tooling and vessel efficiency. We will always seek to explore further optimisation opportunities through improvements on current and future construction projects.

Q

What is the loss to shareholders on the cost of capital outlaid on Dogger Bank C which has been all but ready for wind turbine installation for 6 months with work is unlikely to start in 2026? Shareholders have lost 12 months of income that might have been generated from the lost power.

A

While Dogger Bank wind farm has been subject to a number of delays over the construction period, equity returns across all phases remain within hurdle rates. This demonstrates the importance of understanding the risks, pricing accordingly and executing robust project management with adequate contingencies.

Q

Please can the Board provide an update on what actions are being taken to ensure that the entire Dogger Bank Wind Farm (A, B & C) becomes fully operational in a timely manner? The Annual Report provides some insight that the rate of progress has increased compared to the initial phase, is this expected to continue?

A

At Dogger Bank, we're delivering the world's largest offshore wind farm. Once complete, it will become a long-term national asset strengthening energy security and supplying clean electricity for decades.

As noted in the answers above, we are continuing to build momentum in the delivery of Dogger Bank A with turbine installation completed in February. Commissioning is ongoing and expected to be substantially complete by the end of the calendar year, with final commissioning work continuing into early 2027.

Turbine installation and commissioning is progressing strongly at Dogger Bank B with first power achieved in early March and, as at 1 July 2026, 25 turbines installed and all 25 energised.

Dogger Bank B installation is expected to continue until Summer 2027, with substantially all turbines being available for generation by the end of Q2 2027.

The run-rate of installations at Dogger Bank B has far exceeded that achieved previously thanks to a number of improvements based on learnings from the initial stage – these include improved quality controls, streamlined installation processes and improved tooling and vessel efficiency. We will always seek to explore further optimisation opportunities through improvements at the work front.

At Dogger Bank C installation of transition pieces was completed in November 2025, marking successful foundation installation across all three phases. Dogger Bank C is currently forecast to be completed mid-2028.

Q

Please provide guidance on when the board expect the entire Dogger Bank (A,B & C) project to be fully commissioned and transitioned to its "operational" state?

A

Dogger Bank Wind Farm is expected to be fully complete and operational in mid-2028, at which point it will be capable of producing 6% of the UK's current demand, making a huge impact on homegrown energy production. Dogger Bank will be a world class asset delivering clean energy for consumers and value for shareholders for decades to come across its expected operational lifetime of 35 years.

Electricity distribution

Q

What is SSE's exposure to unlooping domestic supplies? Ofgem have instructed that the costs fall to the DNO. Some DNOs are upgrading the connections street by street acknowledging that all such properties will require to be unlooped and by far the most cost-effective way is to employ teams to fix a batch of properties all at once. What does SSE intend to do? Note: Looped supplies were installed to some new-build properties during the 1960s to 1980s when it was considered that demand for electricity would be limited to lighting and cooking only. Gas central heating would meet the heating demand in those homes. But with the take-up of electric vehicles and heat pumps those shared supplies are no longer viable. Therefore it requires a new connection from the 2nd home on the looped supply into the local circuits.

A

Based on analysis, we estimate looped services remain present within around 16% of domestic properties connected to the SSEN Distribution network, particularly in housing developments constructed between the 1960s and 1980s. As the uptake of heat pumps, electric vehicles and other low-carbon technologies increases, many of these supplies require unlooping to provide individual properties with sufficient network capacity and this is currently done on reactive basis on customer application. Unlooping costs are socialised through our DUoS charges, ie. there is no direct cost for affected consumers from unlooping.

We are currently assessing the scale, location and complexity of looped services across our network to identify the most efficient proactive delivery approaches through a series of pilots in our licence areas alongside the development of our ED3 business plan which will run from 2028 to 2033. Where concentrations of looped services are identified, area-based solutions may offer better value than addressing each property individually, particularly when combined with necessary low voltage upgrades on the network. Any future proactive programme would need to balance customer benefit, network need, engineering practicality and value for money for all consumers.

We are also exploring non-network solutions utilising the inherent flexibility of low carbon technology to mitigate the need for upgrades in some scenarios, avoiding inconvenience to consumers in terms of cost or disruption and providing commercial opportunities to offer flexibility back to the network.

Q

Is SSE now requiring larger new build properties to apply for 3 phase connections? With the more expensive EVs capable of charging at 11kW over a 3 phase connection and many larger homes will have 2 such cars requiring charging simultaneously it makes no sense for developers to install a single phase 16kW supply.

A

SSEN does not have a blanket policy requiring larger domestic properties to take three-phase connections. Connection requirements are assessed based on the customer's declared load, the anticipated use of low-carbon technologies and local network conditions. In the majority of cases, a suitably sized single-phase connection remains appropriate and cost-effective even in the case of multiple installations of low carbon technologies.

However, where the expected demand is particularly high – for example, larger homes with significant electrical loads – a three-phase connection may be considered the most appropriate technical solution. Developers are encouraged to engage with SSEN Distribution early in the design process to ensure that the connection specification reflects likely future electricity demand and supports the long-term electrification of heat and transport.

Data centres

Q

Is SSE able to promote the building of data centres in the North of Scotland? The loss of oil jobs in the oil industry could well be ameliorated by the growth in IT jobs in the Perth and Kinross, Aberdeenshire and Angus regions of Scotland which all have good transport links within the UK, to Europe and the US. Clearly generation and selling electricity into the north of Scotland would be good commercial sense for SSE.

A

SSEN Distribution supports economic development across its licence areas and recognises the growing interest in locating data centres in regions with strong renewable energy resources and available land. The north of Scotland offers a number of potential advantages, including access to renewable generation, strategic transmission investment and a skilled workforce with transferable expertise from the energy sector. Data-centre investment could support regional economic growth, attract new technology businesses and create employment opportunities. As part of its regulatory licence SSEN Distribution is required to remain impartial in terms of connections so whilst we do not determine where data centres are built, we work with developers, local authorities, development authorities and other stakeholders to understand their connection requirements and facilitate investment where network capacity and strategic development plans allow. As demand from energy-intensive users grows, coordination between network operators, government and investors will be increasingly important to maximise opportunities for local communities and the wider economy. To that end we welcome the introduction of the Regional Energy Strategic Plan by the National Energy System Operator (NESO) and we are working closely with them to ensure the success of that approach.

Electricity transmission

Q

The issue of constraint payments – money paid to generators to halt generation in Scotland whilst gas fired power stations are fired up to put power into the grid where it is needed – gives renewable energy bad press. SSE is guilty of receiving payments for the Seagreen wind farm whilst it stands idle. SSE is not alone, but SHET (SSEN Transmission) is part of the solution. The 275kV circuits running down the east coast of Scotland are to be converted to 400kV. Generally, a pair of circuits using a bundle of 4 conductors has a maximum capacity of about 7GW. But new high temperature low sag (HTLS) conductors with a central core of carbon fibre to save weight might allow for even higher levels of power transmission. Is it the intention to upgrade circuits to significantly higher capacity given that Crown Estate for Scotland has leased seabed rights for more than 25GW of offshore wind off the coasts of Harris, Pentland Firth and round to the east of Aberdeen when there is already some 7GW of onshore wind farms in the SHET region?

The upgrading of the circuits from Beauty to Denny also seems unambitious. Whilst the uplift from 275kV to 400kV is obviously beneficial the 2 circuits carry only 2 conductors in each bundle, why has a further upgrade to 4 conductors not been considered?

A

Figures published in May and confirmed by the National Energy System Operator (NESO) show that SSEN Transmission's interventions delivered savings for consumers of £296m in 2025/26 driven by reduced constraint costs. This reflects the practical steps we are taking, in collaboration with NESO, to manage the network more efficiently whilst investing in and building the infrastructure necessary for the future.

Therefore, SSEN Transmission continually assesses opportunities to increase network capacity where this is technically justified and delivers value for consumers. Whilst technologies such as High Temperature Low Sag (HTLS) conductors – which come in a variety of designs – can increase the thermal capability of overhead lines, the conductor itself is not normally the limiting factor.

The capacity of a 400kV circuit is often constrained by the rating of the associated substation equipment, particularly switchgear, busbars, transformers and protection systems. Current 400kV feeder switchgear is typically rated at around 4,000A, with 5,000A representing the practical upper end of ratings currently available for key applications. As a result, increasing conductor capacity beyond these levels would not automatically increase power transfer capability without wider upgrades to substations and the network.

The new 400kV network being delivered as part of our reinforcement programme has been designed with significant future capability. In many cases, the selected conductor arrangements already exceed the rating of the interfacing switchgear, meaning future increases in transfer capability are more likely to be driven by substation equipment and wider system considerations than by the thermal capability of the conductors themselves.

The Beauly-Denny 400kV line was designed well over a decade ago around the requirements and generation forecasts existing at that time, including a twin-bundle conductor arrangement. Whilst it may be technically possible to uprate such lines in future through larger or additional conductors, this would not be a simple conductor replacement exercise. The SSE400 tower family was designed for a twin-bundle configuration and any move to a triple-bundle arrangement would likely require substantial engineering assessment and potentially significant upgrades to towers, foundations, fittings and associated infrastructure to accommodate the increased mechanical and electrical loading.

Accommodating future offshore and onshore renewable generation will rely on a combination of new 400kV infrastructure, HVDC links and wider network reinforcement, rather than simply uprating existing conductors. Future network capacity increases will therefore continue to be driven by whole-system requirements and the capability of the wider transmission network, rather than solely by the thermal capability of overhead line conductors.

ENDS