



# SSE's Economic Contribution to the UK, Scotland and the Republic of Ireland

**FY25 results**  
May 2025



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# Context and use of this report

## Context

SSE plc (“SSE”) has commissioned PwC UK (“we”/“us”) to estimate SSE’s gross contribution to the GDP and employment of the UK and the Republic of Ireland (RoI), with a breakdown for Scotland. The results tables in this document provide the results of the analysis for the financial year which ended 31 March 2025 (FY25), along with the results already provided to SSE in previous years’ reports (stated in current prices but otherwise unadjusted) and make up the final deliverable as per our Engagement Letter with SSE dated 31 March 2025.

## PwC’s and SSE’s role

SSE provided PwC UK with input data including profits, wages, employment headcount and expenditure, which we used for our calculations. SSE also provided the geographical location and sector of the economy for the majority (over 95%) of their spend in FY25 using their professional judgement and published guidance from statistics authorities. We used this data and Supply-Use tables from the UK, Scotland and RoI statistics authorities to build an economic Input-Output model to estimate SSE’s economic contribution. We have not tested or audited any of the data provided by SSE, or data obtained from statistics authorities that have been used within the models. We provide no assurance over this data, or any outputs based on this data.

## Use of this report

This document and the model within has been prepared for SSE plc and solely for the purpose and on terms agreed with SSE plc in our Engagement Letter dated 31 March 2025 and our agreed scope. The model has been developed using data and assumptions from a variety of sources. We have not sought to establish the reliability of those sources or verified the information so provided, nor has the model been audited. Accordingly, we give no representation or warranty as to the internal consistency or accuracy of the model or any output from it. The model is not intended to form the basis of any investment decision and does not absolve any third party from conducting its own audit to verify its functionality and/or performance. We do not accept or assume any liability (including for negligence) or duty of care in connection with this document (and the model within) or our work to any person to whom this document is shown or into whose hands it may come save where expressly agreed by us giving our prior consent in writing. Our duty of care remains solely to our client, SSE.



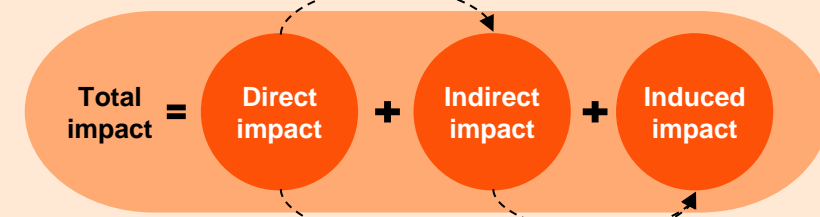
# Overview of approach

# Overview of approach

- SSE's economic contribution is defined in terms of its contribution to gross domestic product (GDP) and employment supported.
- Contribution to GDP is measured in terms of gross value added (GVA). GVA is a monetary measure of the value a company creates during its production process. It is the difference between the price of its products (outputs) and the price of the inputs it uses in producing these (or intermediate consumption). GVA is an alternative term for GDP at factor cost, which is GDP before taxes and subsidies on products. As such, GVA is the company-level equivalent of GDP.
- We estimate the direct, indirect and induced contribution to GDP and employment impacts, which sum together to produce SSE's total economic impacts.
  - The direct contribution results from SSE's own operations: it includes the people employed directly by a company and the economic value the company creates.
  - The indirect contribution is generated in SSE's supply chain through the procurement spending on inputs to its products or services.
  - The induced contribution is generated through the spending of employees throughout the value chain from their earnings. It includes both SSE's own employees and employees of the suppliers within its supply chain.
- Using these results, we estimate SSE's GVA and employment multipliers, which represent the average economic impact stimulated in the wider economy because of SSE's business activities. These can be interpreted as:
  - The additional £ or € in GVA created in the wider economy for every £1 or €1 spent by SSE in its supply chain.
  - The additional full-time equivalent (FTE) jobs created or sustained in the wider economy for every 1 FTE job created or sustained by SSE.
- SSE provided us with the input data to estimate its direct economic contribution. We also relied upon data from various statistics authorities to build the economic Input-Output models used in our calculations.
- We did not carry out any testing of, and do not provide any assurance over, the underlying data provided by SSE or obtained from the other external sources and hence do not provide any assurance over outputs based on such data.
- We made some methodology updates from previous years to align to the latest published data for key assumptions. These updates are set out in the Appendix.

**Figure 1: The relation between the three levels of economic impact**

SSE procurement spending and supplier spending in their respective supply chains



SSE employee and supplier employee spending of wages in the wider economy

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# Results for SSE Group

# Structure of this section

The FY25 economic impact results for SSE Group (UK & Republic of Ireland) are presented in this section in the following order:

Sub-section	Table
Overall results	Table 1: Overall results for UK (inclusive of Scotland), Scotland and RoI
UK results	Table 2: Overall results for UK (inclusive of Scotland) Table 3: Comparison to UK national benchmarks Table 4: Comparison to SSE's historic contribution to UK GDP Table 5: Comparison to SSE's historic contribution to UK employment
Scotland results	Table 6: Overall results for Scotland Table 7: Comparison to Scotland national benchmarks Table 8: Comparison to SSE's historic contribution to Scotland GDP Table 9: Comparison to SSE's historic contribution to Scotland employment
Republic of Ireland results	Table 10: Overall results for RoI Table 11: Comparison to RoI national benchmarks Table 12: Comparison to SSE's historic contribution to RoI GDP Table 13: Comparison to SSE's historic contribution to RoI employment
Sector results	Table 14: Top 5 industries in SSE's supply chain contributing to its UK (inclusive of Scotland), Scotland and RoI economic impact



# SSE Group's overall UK and RoI results for FY25

- **Table 1** presents the overall economic impact of SSE Group in the UK and RoI. It also presents the overall economic impact of SSE Group in Scotland, which is captured in the UK figures (i.e., the UK figures are inclusive of SSE's impact in Scotland).
- The GVA figures indicate SSE Group's contribution to GDP in these countries, expressed in millions of pound sterling (£m).
  - The RoI figures for GVA are presented in pound sterling and have been converted from euros on the basis outlined in the methodology in the Appendix. The total GVA impact for RoI in euros is estimated to be €952 million.
- The employment figures indicate SSE Group's contribution to the number of jobs created or sustained in these countries, expressed in full-time equivalent (FTE) jobs.
- Due to rounding, some of the figures may not sum to the number in the 'Total' columns. GVA is rounded to the nearest £1m. Employment figures are rounded to the nearest 10 jobs.
- **Table 1** also presents the overall economic impact multipliers of SSE Group in the UK and RoI (in aggregate).
  - The GVA multiplier represents the additional GVA stimulated in the wider economy because of £1 of GVA created by SSE.
  - The employment multiplier represents the additional full-time equivalent (FTE) jobs created or sustained in the wider economy because of 1 FTE job created or sustained by SSE.

**Table 1: Overall results for UK (inclusive of Scotland), Scotland and RoI**

	GVA (£m)				Employment (# full-time equivalent jobs)			
	Direct	Indirect	Induced	Total	Direct	Indirect	Induced	Total
UK (inclusive of Scotland)	3,301	3,289	1,293	7,883	13,440	35,190	13,370	62,000
Scotland	1,817	654	124	2,595	7,050	10,300	2,290	19,640
RoI	296	426	78	800	960	3,420	810	5,190
<b>Total UK &amp; RoI</b>	<b>3,597</b>	<b>3,715</b>	<b>1,372</b>	<b>8,684</b>	<b>14,400</b>	<b>38,610</b>	<b>14,180</b>	<b>67,190</b>
<b>SSE economic impact multipliers (UK + RoI)</b>				<b>2.4</b>				<b>4.7</b>

# SSE Group's contribution to the UK economy in FY25

- **Table 2** presents the overall economic impact of SSE Group in the UK (inclusive of Scotland).
- The GVA figures indicate SSE Group's contribution to GDP in the UK, expressed in millions pound sterling (£m).
- The employment figures indicate SSE Group's contribution to the number of jobs created or sustained in the UK, expressed in full-time equivalent (FTE) jobs.
- Due to rounding, some of the figures may not sum to the number in the 'Total' columns. GVA is rounded to the nearest £1m. Employment figures are rounded to the nearest 10 jobs.
- **Table 2** also presents the overall economic impact multipliers of SSE Group in the UK.
  - The GVA multiplier represents the additional GVA stimulated in the wider economy because of £1 of GVA created by SSE.
  - The employment multiplier represents the additional full-time equivalent (FTE) jobs created or sustained in the wider economy because of 1 FTE job created or sustained by SSE.

**Table 2: Overall results for UK (inclusive of Scotland)**

	GVA (£m)				Employment (# full-time equivalent jobs)			
	Direct	Indirect	Induced	Total	Direct	Indirect	Induced	Total
SSE economic impact	3,301	3,289	1,293	<b>7,883</b>	13,440	35,190	13,370	<b>62,000</b>
SSE economic impact multipliers				<b>2.4</b>				<b>4.6</b>

# Comparison to UK national benchmarks

- To contextualise SSE Group's estimated economic contribution to the UK in FY25, **Table 3** presents comparisons to the UK's national GVA per FTE employee, employment and GDP, sourced from the Office for National Statistics.
- 2024 data is not yet available for all the relevant statistics. Where 2024 data is not available, SSE's estimated economic contribution in FY25 is compared to statistics from the latest year for which data are available. GDP data is inflated to current prices.

**Table 3: Comparison to UK national benchmarks**

	Direct	Indirect	Induced	Total
SSE GVA per FTE employee (£)	245,595			
UK national GVA per FTE employee (£)	81,897			
<b>Ratio of SSE's GVA per FTE employee to the UK's national GVA per FTE employee</b>	<b>3.0</b>			
<b>Employment supported by SSE as a % of total UK employment</b>	0.04%	0.11%	0.04%	<b>0.20%</b>
<b>GVA contributed by SSE as a % of total UK GDP</b>	0.13%	0.13%	0.05%	<b>0.31%</b>

# Comparison to SSE's historical contribution to UK GDP

- To contextualise SSE Group's estimated economic contribution to the UK in FY25, **Table 4** presents SSE Group's historical contribution to UK GDP.
- Historical GVA data is inflated to current prices. Due to rounding, some of the figures may not sum to the number in the 'Total' column. GVA is rounded to the nearest £1m.
- Note that SSE sold SSE Energy Services in 2019, as reflected by the decrease in GVA contribution from FY20 to FY21.

**Table 4: Comparison of SSE Group's historical contribution to UK GDP (inclusive of Scotland)**

	GVA (£m, current prices)			Total
	Direct	Indirect	Induced	
FY25	3,301	3,289	1,293	7,883
FY24	3,249	2,405	443	6,098
FY23	3,764	1,993	952	6,709
FY22	2,961	2,684	1,171	6,817
FY21	2,871	2,127	1,098	6,095
FY20	3,639	4,585	1,303	9,527
FY19	3,464	5,537	2,182	11,182
FY18	3,809	5,196	1,957	10,962
FY17	4,592	5,461	2,041	12,094
FY16	3,516	6,023	2,268	11,807
<b>10-year average contribution to UK GDP</b>	<b>3,517</b>	<b>3,930</b>	<b>1,471</b>	<b>8,917</b>

# Comparison to SSE's historical contribution to UK employment

- To contextualise SSE Group's estimated economic contribution to the UK in FY25, **Table 4** presents SSE Group's historical contribution to UK employment.
- The employment figures indicate SSE Group's contribution to the number of jobs created or sustained in the UK, expressed in full-time equivalent (FTE) jobs.
- Due to rounding, some of the figures may not sum to the number in the 'Total' column. Employment figures are rounded to the nearest 10 jobs.
- Note that SSE sold SSE Energy Services in 2019, as reflected by the decrease in employment contribution from FY20 to FY21.

**Table 5: Comparison of SSE Group's historical contribution to UK employment (inclusive of Scotland)**

	Employment (# of FTE jobs)			Total
	Direct	Indirect	Induced	
FY25	13,440	35,190	13,370	62,000
FY24	12,390	31,640	6,360	50,380
FY23	11,160	14,040	14,740	39,940
FY22	10,030	18,060	17,200	45,290
FY21	11,610	13,640	16,150	41,400
FY20	18,700	49,010	15,340	83,040
FY19	19,610	55,580	25,980	101,170
FY18	20,060	52,370	26,570	99,000
FY17	20,450	55,150	28,120	103,720
FY16	20,370	62,340	30,930	113,640
<b>10-year average contribution to UK employment</b>	<b>15,780</b>	<b>38,700</b>	<b>19,480</b>	<b>73,960</b>

# SSE Group's contribution to the Scotland economy in FY25

- **Table 6** presents the overall economic impact of SSE Group in Scotland.
- The GVA figures indicate SSE Group's contribution to GDP in Scotland, expressed in millions pound sterling (£m).
- The employment figures indicate SSE Group's contribution to the number of jobs created or sustained in Scotland, expressed in full-time equivalent (FTE) jobs.
- Due to rounding, some of the figures may not sum to the number in the 'Total' columns. GVA is rounded to the nearest £1m. Employment figures are rounded to the nearest 10 jobs.
- **Table 6** also presents the overall economic impact multipliers of SSE Group in Scotland.
  - The GVA multiplier represents the additional GVA stimulated in the wider economy because of £1 of GVA created by SSE.
  - The employment multiplier represents the additional full-time equivalent (FTE) jobs created or sustained in the wider economy because of 1 FTE job created or sustained by SSE.

**Table 6: Overall results for Scotland**

	GVA (£m)				Employment (# full-time equivalent jobs)			
	Direct	Indirect	Induced	Total	Direct	Indirect	Induced	Total
SSE economic impact	1,817	654	124	2,595	7,050	10,300	2,290	19,640
SSE economic impact multipliers				1.4				2.8

# Comparison to Scotland national benchmarks

- To contextualise SSE Group’s estimated economic contribution to Scotland in FY25, **Table 7** presents comparisons to Scotland’s national GVA per FTE employee, employment and GDP, sourced from the Scottish Government.
- 2024 data is not yet available for all the relevant statistics. Where 2024 data is not available, SSE’s estimated economic contribution in FY25 is compared to statistics from the latest year for which data are available. GDP data is inflated to current prices.

Table 7: Comparison to Scotland national benchmarks

	Direct	Indirect	Induced	Total
SSE GVA per FTE employee (£)	257,758			
Scotland national GVA per FTE employee (£)	71,631			
Ratio of SSE’s GVA per FTE employee to Scotland’s national GVA per FTE employee	3.6			
Employment supported by SSE as a % of total Scotland employment	0.27%	0.40%	0.09%	0.76%
GVA contributed by SSE as a % of total Scotland GDP	0.87%	0.31%	0.06%	1.25%

# Comparison to SSE's historical contribution to Scotland GDP

- To contextualise SSE Group's estimated economic contribution to Scotland in FY25, **Table 8** presents SSE Group's historical contribution to Scotland GDP.
- Historical GVA data is inflated to current prices. Due to rounding, some of the figures may not sum to the number in the 'Total' column. GVA is rounded to the nearest £1m.
- Note that SSE sold SSE Energy Services in 2019.

**Table 8: Comparison of SSE Group's historical contribution to Scotland GDP**

	GVA (£m, current prices)			Total
	Direct	Indirect	Induced	
FY25	1,817	654	124	2,595
FY24	1,302	225	74	1,602
FY23	2,018	251	210	2,479
FY22	1,509	614	246	2,368
FY21	1,241	317	181	1,739
FY20	1,404	313	52	1,769
FY19	1,340	416	245	2,001
FY18	1,476	602	253	2,331
FY17	1,696	543	241	2,480
FY16	1,277	546	247	2,070
<b>10-year average contribution to Scotland GDP</b>	<b>1,508</b>	<b>448</b>	<b>187</b>	<b>2,143</b>

# Comparison to SSE's historical contribution to Scotland employment

- To contextualise SSE Group's estimated economic contribution to Scotland in FY25, **Table 9** presents SSE Group's historical contribution to Scotland employment.
- The employment figures indicate SSE Group's contribution to the number of jobs created or sustained in Scotland, expressed in full-time equivalent (FTE) jobs.
- Due to rounding, some of the figures may not sum to the number in the 'Total' column. Employment figures are rounded to the nearest 10 jobs.
- Note that SSE sold SSE Energy Services in 2019.

**Table 9: Comparison of SSE Group's historical contribution to Scotland employment**

	Employment (# of FTE jobs)			Total
	Direct	Indirect	Induced	
FY25	7,050	10,300	2,290	19,640
FY24	6,440	5,250	1,150	12,830
FY23	5,590	1,610	2,930	10,140
FY22	4,790	2,970	3,260	11,020
FY21	4,670	1,350	2,390	8,410
FY20	6,730	3,230	570	10,530
FY19	7,320	4,460	2,700	14,490
FY18	7,530	6,800	3,030	17,360
FY17	7,380	6,700	2,920	17,000
FY16	7,240	7,070	2,980	17,290
<b>10-year average contribution to Scotland employment</b>	<b>6,470</b>	<b>4,970</b>	<b>2,420</b>	<b>13,870</b>

# SSE Group's contribution to the RoI economy in FY25

- **Table 10** presents the overall economic impact of SSE Group in the Republic of Ireland (RoI).
- The GVA figures indicate SSE Group's contribution to GDP in RoI, expressed in millions pound sterling (£m).
- The employment figures indicate SSE Group's contribution to the number of jobs created or sustained in RoI, expressed in full-time equivalent (FTE) jobs.
- Due to rounding, some of the figures may not sum to the number in the 'Total' columns. GVA is rounded to the nearest £1m. Employment figures are rounded to the nearest 10 jobs.
- **Table 10** also presents the overall economic impact multipliers of SSE Group in RoI.
  - The GVA multiplier represents the additional GVA stimulated in the wider economy because of £1 of GVA created by SSE.
  - The employment multiplier represents the additional full-time equivalent (FTE) jobs created or sustained in the wider economy because of 1 FTE job created or sustained by SSE.

**Table 10: Overall results for RoI**

	GVA (€m)				Employment (# full-time equivalent jobs)			
	Direct	Indirect	Induced	Total	Direct	Indirect	Induced	Total
SSE economic impact	352	507	93	<b>952</b>	960	3,420	810	<b>5,190</b>
SSE economic impact multipliers				<b>2.7</b>				<b>5.4</b>

# Comparison to RoI national benchmarks

- To contextualise SSE Group’s estimated economic contribution to RoI in FY25, **Table 11** presents comparisons to RoI’s national GVA per FTE employee, employment and GDP, sourced from the Central Statistics Office.
- 2024 data is not yet available for all the relevant statistics. Where 2024 data is not available, SSE’s estimated economic contribution in FY25 is compared to statistics from the latest year for which data are available. GDP data is inflated to current prices.

Table 11: Comparison to RoI national benchmarks

	Direct	Indirect	Induced	Total
SSE GVA per FTE employee (€)	366,452			
RoI national GVA per FTE employee (€)	181,046			
Ratio of SSE’s GVA per FTE employee to RoI’s national GVA per FTE employee	2.0			
Employment supported by SSE as a % of total RoI employment	0.03%	0.12%	0.03%	0.19%
GVA contributed by SSE as a % of total RoI GDP	0.07%	0.10%	0.02%	0.18%

# Comparison to SSE's historical contribution to RoI GDP

- To contextualise SSE Group's estimated economic contribution to RoI in FY25, **Table 12** presents SSE Group's historical contribution to RoI GDP.
- Historical GVA data is inflated to current prices. Due to rounding, some of the figures may not sum to the number in the 'Total' column. GVA is rounded to the nearest £1m.
- Note that SSE sold SSE Energy Services in 2019, as reflected by the decrease in employment contribution from FY20 to FY21.

**Table 12: Comparison of SSE Group's historical contribution to RoI GDP**

	GVA (£m, current prices)			Total
	Direct	Indirect	Induced	
FY25	352	507	93	952
FY24	449	563	55	1,067
FY23	232	154	64	450
FY22	309	128	54	490
FY21	199	242	56	497
FY20	201	456	62	720
FY19	272	436	82	789
FY18	242	581	109	932
FY17	186	621	108	914
FY16	192	650	103	946
<b>10-year average contribution to RoI GDP</b>	<b>256</b>	<b>425</b>	<b>78</b>	<b>759</b>

# Comparison to SSE's historical contribution to RoI employment

- To contextualise SSE Group's estimated economic contribution to RoI in FY25, **Table 13** presents SSE Group's historical contribution to RoI employment.
- The employment figures indicate SSE Group's contribution to the number of jobs created or sustained in RoI, expressed in full-time equivalent (FTE) jobs.
- Due to rounding, some of the figures may not sum to the number in the 'Total' column. Employment figures are rounded to the nearest 10 jobs.
- Note that SSE sold SSE Energy Services in 2019, as reflected by the decrease in employment contribution from FY20 to FY21.

**Table 13: Comparison of SSE Group's historical contribution to RoI employment**

	Employment (# of FTE jobs)			Total
	Direct	Indirect	Induced	
FY25	960	3,420	810	5,190
FY24	930	2,880	650	4,450
FY23	920	530	980	2,420
FY22	730	330	780	1,830
FY21	880	490	790	2,160
FY20	830	2,170	740	3,740
FY19	760	2,330	990	4,090
FY18	720	2,870	930	4,520
FY17	710	3,020	990	4,720
FY16	750	3,030	1,140	4,910
<b>10-year average contribution to RoI employment</b>	<b>820</b>	<b>2,110</b>	<b>880</b>	<b>3,800</b>

# Top 5 industries in SSE Group's supply chain for FY25

- **Table 14** presents a breakdown of the top 5 industries in SSE's supply chain contributing to SSE Group's economic impact in the UK (inclusive of Scotland), Scotland and RoI.
- The percentage share of economic impact is estimated by taking an average of the sector's percentage share of SSE Group's total GVA contribution and total employment contribution for each country.

**Table 14: Top 5 industries in SSE's supply chain contributing to its UK (inclusive of Scotland), Scotland and RoI economic impact**

UK (inclusive of Scotland)			Scotland		RoI	
Rank	Industry	% share of economic impact	Industry	% share of economic impact	Industry	% share of economic impact
1	Electricity, transmission & distribution	41%	Electricity, transmission & distribution	58%	Electricity, transmission & distribution	75%
2	Manufacturing	15%	Construction	13%	Construction	16%
3	Construction	13%	Mining, quarrying & extraction	10%	Manufacturing	3%
4	Professional, scientific & technical services	9%	Professional, scientific & technical services	4%	Professional, scientific & technical services	2%
5	Administrative services	7%	Public administration	4%	Wholesale trade	1%
6+	Other industries	15%	Other industries	11%	Other industries	3%
<b>Total</b>		<b>100%</b>		<b>100%</b>		<b>100%</b>

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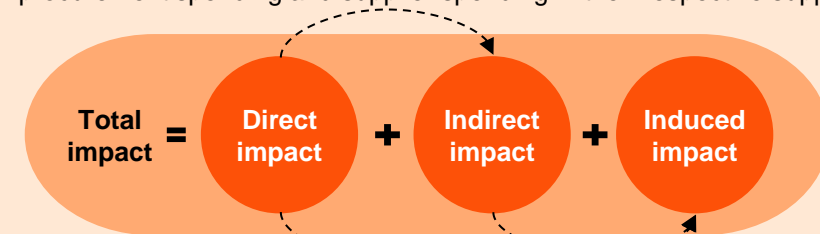
## **Appendix:** Detailed approach

# Overview of approach

- SSE's economic contribution is defined in terms of its contribution to gross domestic product (GDP) and employment supported.
- Contribution to GDP is measured in terms of gross value added (GVA). GVA is a monetary measure of the value a company creates during its production process. It is the difference between the price of its products (outputs) and the price of the inputs it uses in producing these (or intermediate consumption). GVA is an alternative term for GDP at factor cost, which is GDP before taxes and subsidies on products. As such, GVA is the company-level equivalent of GDP.
- We estimate the direct, indirect and induced contribution to GDP and employment impacts, which sum together to produce SSE's total economic impacts.
  - The direct contribution results from SSE's own operations: it includes the people employed directly by a company and the economic value the company creates.
  - The indirect contribution is generated in SSE's supply chain through the procurement spending on inputs to its products or services.
  - The induced contribution is generated through the spending of employees throughout the value chain from their earnings. It includes both SSE's own employees and employees of the suppliers within its supply chain.
- Using these results, we estimate SSE's GVA and employment multipliers, which represent the average economic impact stimulated in the wider economy because of SSE's business activities. These can be interpreted as:
  - The additional £ or € in GVA created in the wider economy for every £1 or €1 spent by SSE in its supply chain.
  - The additional full-time equivalent (FTE) jobs created or sustained in the wider economy for every 1 FTE job created or sustained by SSE.
- SSE provided us with the input data to estimate its direct economic contribution. We also relied upon data from various statistics authorities to build the economic Input-Output models used in our calculations.
- We did not carry out any testing of, and do not provide any assurance over, the underlying data provided by SSE or obtained from the other external sources and hence do not provide any assurance over outputs based on such data.

**Figure 1: The relation between the three levels of economic impact**

SSE procurement spending and supplier spending in their respective supply chains



SSE employee and supplier employee spending of wages in the wider economy

# Modelling methodology

## Approach to estimating direct contribution

- We estimate SSE's direct contribution to GDP using an income approach from data contained in its financial accounts, prepared on an accruals basis for the financial year (rather than the cash spent during the year). The following equation is used:



- This data is provided by SSE for the UK and RoI. SSE do not provide separate financial data for Scotland and therefore it was agreed with SSE to apportion a share of SSE's direct contribution to UK GDP to Scotland based on employee compensation.
- Consistent with previous years, we adjust the profit data included in the analysis for FY20 and beyond to exclude exceptionals and remeasurements which are often subject to volatility, to ensure consistency with SSE's other reporting of its annual financial performance and provide a fairer reflection of SSE's direct economic contribution.
- Direct employment is sourced directly from SSE's human resources data and consistent with that reported in its annual accounts. The breakdown by country and nation is based on the office address of its employees.

## Approach to estimating indirect and induced contribution

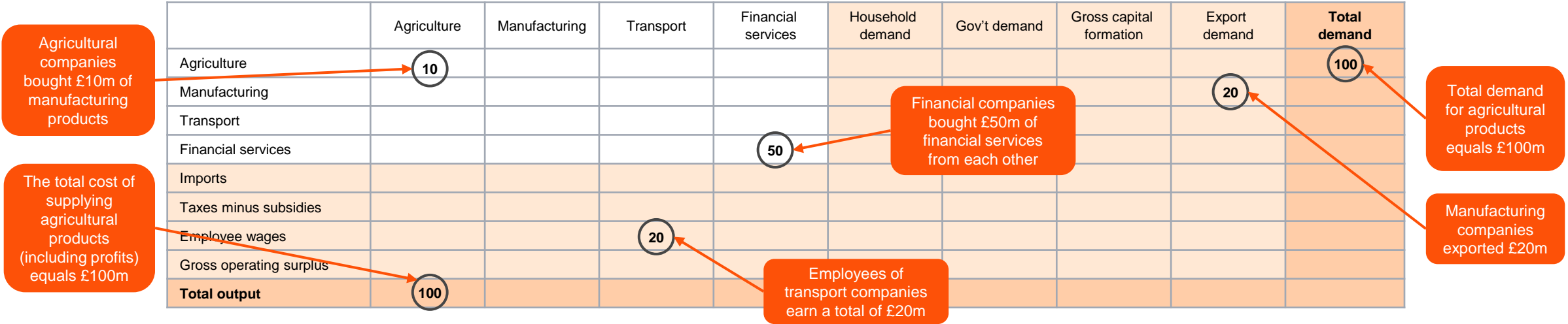
- We use Supply-Use tables and employment statistics from the UK Office for National Statistics (ONS), the Ireland's Central Statistics Office (CSO) and the Scottish Government to create economic models that we have used, in conjunction with the procurement spending data provided by SSE, to estimate SSE's indirect and induced economic contribution.
- National Supply-Use tables show the value of inputs that a typical business in each sector supplies businesses in other sectors to produce one unit of output in those sectors ("supply"), as well as the value of inputs that a typical business requires from businesses in other sectors to produce one unit of output in its own sector ("use"). An example is provided on the next page. The additional £ or € in GVA created in the wider economy for every £1 or €1 spent by SSE in its supply chain.
  - This year, we have updated the Supply-Use tables used in the analysis to reflect the latest balance of trade flows in the economy (2022 data for the UK, 2021 data for Scotland and RoI). This year, we also use the published multipliers for GVA and employment by the UK and Scottish Governments where available. Where these were not available, we calculate the multipliers through input-output modelling. Therefore, the FY25 results are not directly comparable for previous years, which use older Supply-Use tables. SSE provided us with the input data to estimate its direct economic contribution. We also relied upon data from various statistics authorities to build the economic Input-Output models used in our calculations.

# Modelling methodology (ctd.)

## Approach to estimating indirect and induced contribution (ctd.)

- SSE provided data from its procurement spending accounts which identifies the sectors of the economy from which it purchases inputs used in its business activities.
- The national Supply-Use tables also provide data on the share of revenue that constitutes profit and wages for each sector. We apply these ratios to the total production value stimulated by SSE's business activities to estimate the total GVA created in its supply chain, disaggregated by sector.
- We use government statistics on employment in each sector to estimate the total employment associated with SSE's activity. We derive the average output per head by sector and apply this to the total production value stimulated in each sector in the supply chain to estimate the indirect employment supported by SSE.
- These steps are repeated to estimate the induced contribution, which instead uses wage data to estimate how much production is stimulated in the supply chain that supports the products employees buy, such as accommodation, food and entertainment.
- We account for typical household savings which is not spent back in the economy by adjusting household consumption before estimating the induced impacts to GVA and employment. This year, we updated the source for this assumption to reflect the latest available data, which can be found in **Table 15** on the next page.

Figure 2: Illustrative interpretation of information from Supply-Use tables



# Data sources

- The Input-Output models for each country are based on Supply-Use tables provided by the relevant national official statistics offices. These are based on data collected through business surveys undertaken by national statistics offices on an annual basis.
- We have combined data from the Supply-Use tables with employment data for the relevant years to obtain employment-to-output ratios.
- This adjustment does not capture structural changes in the economy that occur between the year of the Supply-Use table information and the year of analysis. Results should be treated with caution for sectors that have changed significantly since the preparation of the most recent Supply-Use tables.
- SSE provided all data related to its business spending and data on employment headcount, profits and wages from its annual accounts. The data provided by SSE are for the financial year 1 April 2024 to 31 March 2025.
- SSE used judgement to map the majority (over 95%) of its supplier expenditure to the relevant sector of the economy and the geographical location of the supplier. As agreed with SSE, we apportioned all remaining expenditure using the proportional distribution of the mapped expenditure, to obtain total expenditure by sector and country. A proportion of the smaller suppliers which were not mapped by SSE could be based in the UK or RoI. This would suggest a relatively higher economic impact in these countries, disproportionately impacting the results of SSE's business units.
- We did not carry out any testing of, and do not provide any assurance over, the underlying data provided by SSE or obtained from any other external source.
- This year, to account for inflation effects, we deflate SSE's supplier expenditure data to match the years of the input-output tables, apply the multiplier effects to estimate indirect and induced, and rebase the results to current prices to reflect the period covered by our assessment.

**Table 15: External data sources**

Data	Source
National Supply-Use tables, effects and multipliers	<ul style="list-style-type: none"> <li>• <b>UK:</b> Office for National Statistics (ONS) UK Input-Output Analytical Tables 2019</li> <li>• <b>Scotland:</b> Scottish Government Input-Output Tables 2020</li> <li>• <b>Rol:</b> Central Statistics Office (CSO) Input-Output Tables for Ireland 2020</li> </ul>
National employment data	<ul style="list-style-type: none"> <li>• <b>UK:</b> ONS UK Business Register and Employment Survey</li> <li>• <b>Scotland:</b> Scottish Government Input-Output Tables 2020 and ONS Annual Employment Statistics (BRES)</li> <li>• <b>Rol:</b> CSO Quarterly National Household Survey and Earnings Hours and Employment Costs Survey</li> </ul>
National GDP data	<ul style="list-style-type: none"> <li>• <b>UK:</b> ONS GVA statistics</li> <li>• <b>Scotland:</b> Scottish Government Quarterly National Accounts</li> <li>• <b>Rol:</b> CSO National Accounts</li> </ul>
Inflation data	<ul style="list-style-type: none"> <li>• <b>UK:</b> ONS GDP Deflator</li> <li>• <b>Scotland:</b> ONS GDP Deflator</li> <li>• <b>Rol:</b> International Monetary Fund (IMF) International Financial Statistics Database</li> </ul>
GVA per FTE employee	<ul style="list-style-type: none"> <li>• <b>UK:</b> ONS Labour Productivity Statistics</li> <li>• <b>Scotland:</b> ONS Labour Productivity Statistics</li> <li>• <b>Rol:</b> OECD Productivity Statistics</li> </ul>
Household income	<ul style="list-style-type: none"> <li>• <b>UK:</b> ONS UK Economic Accounts</li> <li>• <b>Scotland:</b> Scottish Government Input-Output Analytical Tables 2020</li> <li>• <b>Rol:</b> CSO National Accounts</li> </ul>
SSE profits, wages, headcount and expenditure data	<ul style="list-style-type: none"> <li>• <b>UK:</b> SSE</li> <li>• <b>Scotland:</b> SSE</li> <li>• <b>Rol:</b> SSE</li> </ul>
Gross national savings ratio (as % of GDP)	<ul style="list-style-type: none"> <li>• <b>UK:</b> World Bank</li> <li>• <b>Scotland:</b> World Bank</li> <li>• <b>Rol:</b> World Bank</li> </ul>

# Data treatment

- The data that underpins our economic model and is used to contextualise our estimates is measured on a calendar year basis. We denote financial year data as FY[YY] and calendar year data as 20[YY]. When comparing financial years to calendar years, for instance, we use 2023 for FY24, 2024 for FY25 and so on.
- We excluded transactions between the individual companies in SSE Group to avoid double-counting contributions. Procurement spend by SSE subsidiaries is included.
- We use the average exchange rate for the relevant year (FY25) to convert all foreign currency transactions, consistent with the principles outlined in International Accounting Standard 21 ‘The effects of changes in foreign exchange rates’.
- We used three stand-alone models to estimate SSE’s economic contribution in the UK, Scotland and RoI. These models are not linked and the results presented only related to the direct expenditure in each geography. They do not reflect feedback loops between geographies. For example, if SSE in Scotland purchases goods from a supplier in England, and that supplier in England sources goods from Scotland to enable it to meet SSE’s demand, this additional spending in Scotland is not captured. The results, therefore, represent a conservative estimate of SSE’s economic contribution. SSE’s contribution in England, Wales and Northern Ireland cannot be derived by calculating the difference between the results for the UK and Scotland.
- The estimated economic contribution of SSE to the UK, Scotland and RoI is based on total SSE expenditure in these regions. For example, the economic contribution for RoI reflects the purchases made by the entire SSE Group from suppliers within RoI, not just the purchases made by SSE RoI.
- A significant share of SSE’s purchases relate to commodity trading. As agreed with SSE, we have only included SSE’s net expenditure on energy commodities, as this best measures the economic contribution of the company. For financial instruments, we have only included the commission paid by SSE, for the same reason.
- SSE has mapped FIT expenditure as payments to the UK Public Administration and Defence sector, consistent with its previous economic assessments. This is a simplification as these payments are eventually distributed across a range of generators who operate across a variety of sectors. This simplification has been made because of limited information about the recipients of FIT and SEG payments. In the future, the accuracy of the results would be improved if more specific data became available. However, in the absence of more reliable information on the specific beneficiaries of SSE’s FIT and SEG payments, we have agreed with SSE that this is a reasonable way to treat FIT and SEG transactions for the purposes of this analysis.
- SSE also has several Joint Ventures (JVs) within its accounts. Where possible, we have included SSE’s share of the procurement and profit for its JVs.
  - For example, SSE owns 40% of Beatrice Offshore Windfarm Limited (BOWL) but manages 100% of BOWL’s procurement spend on behalf of the JV. We consolidated 40% of the value of Beatrice’s spend for FY25 into the analysis. SSE also included 40% of the profits from Beatrice into their profit data set.
- We have also included purchases made by SSE Group from SSE’s JVs at the percentage not owned by SSE Group.

# Data treatment (ctd.)

- For example, where SSE Group has purchased from BOWL, we have included this at 60%.
- Where a different organisation in the JV manages the procurement and SSE does not have the data available, any economic impacts from procurement by the JVs which could be assigned to SSE are excluded. This means that the analysis produces a conservative estimate of SSE's indirect and induced economic impact.

# Contextualising the results

- All the analysis is presented in gross terms. We have not assessed the net contribution of SSE to the economy (i.e., we have not considered what would have happened in the economy if SSE did not exist).
- Employment and gross value added (GVA) are different indicators driven by the same underlying economic activity. They should not be considered as additional to each other.
- The results for SSE Group are presented in the main report.
- We also estimate the GVA and employment contribution of the top 5 sectors in SSE's supply chain based on SSE's procurement spend data.
- To ensure consistency between our model and SSE's financial data, we have adjusted past values so that they are measured in comparable prices. All financial data received from SSE reflect the prices paid or received for goods and services during FY25. We adjust past values to average prices for the 2024 calendar year using the GDP deflator for the relevant country, as price level data is not available for the first quarter of 2025 at the time of analysis to make this adjustment for the financial year 2025. For convenience, we refer to this approximately equivalent price level as "current prices". The previous estimates of SSE's economic contribution between FY12 and FY25 that are presented in this report have been adjusted to current prices in the same way.
- To contextualise SSE's estimated economic contribution we use national GDP and employment data from statistics authorities. 2024 data is not yet available for all the relevant statistics. Consequently, where 2024 data is not available, SSE's estimated economic contribution in FY25 is compared to statistics from the latest year for which data are available. GDP data is inflated to current prices.
- Any summation of the estimates of SSE's contribution to GDP, across the 10 years of analysis, should consider applying a discount rate to account for changes in society's time preference for money.

# Key definitions

**Table 16: Key definitions**

Indicator	Definition
GVA	GVA is a measure of the value generated in the economy and represents the difference between the value of goods and services sold and the goods and services used as an input to their production. It is the company-level equivalent of GDP: adding up the GVA of all individual companies in the economy is equivalent to a country's GDP after adjusting for taxes and subsidies on products, which are components of GDP that are not included in the calculation of GVA.
Employment	Employment supported: expressed as number of jobs (headcount).
Multipliers	GVA multiplier: total GVA (direct + indirect + induced) for every £1 or €1 of GVA generated directly by SSE. Employment multiplier: total employment (direct + indirect + induced) for every job supported directly by SSE.
GVA per FTE employee	SSE's GVA per FTE employee is based on headcount. National GVA per FTE employee is calculated by dividing national GVA by national employment, using the most recent data available. The GVA data was then adjusted to current prices.
SSE contribution to GDP as % of national GDP	SSE's contribution to national GDP as a percentage of total GDP at factor costs. For the UK and Scotland we used 2024 GDP data, and for RoI we used 2024 data from the IMF.
SSE-supported employment as percent of national employment	Total employment supported by SSE as a percentage of national employment. We used 2023 employment data (the latest available) for the UK, 2020 employment data (the latest available) for Scotland, and 2024 employment data for RoI.

# Thank you

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