



Sustainability statement

For the six months to 30 September 2024



Profitable solutions for people and planet

Through its business activities, SSE seeks to deliver enhanced value for both shareholders and society. Principles of sustainability are embedded in SSE's strategy and careful management of environmental and social impact is central to ensuring the long-term success of the Company.

This short statement, intended to complement SSE's Interim Results Statement, reports SSE's key sustainability performance over the period from 1 April to 30 September 2024. More information about SSE's sustainability performance can be found at [sse.com/sustainability](https://www.sse.com/sustainability). SSE welcomes feedback on this statement and its approach to sustainability, which can be sent to sustainability@sse.com.

Targeting sustainable action

SSE's strategy is aligned to the UN's Sustainable Development Goals (SDGs), which provide the framework to guide the creation of shared value.









It has four core business goals for 2030 linked to the SDGs most material to its business. Performance against these goals is linked to a proportion of long-term executive remuneration.

Safety underpins everything

Safety underpins everything at SSE and is ingrained in the way it does business. SSE's combined employee and contractor Total Recordable Injury Rate⁵ fell to 0.16 in the first six months of 2024/25, from 0.24 in the same period the previous year. More information can be found on page 7.

SSE's 2030 Goals

Progress for the first half of 2024/25, compared to the same period in 2023/24

 <p>206.5 gCO₂e/kWh (2023/24: 231.5gCO₂e/kWh)</p>	<p>Cut carbon intensity by 80% Reduce Scope 1 carbon intensity by 80% by 2030, compared to 2017/18 levels, to 61gCO₂e/kWh.</p> <p>Carbon intensity fell to 206.5gCO₂e/kWh. Increased generation output from renewables¹ due to favourable weather conditions and additional generation capacity, combined with flat emissions arising from thermal generation drove this improvement.</p>	 <p>13 CLIMATE ACTION</p>
 <p>5.4TWh (2023/24: 3.8TWh)</p>	<p>Increase renewable energy output fivefold Build a renewable energy portfolio that generates at least 50TWh of renewable electricity a year by 2030.</p> <p>SSE's renewable generation output² increased by 45% to 5.4TWh. This increase was driven by favourable weather conditions and additional generation capacity, particularly at Seagreen offshore wind farm and Viking onshore wind farm.</p>	 <p>7 AFFORDABLE AND CLEAN ENERGY</p>
 <p>10.6GW (2023/24: 9.2GW)</p> <p>c.336,000 pure electric or plug-in hybrid vehicles registered³ (2023/24: c.262,500)</p> <p>c. 50,500 heat pumps connected⁴ (2023/24: 41,300)</p>	<p>Enable low-carbon generation and demand Enable at least 20GW of renewable generation and facilitate around 2 million EVs and 1 million heat pumps on SSEN's electricity networks by 2030.</p> <p>The renewable capacity connected to SSEN Transmission's network totalled 10.6GW, up 1.4GW. SSEN Distribution also made progress facilitating the increased connection of low-carbon technologies through a number of upgrades of Grid Supply Points to remove constraints and accommodate new connections.</p>	 <p>9 INDUSTRY, INNOVATION AND INFRASTRUCTURE</p>
 <p>10 years of Fair Tax Mark accreditation</p>	<p>Champion a fair and just energy transition Be a global leader for the just transition to net zero, with a guarantee of fair work and commitment to paying fair tax and sharing economic value.</p> <p>SSE celebrated a decade of continued Fair Tax Mark accreditation in October 2024, demonstrating its enduring commitment to fair tax principles. SSEN Transmission also launched its housing strategy, underpinning a pledge to support the delivery of more than 1,000 new homes across the north of Scotland.</p>	 <p>8 DECENT WORK AND ECONOMIC GROWTH</p>

¹ For the purposes of its carbon intensity calculation, SSE excludes constrained off wind generation.

² Includes SSE Renewables total output inc. pumped storage, battery, and constrained off wind in GB, as well as biomass asset in Enterprise. For more information see SSE's Interim Results Statement at [sse.com](https://www.sse.com).

³ Estimated using the most up-to-date UK Government vehicle licensing statistics data available at 30 September in each financial year.

⁴ Data sourced from the UK Government's Microgeneration Certification Scheme (MCS), which certifies, quality assures and provides consumer protection for microgeneration installations and installers. Accessed Nov 2024.

⁵ Per 100,000 hours worked.

SSE's net zero transition

Progress on science-based carbon targets

To support increased stakeholder understanding of SSE's Greenhouse Gas (GHG) emission trends, SSE presents half-year performance data against its science-based targets.

The scope 1 GHG intensity of electricity generated in the six months to 30 Sep 2024 fell to 206.5gCO₂e/kWh from 231.5gCO₂e/kWh in the same period in 2023. Increased generation output from renewables due to favourable weather conditions and additional generation capacity, combined with flat emissions arising from thermal generation drove this improvement.

SSE's absolute scope 1 and 2 emissions increased slightly in the first half of 2024/25, compared to the same period in 2023/24 with stable levels of output from SSE's thermal generation assets.

The GHG emissions arising from gas sold to customers increased slightly, by 2% as a result of an increase in SSE Airtricity customer accounts. While the proportion of SSE's suppliers by spend that have committed to science-based targets reduced to 49%, a larger proportion of them have turned that commitment into a firm science-based target, 42% up from 37.5% last half-year.

Advocating for Climate Action

In July, SSE welcomed the new UK Government's Clean Power Mission and seeks to play a constructive role in its delivery. SSE has held engagements with key UK political stakeholders, new Mission Control and the National Energy Systems Operator (NESO) to inform the development of the 2030 Clean Power Action Plan.

SSE continues to advocate for accelerated investment and upgrades to electricity networks, accelerating deployment of hydrogen and power CCS and taking action that looks beyond 2030.

In September, SSE hosted the Business of Leading the Energy Transition (BLET) conference for very senior industry representatives to discuss the energy transition opportunities and challenges and the importance of collaboration between Government and the private sector.

SSE is also encouraged by the Government's focus on accelerating net zero and taking a global lead on climate action. This year SSE participated in New York Climate week and as co-Chair of the Utilities for Net Zero Alliance (UNEZA) called for net zero grid reforms to make it easier to build the electricity grids needed to deliver net zero.

Looking ahead to COP29, as part of the UK Corporate Leaders Group (CLG UK), SSE signed a letter alongside more than 50 businesses, investors and financial institutions urging the UK Government to use its presence at COP29 to reassert the UK's global climate leadership and set an 'ambitious and investable' Nationally Determined Contribution (NDC) for 2035.

More widely, SSE is a strong advocate of linking EU and UK Emission Trading Schemes (ETSs) by COP30 which would exhibit climate cooperation and avoid the need for Carbon Border Adjustment Mechanisms (CBAM) from 2026.

SSE is recognised for its transparent approach to climate policy engagement. For the second year, SSE has been included in InfluenceMap's Global Leaders in Policy Engagement Report 2024 which recognises companies that undertake science-aligned advocacy, strategic engagement and address indirect influence.

Science-based GHG target performance¹

The below data only represents half of SSE's financial year and there are seasonal influencing factors, such as weather and market conditions, that will impact final full-year performance.

Reduce scope 1 GHG emissions intensity of generated electricity by 80% by 2030, from 2017/18 baseline.



206.5gCO₂e/kWh²
(231.5gCO₂e/kWh as at 30 Sep 2023)

Reduce absolute scope 1 and 2 GHG emissions by 72.5% by 2030 from a 2017/18 base year



2.18MtCO₂e
(2.14MtCO₂e as at 30 Sep 2023)

Reduce absolute GHG emissions from use of products sold by 50% by 2034 from a 2017/18 base year



0.72MtCO₂e
(0.70MtCO₂e as at 30 Sep 2023)

Engage with 50% of suppliers by spend to set a science-based target by 2024.



49%
(51.3% as at 30 Sep 2023)

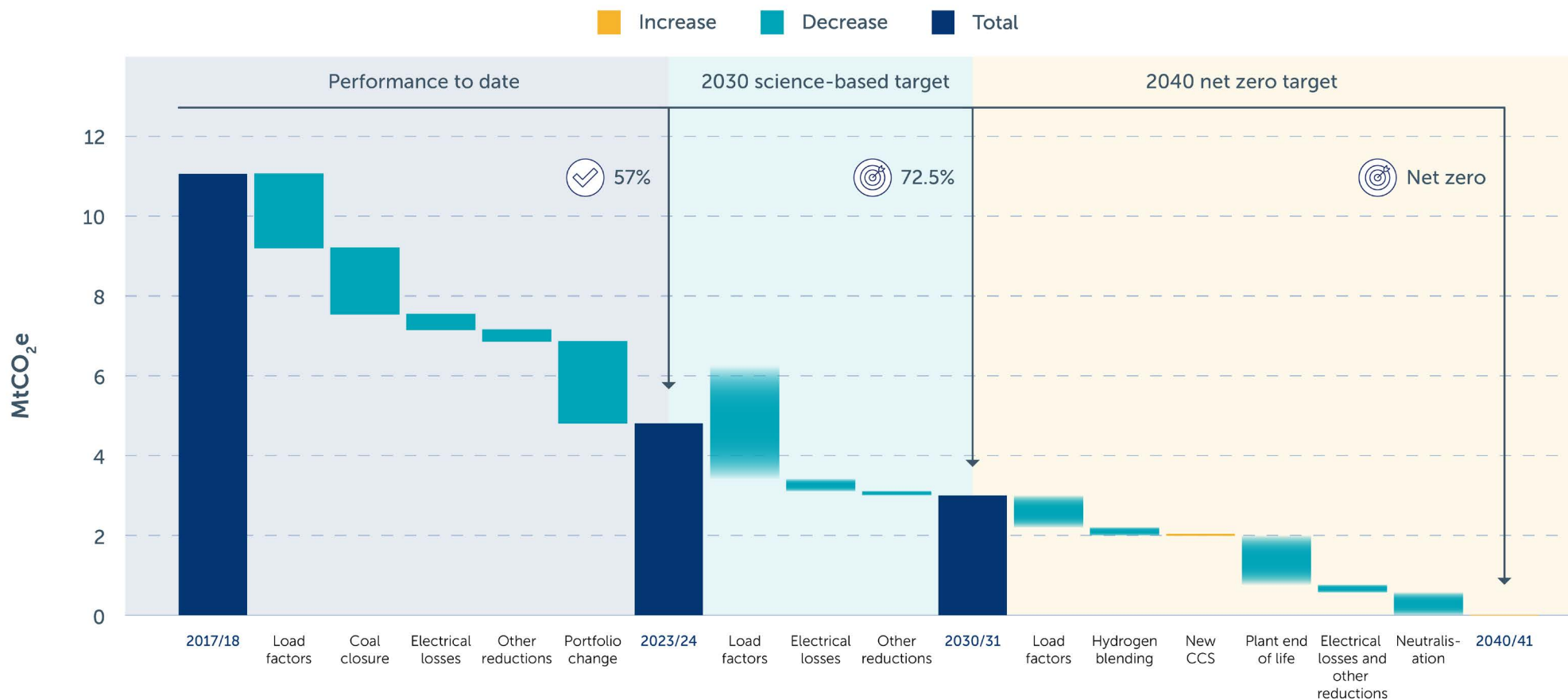
¹ This half-year data has not been subject to external assurance. Full-year performance data will be subject to limited external assurance and will provide a description of target progress.

² The GHG emissions from Seabank gas-fired power station and Triton Power, both in which SSE has a 50% equity ownership, are accounted for in SSE's scope 3 GHG emissions reporting, therefore the output from these plant is not considered in SSE's scope 1 GHG intensity calculations.

Shareholder engagement on 'transition levers'

Both SSE and its investors benefit from high-quality engagement on climate-related issues. SSE has committed to providing its Net Zero Transition Report through a shareholder resolution. This year, the report includes SSE's net zero transition pathway levers setting out key steps required to meet its 2030 science-based targets and 2040 net zero commitment as shown in the chart on this page. This disclosure has supported higher quality engagement with investors on SSE's net zero transition levers that will be reviewed annually. SSE's Net Zero Transition Report 2024 was well received by shareholders at the Annual General Meeting in July 2024, with 98.2% of votes cast in favour.

SSE's net zero transition pathway for scope 1 and 2 emissions



Levers post 2023/24 are forward-looking estimates to transparently present SSE's scope 1 and 2 transition pathway for its stakeholders. It is expected that these estimates will change in the future, in line with market developments.

Providing affordable and clean energy

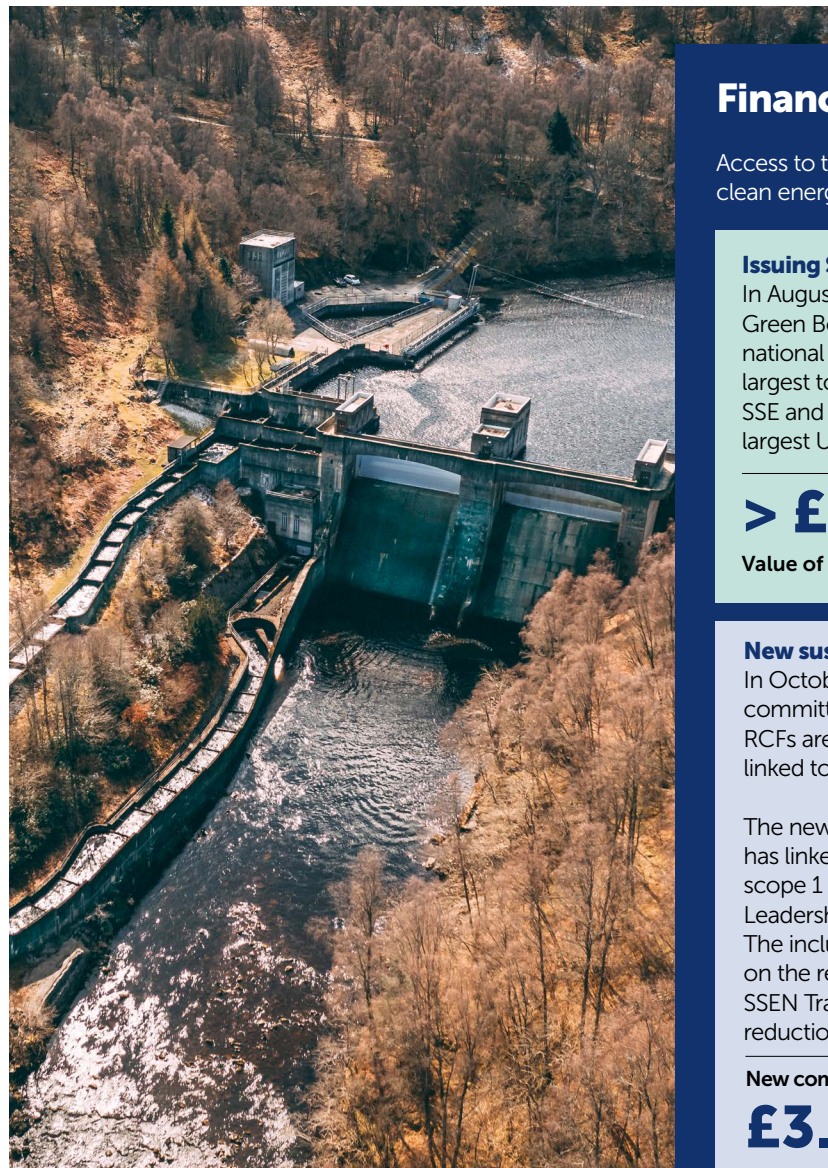
Renewables output

Progress continues to be made developing a world-class portfolio of renewable generating assets. With the completion of projects including Viking wind farm, SSE's generation capacity across all its renewable technologies grew from 4,442MW at 30 September 2023 to 4,950MW at 30 September 2024. Combined with favourable weather conditions for renewable electricity generation, and a full contribution from Seagreen offshore wind farm which reached full operations in October 2023, this has led to renewable output increasing by 45% between the first half of 2023/24 and the first half of 2024/25.

Repowering at Tummel

In September, the Tummel Bridge power station in Pitlochry officially reopened following the installation of two new hydro-electric power turbines, ensuring it can continue to harness homegrown hydro power to support the transition to net zero. The £50m upgrade refurbishment is one of the largest investments in hydro power in Scotland to date. With the original turbines installed in 1933, the upgrade is expected to extend the plant's operational life by at least 40 years.

The project supported Scotland's regional supply chain with a number of Scottish based contract partners involved. Efforts were also taken to minimise the creation and disposal of waste through circular solutions, with the removal of around 4,000 tonnes of concrete and 1,000 tonnes of steel, almost all of which were recycled or reused.



Financing the net zero transition

Access to transition finance is key in supporting the delivery of affordable clean energy through accelerated investment in low-carbon infrastructure.

Issuing SSE's eighth Green Bond

In August 2024, SSE, through SSEN Transmission, issued its eighth Green Bond – an €850m eight-year green bond to support critical national transmission infrastructure. This latest Green Bond, SSE's largest to date, brings the total outstanding Green Bonds issued by SSE and subsidiaries to over £4.4bn, and reaffirms SSE's status as the largest UK corporate issuer of Green Bonds.

> £4.4bn

Value of SSE's total outstanding Green Bonds

New sustainability-linked revolving credit facilities

In October 2024, SSE and SSEN Transmission successfully signed new committed Revolving Credit Facilities (RCFs) totalling £3.0bn*. Both RCFs are sustainability linked using business-specific ESG KPIs directly linked to key areas of each business's sustainability strategy.

The new SSE plc £1.5bn RCF represents the first time that SSE plc has linked ESG KPIs to an RCF. It is linked to three KPIs: reducing scope 1 carbon intensity; increasing female representation in SSE's Leadership Group; and, delivery of increased community investment. The inclusion of two social KPIs signals the importance SSE places on the responsible way in which it reaches net zero. The £1.5bn SSEN Transmission facility is linked to four KPIs focused on emissions reductions and capital expenditure on connecting renewables.

New committed sustainability-linked Revolving Credit Facilities, totalling

£3.0bn*

Investing in industry, innovation and infrastructure

Transmission transformation

SSEN Transmission is delivering one of the largest-ever investments in the north of Scotland, through its Pathway to 2030 programme, which will see £20bn of planned investment. This investment is crucial for supporting the decarbonisation of the GB electricity system by harnessing the renewable resources in the north of Scotland.

Following the connection of several large renewable schemes in 2024/25, at 30 September 2024, the total installed

renewable capacity connected within SSEN Transmission's network area was 10.6GW, exceeding the business's ambition to deliver a network in the north of Scotland with the capacity and flexibility to accommodate 10GW of renewable generation by 2026.

With the scale of planned growth, it is crucial it is delivered in a sustainable way. In September 2024, SSEN Transmission published its Sustainability Strategy to 2030, determining three areas of focus: tackling climate change; protecting and restoring nature; and, engaging with communities. The strategy will help ensure that these projects leave

transformative lasting benefits, and that local communities share the value.

Projects are already supporting local supply chain jobs, including at the new Sumitomo Electric Industries cable manufacturing facility at Nigg, which entered into construction in the first half of 2024/25 enabled by the company being chosen as a preferred bidder for the proposed Shetland 2 HVDC link. SSEN Transmission is also seeking to share value through the launch of a new Regional Community Benefit Fund and a pledge to deliver more than 1,000 new homes across the north of Scotland (see page 8).



Key delivery milestones for first half of 2024/25



Shetland HVDC link

Connecting Shetland to the mainland GB electricity network for the first time and will connect 600MW of renewable electricity generation.

Fully energised
Aug 2024



Orkney-Caithness transmission link project

Will connect Orkney to the mainland GB electricity network for the first time and will transport around 220MW of renewable electricity generation.

Construction commenced
Sep 2024



Eastern Green Link 2 (EGL2)*

Will be the UK's single largest electricity transmission project when complete and will transport enough electricity to power 2 million UK homes.

Onshore works commenced
Sep 2024

Diversifying the supply chain

In September 2024, SSE published its first Supplier Diversity Strategy. The document outlines the importance of an inclusive procurement process and supplier diversity, which can drive benefits such as increased competition, innovation and support of local economies. It outlines a set of clear actions SSE will take going forward to increase inclusion and diversity in its supply chain, which includes embedding more inclusive procurement processes, engaging and collaborating in this area, and capturing supply chain diversity data.

Supply chain action with EcoVadis

Following a programme of supplier engagement activity over the last year, 53% of SSE's supply chain by spend now have a valid EcoVadis scorecard. An area of focus for SSE is to use this engagement to drive meaningful action in the supply chain. At 30 September 2024, 9% of these suppliers by spend had set measurable actions on areas for improvement.

Committed to decent work and economic growth

Focus on Safety

Making sure everyone gets home safe is SSE's safety ethos. SSE continues to prioritise safety with almost 6,000 employees and contract partners having completed SSE's specially-designed immersive safety training since April 2024. Over the first half of 2024/25, SSE's Total Recordable Injury Rate (per 100,000 hours worked) for employees and contractors combined was 0.16, a marked drop of 33% when compared to the same period last year, and 20% from full year performance.



Celebrating a decade of Fair Tax

In October 2024, SSE marked a decade of Fair Tax Mark accreditation, demonstrating its enduring commitment to the fair tax principles which has been a cornerstone of its approach to sharing value with society.



In the same month, SSE published its Talking Tax Report, which provides additional tax disclosures across global operations and reflects on the evolution of best practice.

SSE maintained its accreditation under the Fair Tax Foundation's Global Multinational Business Standard for the third consecutive year.

Enhancing transparency in human rights

In September, SSE released its 2024 Human Rights Report and Modern Slavery Statement, detailing efforts to address its human rights risks. Key highlights include careful alignment with global standards such as the UN Guiding Principles. SSE Renewables' comprehensive risk assessment of five renewable energy technologies represents the most detailed understanding of human rights risk in SSE yet. Furthermore, key performance indicators have been introduced, facilitating stakeholder tracking of progress.

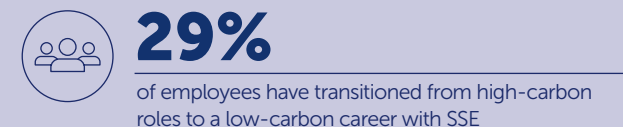
Understanding employee sentiment

SSE's annual all-employee survey tracks employee engagement and sentiment. The survey in September 2024 saw a high completion rate with 84% of colleagues responding, and the Sustainable Engagement Score remained strong at 86% (2023: 85%).

While this score is a useful indicator, the real value comes from detailed insight into the perspectives of SSE employees. The results showed that cultural measures around safety, Doing the Right Thing and inclusion continue to exceed external benchmarks. While strategic engagement improved compared to the previous year, it lags behind very high industry benchmarks and will be an area of focus for engagement going forward.

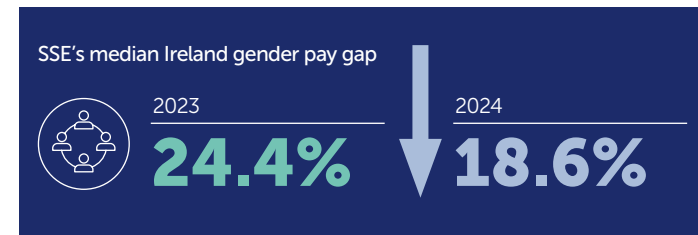
Tracking the worker transition

SSE uses data from its all-employee survey to track the proportion of its workforce that has transitioned from high-carbon roles to low-carbon ones. This is a key litmus test of a just energy transition. The September 2024 survey results show:



Ireland gender pay gap

In November, SSE published its Ireland Gender Pay Gap Report 2024. At 1 June 2024, SSE's median gender pay gap in Ireland was 18.6%, a decrease from 24.4% at the same date in 2023. The positive trends reflect increases in the proportion of women in both the workforce overall and in SSE's Leadership Group. The report provides full detail of the gender pay gap, alongside a discussion on trends and action, with additional information also available in SSE's Inclusion and Diversity Report 2024 at [sse.com/sustainability](https://www.sse.com/sustainability).



Growing community investment

Providing funds for local communities to invest in their development priorities is a central plank of SSE's strategic objective to share value with both shareholders and society. SSE is one of the largest corporate grant givers in the UK and Ireland through its well established community investment programme, directly investing in the communities in which it operates.

To date, the majority of SSE's community investment has originated from its renewables business, which has awarded over £5m to more than 250 community projects across the UK and Ireland in the first half of 2024/25.

With SSE's ambitious growth plans to the end of the decade as it delivers critical energy infrastructure for net zero, there will be an expected growth in scale of community investment. More of SSE's Business Units are beginning to offer community investment funds, with five new funds alone launched in the past six months.

Industry-first housing pledge

At its peak, the delivery of SSEN Transmission's ambitious investment programme will require one of the largest construction workforces in the UK.

Workers' accommodation will be required to deliver the proposed projects and, in an industry first, SSEN Transmission has pledged to support the delivery of more than 1,000 new homes across the north of Scotland.

This pledge is underpinned by SSEN Transmission's new housing strategy, which was published in October. The strategy outlines how, through collaboration with its supply chain and partners, such as councils and housing organisations, the Company aims to ultimately accommodate workers in a way that will meet temporary needs and also leave a lasting housing legacy for local communities.



Supporting the delivery of more than
1,000
new homes across the north of Scotland

SSE's new community funds launched

Jul 2024



SSE Thermal
Community Investment Fund

c. £145,000

Aug 2024



SSEN Distribution
Powering Communities to Net Zero Fund

£3m

Sep 2024



SSE Renewables
Hydro Community fund

£10m

Oct 2024



SSEN Transmission
Community Benefit Fund

£2m














SSE Airtricity
Generation Green Community Fund

€5m/£4.3m

* The funds listed cover multiple years and do not represent annual values. For more information about individual funds, please visit the relevant Business Unit webpage, accessible through [sse.com](https://www.sse.com).

ESG ratings and indices performance

SSE actively engages with key environment, social and governance (ESG) ratings agencies and investor-led ESG ratings. These ratings demonstrate SSE's performance to its stakeholders, while also allowing it to identify areas for improvement in its operations and disclosure. The table below outlines SSE's current performance in ratings and indices, alongside the previous year's performance.

	2024/25	2023/24	Stable/improved/decreased	2023/24	Scores will be updated in the second half of 2024/25
	71/100	72/100	Decreased SSE has an 90th percentile ranking (Nov 2024)		
	AAA	AAA	Stable SSE is in the top 12% of 134 global utilities (Oct 2024)		
	17.0	20.4	Improved SSE is now ranked 'low risk' at 7th* percentile in Electric Utilities (Jun 2024)		
	Included	Included	Stable SSE has been a constituent of the FTSE4Good Index Series since 2001 (Jul 2024)		
	B-	B-	Stable SSE performs in the top 20% of 130 electric utilities (Jul 2024)		
	5/11	4/10	Improved SSE fully met 5 of 11 criteria in the CA100+ Net Zero Company Benchmark (Oct 2024)		
	Included	Included	Stable SSE is top decile (Sep 2024)		
	A				Stable (Jan 2024)
	B				Stable (Jan 2024)
					Ratings agencies are no longer providing these services
	71/100				Moody's analytics is no longer providing its own ESG rating. Advanced (Oct 2023)
	Included				Bloomberg is no longer providing this index. Included (Jan 2024)

*lower overall score and percentile represents better performance

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