



SSE's Green Bond reporting criteria

SSE's Green Bond reporting criteria report 2025



Scope

This covers the reporting of proceeds from Green Bonds for investment in Eligible Green Projects as detailed in SSE's Sustainability Financing Framework and previous Green Bond Frameworks, for five Green Bonds issued by SSE plc: €600m in March 2025, €750m in September 2023, €650m in July 2022, €650m in September 2018, and its inaugural €600m Green Bond in September 2017, and four by Scottish Hydro Electric Transmission plc ("SHET") as the issuer: €850m in September 2024, £500m in January 2024, £500m in March 2021, and £350m in September 2019.

Full details of each Green Bond can be found in Annex 1.

SSE plc disposed 25% of its equity share in SHET to Ontario Teachers' Pension Plan Board on 30 September 2022. Considering SSE plc is still a majority shareholder and retains 100% control, this report captures SHET on a 100% basis. This approach matches how SHET's debt is reported in the SSE plc Group Annual Accounts and has been discussed and agreed with SSE's legal and finance advisors. Therefore SHET's 2024, 2021 and 2019 Green Bonds will continue to be reported on a 100% basis.



Sustainability Financing Framework

Following SSE's Green Bond Framework (implemented in 2017 and updated in 2019 and 2021), SSE established in 2021 a Sustainable-Linked Bond Framework under which it can issue Sustainability-Linked Bonds (SLBs). SLBs complement SSE's Green Bond funding programme and fit in well within its sustainable finance strategy. SSE decided to update both its Green Bond Framework and its Sustainability-Linked Bond Framework in August 2023, into the present Sustainability Financing Framework (the "Framework"). Under this new Framework SSE is committed to the following reporting:

Allocation Reporting

Allocation reporting will be available to investors within one year from the date of each Green Bond issuance as specified in the Framework. There will be one report after issuance, as the proceeds will be used for the refinancing of projects, thus the whole amount raised will be employed at settlement.

Where SSE refinances its equity share within a joint venture it will be reported on an equity stake basis (SHET is considered a subsidiary with 100% control by SSE). Should there be any variance in the initial allocation reporting, such as divestments, SSE will update the allocation report in its Annual Green Bond Report on SSE's website. SSE's Annual Green Bond Report will be published prior to the Annual General Meeting (AGM) which takes place in July.

Impact Reporting

SSE will provide investors with information in its Annual Green Bond Report on SSE's website regarding the environmental impact of the category of projects on an annual basis until the maturity of the Green Bond. This reporting will include relevant environment metrics related to the eligible Green Bond projects, for example the estimated qualifying carbon emissions avoided and qualifying renewable electricity capacity and output.

Methodology

Statement of Proceeds

For each Green Bond all proceeds were fully employed at settlement. This is confirmed by taking the total capital expenditure on the eligible green projects and comparing this with the proceeds of the Green Bond. Values for each eligible green project capital expenditure are sourced from SSE's project accounting systems.

Table 1 in Annex 2 details the allocation of proceeds to eligible green projects for Green Bonds 1, 2, 5, 6 and 9;

Table 2 in Annex 2 details the allocation of proceeds to eligible green projects for Green Bond 3; and

Table 3 in Annex 2 details the allocation of proceeds to eligible green projects for Green Bonds 4, 7 and 8.



Green Bond 1 and Green Bond 2

For Green Bond 1 and Green Bond 2, the majority of the onshore wind farms listed are 100% owned by SSE. Table 1 in Annex 2 details the restated allocation of proceeds and total capital spend arising from the sale of equity stakes in the following wind farms:

- SSE sold a 49.9% stake in the Dunmaglass wind farm in 31 March 2019, with £85.5m reallocated from Dunmaglass to Bhlaraidh wind farm.
- As at 31 March 2019 SSE's equity stake was 50.1% in Clyde Extension¹, Stronelaig and Dunmaglass² wind farms.
- As at 31 March 2020 SSE no longer had an equity stake in Slieve Divena 2 wind farm with the completion of the sale of the wind farm in March 2020.

All projects were complete as at 31 August 2018 apart from Stronelaig wind farm and the Caithness Moray Transmission Link. For Stronelaig capital expenditure as at 31 August 2018 was £177.6m (based on 100% ownership), the project completed in December 2018. On 11 January 2019 SSE confirmed the completion³ of the Caithness Moray high-voltage direct current (HVDC) connection which is listed on page 56 of the 2017/18 Annual Report. For Caithness-Moray total capital expenditure was £1,020m up to March 2021.

Details of SSE's equity holdings for each wind farm are provided in SSE's Annual Report.

¹ For the Clyde Extension, SSE's equity stake had been reduced to 65%, as was announced in RNS Number 6396M on 1 August 2017, the joint venture partners then exercised their right to purchase a further 14.9% equity stake on 30 May 2018, as noted on page 70 of the 18/19 Interim Statement.

² On 1 February 2019 in RNS Number 8013O it was announced that an agreement had been reached to sell a 49.9% stake in Stronelaig and Dunmaglass wind farms, the transaction completed on 31 March 2019.

³ RNS 8966M confirms the completion of the Caithness Moray high-voltage direct current connection, which is 100% owned by SSE Networks Limited a 100% subsidiary of SSE plc.

Green Bond 5, Green Bond 6 and Green Bond 9

For Green Bond 5, 6 and 9 proceeds have been allocated to three SSE Renewables' onshore and offshore wind generation projects that are either under construction or have recently been completed. Details of each project's status is provided below:

- Seagreen 1 (1,075MW, Joint venture 49% SSE share, 51% Total share), which is the world's deepest, fixed-bottom offshore wind farm, and moved to full operation in October 2023.
- Viking (443MW, 100% SSE) an onshore wind farm on the Shetland Islands, which was commissioned and moved to full operation in August 2024.
- Gordonbush Extension (38MW, 100% SSE) an onshore wind farm which was commissioned and moved to full operation in August 2021.
- Yellow River (101MW, 100% SSE) an onshore wind farm in Ireland, with first power achieved in December 2024 and expected to reach full operation in July 2025.
- Dogger Bank (3.6GW, joint venture 40% SSE share, 40% Equinor share, and 20% Vargonn share), being built in three 1.2GW phases with the first phase expected to reach full operation in the second half of calendar year 2025.



Capacity reporting (MW – megawatts), Onshore wind farm projects

For the purposes of reporting capacity for onshore wind farm projects, the capacity is taken from the total installed capacity. This is calculated using the sum of the number of operational turbines installed within each wind farm multiplied by their given turbine rating.

Capacity reporting (MW – megawatts, and MVA – megavolt amperes), Transmission projects

The primary reason for transmission projects in the SHET network region is to support the expected increase in renewable generation connecting to the transmission network. Transmission projects can involve the construction of new transmission assets or the upgrade or reinforcement of existing infrastructure to support new renewable connections. These different types of transmission projects are classified by Ofgem in accordance with their project classification criteria.

The capacity of new renewable generation connection projects is reported in MW and the capacity of new or upgraded transmission assets on the Alternating Current (AC) system is reported as MVA; which represents the new or increased power rating of the asset needed to enable the power from additional renewable energy to flow through the existing AC system.

For the purposes of reporting, the MW capacity of generation projects is taken from the total installed capacity as detailed by the wind farm owner and as reported in the Transmission Entry Capacity (TEC) register and Embedded Register by the electricity system operator (ESO).

For HVDC systems, there is only the transfer of active power

(in MW) rather than in Alternating Current (AC) systems which transfers both active and reactive power (in MVar). For HVDC systems the power rating of the new assets is therefore reported in MW. For new or upgraded transmission assets on the Alternating Current (AC) system, the new or increased asset power rating is therefore reported in MVA which describes the physical limit of the asset considering both MW and MVar transfer.

Output reporting (GWh – gigawatt hours), offshore and onshore wind farm projects

Output (or volume) is taken from the 1 April to 31 March of the reporting year. The output reporting is based on SSE's equity stake during the Green Bond reporting period (for example, 50.1% for Clyde Extension, Stronelaig and Dunmaglass). The output volumes include projects that are operational. For projects that move from construction to operation during the reporting period, output data is taken from the date of commissioning.

The output refers to the generation from the wind turbines at the Notional Balancing Point. This is where demand is managed and is comparable across the industry for trading and monitoring.

For the Clyde Extension the output is estimated based on the Renewable Obligation Certificate banding to determine the split of the total output relevant to the Clyde Extension from the windfarm which was an extension of an already existing windfarm (Clyde).

Output data is based on meter points at the Notional Balancing Point. This data is collected by Elexon, stored on SONET (an external database that stores electricity settlement data) and managed through an internal finance management system by business finance at SSE.



Scottish Hydro Electric Transmission plc (SHET) transmission projects connecting renewable generation to the network capacity (MW – megawatts, and MVA – megavolt amperes)

The latest investments in transmission networks in the north of Scotland are primarily required to provide energy transportation between Scottish renewable generation supply and the UK electricity customer demand.

The transmission networks project that features in Green Bonds 1, 2 and 3, Caithness-Moray, is a HVDC technology that is used to transmit power through 113km of subsea cable beneath the Moray Firth seabed between the new converter stations at Spittal in Caithness and Blackhillock in Moray. For the Caithness-Moray transmission link, the green impact refers to the 1,200MW of capacity to transmit power from the north of Scotland across the UK.

For the SHET projects used to allocate proceeds from Green Bond 3, 4 and 7, the green impact relates to 7,067.9MW (including Caithness-Moray transmission link and Shetland transmission links) of capacity for renewable generation connections with a further 5,073.0MVA of new or upgraded transmission infrastructure to accept additional power from new renewable projects and to transmit that power from the north of Scotland to the appropriate regions in the UK.

These transmission projects will, for example, connect turbines from Stronelairg (228MW), Dorenell (117MW) and Kyllachy (48.5 MW) onshore wind farms and the Aberdeen offshore wind farm (99MW).

SHET plc £750,000,000 Facility Agreement dated 11 November 2022

This facility was amended in April 2023 to make it a Sustainability Linked facility with the addition of ESG related KPIs and targets. One of the KPIs is the amount of investment in assets enabling the connection and flow of renewable energy generation by SHET, the actual total for the 12 months to 31 March 2025 will be included in the Green Bond Report 2025. For the purposes of the Agreement the target set to achieve this ESG KPI in the 12 months to 31 March 2025 is £680m.

Adjustments

Where there are adjustments to previously reported data, this will be stated in the year end reporting by 31 March.

The financial and environmental data associated with any divestments is removed from the current year to ensure relevant comparisons and consistent performance towards the green bonds.

References

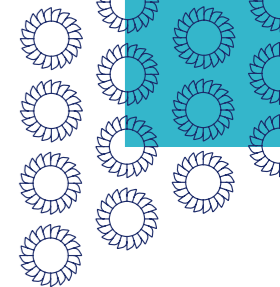
- SSE Sustainability Framework 2023 – [sse-sustainability-financing-framework-v6.pdf](#)
- SSE Green Bond Framework 2021 – [green-bonds-framework.pdf \(sse.com\)](#)
- SSE Green Bond Framework 2019 – [green-bond-framework-2019_v2.pdf \(sse.com\)](#)
- SSE Green Bond Framework 2017 – [sse-green-bond-framework-2017.pdf](#)
- GHG Standard Project Protocol – [ghgprotocol.org/sites/default/files/ghgp/standards/ghg_project_accounting.pdf](#)
- UK government GHG reporting guidance and conversion factors – [gov.uk/government/collections/government-conversion-factors-for-company-reporting](#)



Annex 1: List of Green Bonds issued

Issuer	Green Bond 1 SSE plc	Green Bond 2 SSE plc	Green Bond 3 SHET	Green Bond 4 SHET	Green Bond 5 SSE plc
Currency	EURO	EURO	GBP	GBP	EURO
ISIN	XS1676952481	XS1875284702	XS2057092236	XS2321663473/ XS2322933495	XS2510903862
Size	€600,000,000	€650,000,000	£350,000,000	£500,000,000 (Dual Tranche) (£250,000,000 per tranche)	€650,000,000
GBP:EUR at issuance	1.09404	1.0990	N/A	N/A	1.1950
Sterling Equivalent	£548,426,017.30	£591,446,676.80	£350,000,000	£500,000,000	£543,933,054.39
Pricing Date	30 August 2017	28 August 2018	20 September 2019	17 March 2021	25 July 2022
Issuance Date	6 September 2017	4 September 2018	27 September 2019	24 March 2021	1 August 2022
Maturity Date	6 September 2025	4 September 2027	27 September 2035	24 March 2028/ 24 March 2036	1 August 2029
Coupon	0.875%	1.375%	2.25%	1.5%/ 2.125%	2.875%
Green Bond Framework	<u>2017 Green Bond Framework</u>	<u>2017 Green Bond Framework</u>	<u>2019 Green Bond Framework</u>	<u>2021 Green Bond Framework</u>	<u>2021 Green Bond Framework</u>

Issuer	Green Bond 6 SSE plc	Green Bond 7 SHET	Green Bond 8 SHET	Green Bond 9 SSE plc
Currency	EURO	GBP	EURO	EURO
ISIN	XS2675685700	XS2747603624	XS2894895684	XS3027988263
Size	€750,000,000	£500,000,000	€850,000,000	€600,000,000
GBP:EUR at issuance	1.1722	N/A	1.1884	1.18795
Sterling Equivalent	£639,822,555.9	£500,000,000	£715,275,000	£505,071,762
Pricing Date	29 August 2023	8 January 2024	28 August 2024	11 March 2025
Issuance Date	5 September 2023	15 January 2024	4 September 2024	18 March 2025
Maturity Date	5 September 2031	15 January 2044	4 September 2032	18 March 2032
Coupon	4.00%	5.50%	3.375%	3.5%
Green Bond Framework	<u>2023 Sustainability Financing Framework</u>	<u>2023 Sustainability Financing Framework</u>	<u>2023 Sustainability Financing Framework</u>	<u>2023 Sustainability Financing Framework</u>



Annex 1: Asset Register for Green Bonds

Table 1: List of eligible green projects refinanced by proceeds from Green Bonds 1, 2, 5, 6 and 9 at 31 March 2025 (details of qualifying criteria are outlined in the Green Bond Framework)

Eligible Green Projects 1	Total Actual Capex Spend (£m) ¹	Qualifying Project Capacity in MW ²	Date Fully Operational	Allocation of Green Bond 1 Proceeds (£m)	Allocation of Green Bond 2 Proceeds (£m)	Allocation of Green Bond 5 Proceeds (£m)	Allocation of Green Bond 6 Proceeds (£m)	Allocation of Green Bond 9 Proceeds (£m)
Strathy North	102.9	67	Nov 15	102.9	-	-	-	-
Tievenameenta	42.9	34	Feb 17	41.5	-	-	-	-
Galway Wind Park	85.6	66	Jun 17	81.9	-	-	-	-
Dunmaglass (50.1%)	88.9	47	Aug 17	88.9	-	-	-	-
Clyde Extension (50.1%)	100.3	87	Sep 17	100.1	-	-	-	-
Bhlaraidh	117.1	108	Oct 17	106.6	-	-	-	-
Leanamore	30.8	18	Feb 18	-	30.8	-	-	-
Stronelairg (50.1%)	147.6	114	Dec 18	-	147.6	-	-	-
Caithness Moray Link ³	1,020.0	1,200	Jan 19	26.5	413.0	-	-	-
Viking	603.1	443	Aug 24	-	-	166.0	192.6	244.5
Gordonbush	37.2	38	Aug 21	-	-	37.2	-	-
Seagreen 1 (49.0%) ⁴	907.6	527	Oct 23	-	-	340.7	447.2	85.8
Dogger Bank	539.6	1,440	Due 2027	-	-	-	-	11.3
Yellow River	163.4	101	Due Jul 2025	-	-	-	-	163.5
Total	3,987.1	4,290		548.4	591.4	543.9	639.8	505.1

1 Where SSE holds a partial stake, the capex spend reported represents SSE portion only, actual capex spend to 31 March 2025. Previously capex was recorded for projects up to the end of the financial year that the bonds were issued in. For the current year's reporting, the capex spend on projects has been updated to 31 March 2025, in order for it to be consistent with reporting of SHET's total capex spend in FY 24/25 on projects that enable the connection of renewables generators (provided earlier in the report).

2 Project capacity in MW reflects SSE's equity stake as of 31 March 2025.

3 Slieve Divena 2 Wind Farm was sold in March 2020, proceeds from the 2017 Green Bond have been reallocated to the Caithness Moray Link project. Caithness-Moray Link project features in three Green Bonds (2017, 2018 and 2019). The total capex spend for this project is included in both this table and table 2 below.

4 Reported actual capex and qualifying capacity reflecting SSE's 49% ownership in Seagreen 1 wind farm. The capex figure represents SSE's cash investment in the equity of the joint venture for the period from 1 April 2020 to 31 March 2025. Reported actual capex and qualifying capacity reflecting SSE's 40% ownership in Dogger Bank wind farm. The capex figure represents SSE's cash investment in the equity of the joint venture for the period from 1 April 2020 to 31 March 2025.

**Table 2: List of eligible green projects refinanced by proceeds from Green Bond 3 at 31 March 2025
(details of qualifying criteria are outlined in the Green Bond Framework)**

SHET Eligible Green Projects	Energised ¹	Total Actual Capex Spend (£m) ²	Qualifying Project Capacity ^{3,4}	Allocation of Green Bond 3 Proceeds (£m)
Caithness Moray Link*	Jan 2019	1,020.0	1,200MW	107.0
Connecting offshore transmission company projects				
Moray Firth OTFO connection (New Deer)	May 2021	4.8	900MW	3.1
Connecting distribution projects				
Rannoch GSP (Corrour Hydro)	Aug 2017 ⁵	5.1	5.5MW	5.1
Coupar Angus GSP (Tullymurdoch & Welton of Creuchies)	Aug 2017	9.4	31.7MW	9.4
Rothienorman GSP (Rothmaisie)	Jun 2021	0.2	90.1MW	0.2
Fort William GSP	Oct 2018	7.1	24MW	7.1
Connecting onshore renewable projects				
Aberdeen Offshore windfarm	May 2018	14.1	99MW	9.2
Dorenell windfarm	Aug 2018	28.2	117MW	28.2
Stronelaig windfarm	Mar 2018	114.1	228MW	90.2
Beauly – Tomatin	Dec 2019	86.1	782MVA	38.0
Beauly – Tomatin (Boat of Garten Reconductoring)				
Beauly to Keith OHL Replacement	Jun 2021	13.6	230MVA	13.0
Loch Buidhe to Dounreay 275kv	May 2020	3.9	167MVA	3.9
Rothienorman Substation & Rothienorman – Kintore Reconductoring	Aug 2021	4.0	580MVA	4.0
Fort Augustus 400/132kv	May 2022	6.1	960MVA	6.1
Fort William to Fort Augustus (FFE/FFW)	Oct 2019	43.5	220MVA	23.8
Fort William GSP Infrastructure	Oct 2018	1.7	See Fort William GSP above	1.7
Total		1,361.9	2,695.3MW / 2,939.0MVA	350.0

1 Refers to the status of the project, energised means the projects is completed and a date of completion is provided.

2 Actual capex spend to 31 March 2019.

3 MW refers to the total installed capacity of new renewable (on- and off-shore renewable energy) generation projects that are connecting to the transmission network, and the power rating of new HVDC transmission systems (in this case the Caithness Moray Link).

4 MVA refers to the new or increased power rating of the new or upgraded transmission infrastructure needed to enable the power from new additional renewable energy to flow through the existing alternating current (AC) system. This infrastructure is not attributable to specific renewable energy projects.

5 Rannoch GSP was energised in August 2017, however there was minor construction work ongoing until May 2021 and therefore the completion date of the project was May 2021.

*Caithness-Moray Link project features in all three Green Bonds (2017, 2018 and 2019). The total capex spend for this project is included in both this table and table 1 above.



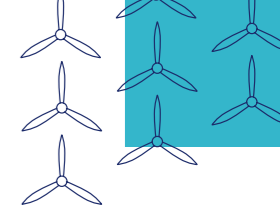


Table 3: List of eligible green projects refinanced by proceeds from Green Bonds 4, 7 and 8 at 31 March 2025
(details of qualifying criteria are outlined in the Green Bond Framework)

SHET eligible green projects	Construction/ Energised ¹	Total actual capex spend (£m) ²	Qualifying project capacity ^{3,4}	Allocation of Green Bond 4 proceeds (£m)	Allocation of Green Bond 7 proceeds (£m)	Allocation of Green Bond 8 proceeds (£m)
Connecting offshore transmission company projects						
Moray Firth OTFO connection (New Deer)	May 2021	32.7	900MW	32.7	-	-
Connecting distribution projects						
Rothienorman GSP (Rothmaisie)	Jun 2021	8.6	90.1MW	8.6	-	-
Connecting onshore renewable projects						
Dorenell windfarm	Aug 2018	0.4	117MW	0.4	-	-
Stronelaig windfarm	Mar 2018	16.2	228MW	16.2	-	-
Beauly – Tomatin (Boat of Garten Reconductoring)	Dec 2019	29.7	782MVA	29.7	-	-
Beauly to Keith OHL Replacement	Jun 2021	17.3	230MVA	17.3	-	-
Loch Buidhe to Dounreay 275kV	May 2020	17.7	167MVA	17.7	-	-
Rothienorman Substation & Rothienorman – Kintore Reconductoring	Aug 2021	60.4	580MVA	60.4	-	-
Fort Augustus 400/132kV	May 2022	60.2	960MVA	51.5	-	-
Fort William to Fort Augustus (FFE/FFW)	Sep 2019	17.0	220MVA	17.0	-	-
Kyllachy windfarm (transformer and OHL infrastructure (TCA and H1)	Apr 2021	6.1	48.5MW	6.1	-	-
Lairg to Loch Buidhe OHL	Jun 2022	64.2	607MVA	27.9	-	-
Carradale GSP reinforcement (TCA) ⁵	Oct 2022	8.3	39.1MW	8.3	-	-
Keith to Blackhillock 132kV	Oct 2020	15.8	87MVA	15.8	-	-
Shetland HVDC	Aug 2024	621.6	600MW	125.7	360.2	135.7
Dounreay to NW Orkney subsea cable	Due Feb 2028	115.4	200MW	-	-	115.4
Skye to Fort Augustus reinforcement	Due Oct 2026	142.6	696MVA	-	-	138.9
Connecting offshore renewable projects						
Tealing 275kV Busbar East Coast	Dec 2021	43.5	1,075MW	33.4	-	-
Connecting onshore/ offshore renewable projects						
Tealing PST (ECU2)	Oct 2023	26.5	610MW	4.3	-	-
Alyth	Oct 2023	81.0		5.3	-	-
NE400 upgrades	Oct 2023	187.2	1,440MVA	19.4	139.8	-
Eastern subsea HVDC link	Due Oct 2029	194.7	2,000MW	2.3	-	186.9
East Coast 400kv upgrade	Due Oct 2026	150.7	480MW	-	-	138.4
Total		1,930.4	6,407.7MW / 5,769.0MVA	500.0	500.0	715.3

1 Refers to the status of the project. Construction means the project is still in construction and a due date for project completion is given and energised means the projects is completed and a date of completion is provided.
2 Actual capex spend from 1 April 2019 to 31 March 2025.
3 MW refers to the total installed capacity of new renewable (on- and off-shore renewable energy) generation projects that are connecting to the transmission network, and the power rating of new HVDC transmission systems (in this case the Eastern subsea HVDC link).
4 MVA refers to the new or increased power rating of the new or upgraded transmission infrastructure needed to enable the power from new additional renewable energy to flow through the existing alternating current (AC) system. This infrastructure is not attributable to specific renewable energy projects.
5 The capacity for Carradale GSP reinforcement (TCA) has been updated to reflect the capacity connected as agreed by Ofgem, management has not restated the capacity in previous Green Bond Reports as the updated number is not materially different.

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