

# Social

Category	GRI-G4 Indicator reference	Unit	2015/14	2014/13	2013/12
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## Health and Safety (see Responsible Operator p.8)

Safety is SSE's first core value. We believe all accidents are preventable, so we do everything safely and responsibly or not at all.

Accident Frequency Rate - employees	G4 - LA6	per 100,000 hours	0.04	0.05	0.05
Total Recordable Injury Rate - employees	G4 - LA6	number	0.12	0.12	0.14
Fatal incidents – employees	G4 - LA6	number	0	0	0
Accident Frequency Rate – contractors	G4 - LA6	per 100,000 hours	0.25	0.2	0.25
Total Recordable Injury Rate – contractors	G4 - LA6	per 100,000 hours	0.48	0.42	0.5
Fatal incidents – contractors	G4 - LA6	number	0	0	2
Dangerous or potentially dangerous road traffic incidents involving SSE employees driving company vehicles	G4 - LA6	rate per 100 vehicles	0.27	0.25	0.16

## Sustainable Employment (see Responsible employer p.14)

SSE strives to create sustainable jobs and seeks to limit redundancy through the use of redeployment and retraining.

Total SSE employees	G4 - 9	number	19,965	19,894	19,795
Employees covered by Living Wage		%	100	100	99
Employees covered by Minimum Wage		%	100	100	100
Human capital value		£bn	3.4	n/a	n/a
Employee retention rate		%	87	91	91

## Employee engagement (see Responsible employer p.14)

SSE conducts an extensive employee engagement survey on an annual basis.

Employee engagement survey - participation		%	92	92	90
Employee engagement survey - engagement index		%	73	78	81
Employees participating in the share incentive plan		%	52	53	48
Employees participating in the sharesave plan		%	41	40	38

## Employee skill development (see Responsible employer p.14)

SSE's ethos is to grow and develop the skills it needs from within the organisation.

Investment in externally-provided training and development	G4 - LA10	£m	1.1	2.5	2.5
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## Human rights (see Responsible employer p.14)

SSE is governed by the Human Rights Act 1998, the aim of which is to give 'further effect' in the UK law the rights contained in the European Convention of Human Rights. The Republic of Ireland, which is the only other state in which SSE employs people and carries out operations and investments, is also a party to the ECHR. It is SSE's approach to comply with the spirit and letter of human rights legislation and responsibility for doing so rests with its Executive Committee.

Human rights grievances filed through formal mechanisms	G4 - HR12	number	0	0	0
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## Equal opportunities and non-discrimination (see Responsible employer p.14)

SSE has an actively-managed equal opportunities policy, which is in keeping with the spirit, as well as the letter, of the law in the United Kingdom and elsewhere. It is designed to ensure fair and equal treatment of employees and potential employees across the seven protected characteristics, as defined in the Equality Act 2010.

SSE employees - male/female	G4 - LA12	%	70/30	70/30	71/29
Average age of employees	G4 - LA12	number	40	41	40
Diversity of Board	G4 - LA12	% female	25	33	22
Diversity senior management	G4 - LA12	% female	30	31	25

## Corporate governance (see Responsible governance p.24)

SSE complies with all relevant aspects of the revised UK Corporate Governance code (Sept 2012), with the exception of the provision covering the award of its external audit contract which it explains fully in its Audit Committee report.

Corporate Governance Report	G4 - 56	<a href="http://sse.com/aboutus/Corporategovernance/">http://sse.com/aboutus/Corporategovernance/</a>
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## Business ethics (see Responsible governance p.24)

SSE sets high standards of behaviour in dealings with customers, investors, regulators, business partners and within the company. Employees are given clear guidance on best ethical practice through a regularly updated Company policy booklet.

Code of business ethics - including anti-corruption, anti-bribery and anti-competitiveness	G4 - 56	<a href="http://sse.com/aboutus/corporategovernance/codeofbusinesspractice/">http://sse.com/aboutus/corporategovernance/codeofbusinesspractice/</a>
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## Community (see Responsible community member p.18)

SSE seeks to be a responsible member of the communities in which it operates.

Employee days donated to charity	number of days	5000	8041	6268
Employees involved in community volunteering	%	26	41	33
Value of employee days donated to charity	£	440,626	683,405	507,238
Community investments - Community Benefit Scheme	£m	4	4.5	2



# Environmental

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## Environmental management (see Responsible Operator p.8)

Alongside working safely, SSE seeks to comply with all environmental and regulatory legislation as the minimum standard it expects to meet in being a responsible operator of assets and sites.

Number of major incidents	G4 - EN29	number	0	1	0
Number of serious incidents	G4 - EN29	number	4	6	6
Number of minor incidents	G4 - EN29	number	31	34	n/a

## Carbon emissions (see Responsible Operator p.8)

SSE pays close attention to climate science reports like those from the IPCC. Taking carbon out of electricity generation in an affordable way is a key objective for mitigating climate change. Therefore SSE remains committed to reducing the carbon intensity of its electricity generation by 50%, compared to 2006, by 2020 and is on target to achieve this.

Scope 1 emissions (emissions from operations owned or controlled by the organisation)	G4 - EN15	ktCO <sub>2</sub> e	13,079	20,722	24,560
Scope 2 emissions (emissions from the generation of purchased electricity, heating and cooling consumed by the organisation)	G4 - EN16	ktCO <sub>2</sub> e	1,244	1,163	1,296
Scope 3 emissions (emissions that occur outside of the organisation in support of its activities)		ktCO <sub>2</sub> e	2,426	3,505	3,595
Total carbon emissions	G4 - EN17	ktCO <sub>2</sub> e	16,749	25,389	29,451
Carbon intensity of electricity generation	G4 - EN18	kg CO <sub>2</sub> e per MWh	474	576	661

## Energy consumption (non-generation related) (see Responsible Operator p.8)

In response to the Carbon Reduction Commitment, SSE is targeting a 15% reduction in the CO<sub>2</sub>e tonnes connected with energy consumption within its buildings, over the five years 2012 - 2017. Actual CO<sub>2</sub>e emissions are included in Scope 2 reporting above. The target excludes buildings where energy consumption is driven by customer demand - for example gas storage sites and data centres.

Carbon Reduction Commitment performance (absolute)		tonnes CO <sub>2</sub> e	22,788	23,449	24,703
CRC target achieved compared to base		% reduction	10.3%	6.7%	1.7%
Total electricity consumption in buildings covered by CRC	G4 - EN3	kWh	107,695,334	117,056,911	130,507,217
Total gas consumption in buildings covered by CRC	G4 - EN3	kWh	10,303,824	10,451,412	11,528,275
Total energy consumption in buildings covered by CRC	G4 - EN3	kWh	117,999,158	127,508,323	142,035,492

## Travel and transport (see Responsible Operator p.8)

As SSE becomes more complex and geographically dispersed there is a requirement for increased travel. To limit this impact SSE has a range of initiatives in place, including no fly months (Aug/Dec), virtual presence video-conferencing, cycle to work schemes and a target of maintaining a car fleet with average emissions of below 120g/km (currently 117g/km).

Fuel used in operational plant and vehicles		litres	13,788,400	14,446,621	13,193,395
Flights		kms	18,660,228	15,465,353	13,488,166
Train		kms	5,822,964	5,175,182	4,565,297
Company cars		kms	38,711,546	40,039,523	38,952,195

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## Water consumption (see Responsible operator p.8)

Water availability is becoming a significant issue for SSE's stakeholders. SSE's ethos is to manage water responsibly.

Total water abstracted		million m <sup>3</sup>	27,109	27,914	21,977*
Total water consumed		million m <sup>3</sup>	19.6	16.2	0.066*
Total water returned		million m <sup>3</sup>	27,089	27,898	21,977*
Total water abstracted & returned - hydro		million m <sup>3</sup>	27,027	27,569	21,977
Total water consumed - buildings		million m <sup>3</sup>	0.076	0.073	0.066*
Total water abstracted - thermal		million m <sup>3</sup>	82.4	345.4	n/a*
Total water consumed - thermal		million m <sup>3</sup>	19.6	16.1	n/a*
Total water returned - thermal		million m <sup>3</sup>	62.8	329.3	n/a*

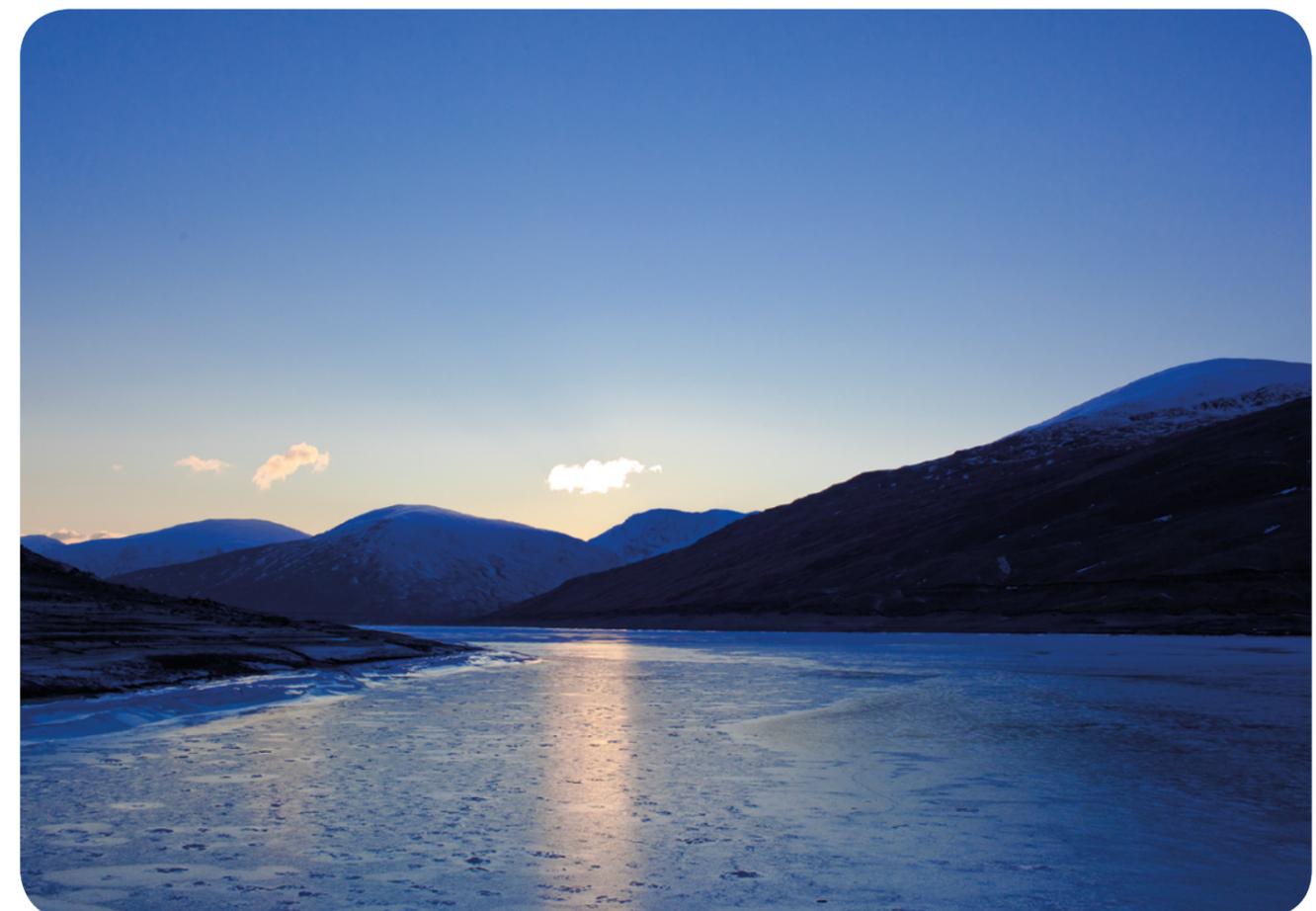
\* data excludes thermal generation water data because data reporting methodologies changed in 2013/14 and data is not comparable.

## Emissions to air (see Responsible operator p.8)

SSE is reducing air emissions as a result of the change in its energy generation mix (moving from coal to gas), the increased use of renewable energy and the use of operating practices and technologies that reduce or remove air pollutants.

SO <sub>2</sub>		tonnes	16,871	29,969	n/a*
NO <sub>x</sub>		tonnes	9,977	24,233	n/a*
SF <sub>6</sub>		kg	21	11	n/a*

\* data reporting methodologies changed in 2013/14 and data is not comparable.



# Economic

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## Financial performance (see Responsible profits p.22)

SSE's first financial objective is to remunerate shareholders investments in the company through the payment of dividends that increase each year by at least RPI inflation.

Adjusted profit before tax (PBT)	£m	1,564.70	1,551.10	1,415.10
Adjusted earnings per share	pence per share	124.1	123.4	118.5
Dividend per share	pence per share	88.4	86.7	84.2

## Economic contribution (see Responsible profits p.22)

SSE believes that companies don't just need to earn profits; they should earn profits in a responsible way. This is why SSE reports its economic contribution alongside its financial results.

Total economic contribution - UK GDP	£bn	8.78	9.18	9.39
Total economic contribution - Ireland GDP	£m	954	969	820
Total jobs supported - UK	number	106,000	111,950	112,230
Total jobs supported - Ireland	number	6,400	5,960	5,780

## Taxation (see Responsible profits p.22)

Central to SSE's approach to taxation is that it should be regarded as a responsible tax payer. SSE does not take an aggressive stance in its interpretation of tax legislation, or use so-called 'tax havens' as a means of reducing its tax liability.

Adjusted current corporation tax charge	£m	224.8	236.7	223.6
Total UK taxes paid	£m	506.2	431.6	312.0

## Investment (see Responsible profits p.22)

SSE has invested over £7.7 billion in the 5 years to 31 March 2015 modernising the energy systems in the UK and Ireland.

Total investment and capital expenditure	£m	1,475.3	1,582.5	1,485.5
Renewable generation investment	£m	239.0	339.9	382.6
Thermal generation investment	£m	160.6	276.6	228.1
Networks investment	£m	794.8	712.1	675.8

## Networks operations (see Responsible operator p.8)

SSE delivers electricity to over 3.7 million homes and businesses in the north of Scotland and in central southern England.

Regulated Asset Value	£m	3,159	3,050	2,915
Electricity distributed	TWh	39.6	40.4	41.6
Customer minutes lost - SHEPD	average per customer	69	77	73
Customer minutes lost - SEPD	average per customer	57	67	65
Customer interruptions - SHEPD	per 100 customers	70	75	69
Customer interruptions - SEPD	per 100 customers	60	68	62

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## Diversity of generation portfolio (see Responsible Investment p.23)

SSE is maintaining and investing in a diverse and sustainable portfolio of thermal and renewable generation plant. In moving towards a lower carbon generation mix SSE will, by the end of the decade, transition its generation assets from a portfolio weighted towards gas and coal, towards a portfolio more weighted towards gas and renewables.

Output of renewables	EU2	GWh	8466	9019	7300
Renewable output as % of total output		%	31.0%	25.1%	19.8%
Output of thermal generation	EU2	GWh	18931	26687	29529
Total generation output	EU2	GWh	27587	35958	36829
Capacity of renewables	EU1	MW	3,394	3,326	3,240
Renewable capacity as % of total capacity		%	29%	29%	25%
Capacity of thermal generation	EU1	MW	8,339	8,339	9,788
Total generation capacity	EU1	MW	11,733	11,665	13,028

## Retail customers (see Responsible service provider p.6)

SSE puts high standards of customer service at the heart of everything it does. SSE is committed to delivering sustained value and high standards of service for all of its Retail customers.

Customer accounts held	millions	8.58	9.1	9.47
Customer complaints to third parties (Energy Ombudsman, Consumer Focus, Consumer Direct)	number	1208	1528	942
National Customer Satisfaction Index - UK	score out of 100	72	72	71

