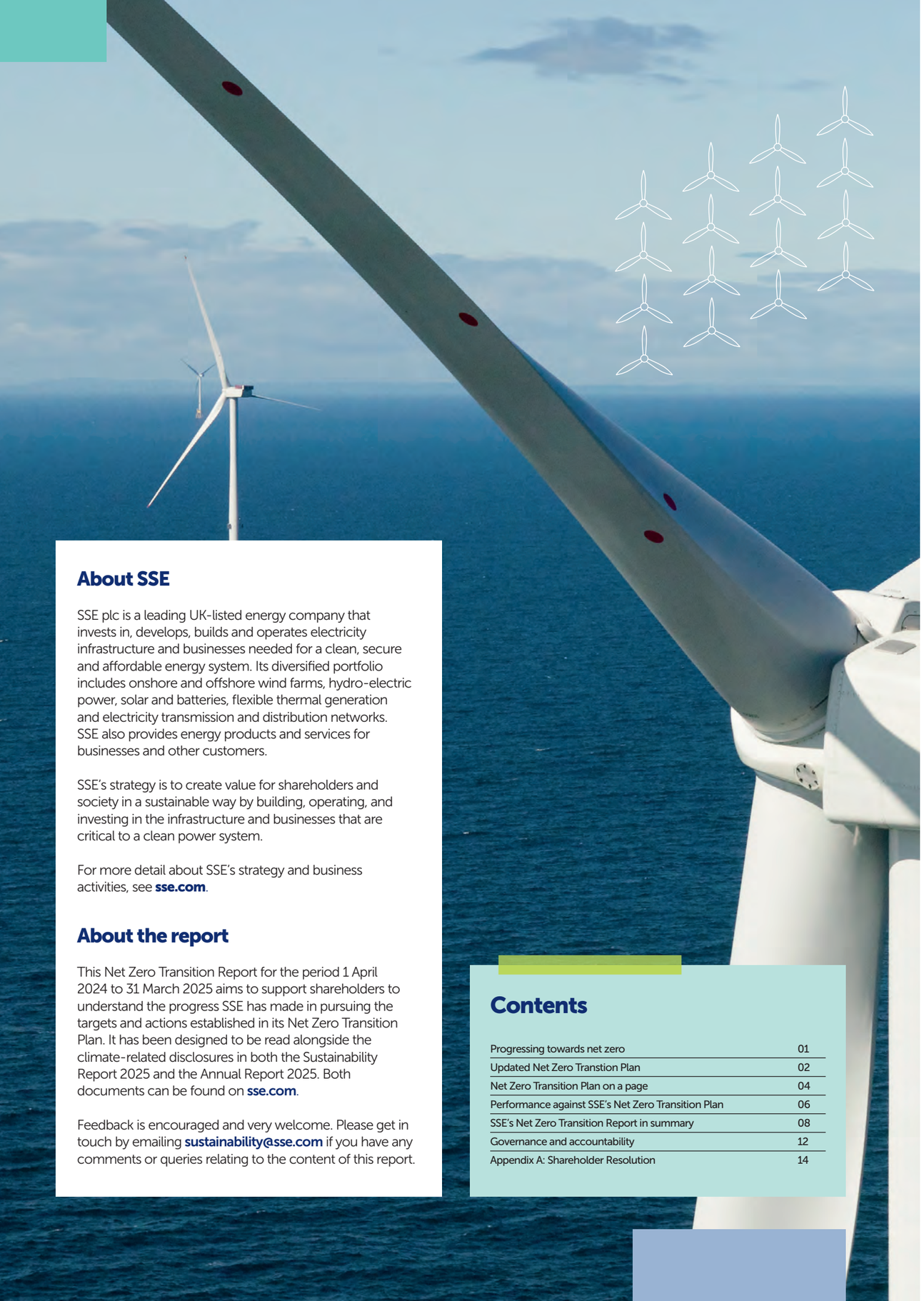
Transparency through the transition

SSE plc Net Zero Transition Report 2025



About SSE

SSE plc is a leading UK-listed energy company that invests in, develops, builds and operates electricity infrastructure and businesses needed for a clean, secure and affordable energy system. Its diversified portfolio includes onshore and offshore wind farms, hydro-electric power, solar and batteries, flexible thermal generation and electricity transmission and distribution networks. SSE also provides energy products and services for businesses and other customers.

SSE's strategy is to create value for shareholders and society in a sustainable way by building, operating, and investing in the infrastructure and businesses that are critical to a clean power system.

For more detail about SSE's strategy and business activities, see **sse.com**.

About the report

This Net Zero Transition Report for the period 1 April 2024 to 31 March 2025 aims to support shareholders to understand the progress SSE has made in pursuing the targets and actions established in its Net Zero Transition Plan. It has been designed to be read alongside the climate-related disclosures in both the Sustainability Report 2025 and the Annual Report 2025. Both documents can be found on **sse.com**.

Feedback is encouraged and very welcome. Please get in touch by emailing **sustainability@sse.com** if you have any comments or queries relating to the content of this report.

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Progressing towards net zero

SSE is committed to reporting against its emissions targets and the actions it is taking to achieve them. This transparency supports high-quality stakeholder engagement on climate-related issues.

A strategy for net zero

SSE's strategy is tackling climate change head-on, supporting the energy transition to achieveg clean power. SSE's Net Zero Transition Plan, 2030 Goals and accompanying science-based targets set out how the Company intends to achieve this.

SSE's Net Zero Transition Plan

To demonstrate its commitment to the energy transition, SSE aims to reach net zero across scope 1 and 2 greenhouse gas (GHG) emissions by 2040 at the latest (subject to security of supply requirements), and across scope 3 GHG emissions by 2050 at the latest. These are long-term ambitions, so to make meaningful progress, SSE has set four near-term targets verified by the Science Based Targets initiative (SBTi) and aligned to a 1.5°C pathway.

These targets form the basis of SSE's Net Zero Transition Plan which sets out the tangible actions to remove GHG emissions from SSE's electricity generation, operations and value chain. The plan makes clear that, while the transition may not be linear, over time, the power system as a whole needs to decarbonise completely. This means deploying renewables at scale while transitioning away from unabated gas

generation to new low-carbon flexible generation. SSE's role in the transition also goes beyond its own targets, with the Company's investment in decarbonised electricity helping other key sectors to remove carbon from their operations too.

Enhanced climate-related engagement and disclosure

Alongside SSE's Net Zero Transition Plan, a process of scrutiny and accountability has been established through a shareholder 'say on climate' resolution at its AGM. This Transition Report supports that shareholder advisory vote at the July 2025 AGM by summarising progress referenced in SSE's climate disclosures within SSE's Annual Report 2025 and SSE's Sustainability Report 2025.

A resolution at the 2025 Annual General Meeting proposes to reset the framework and establish a three-year cycle for voting on SSE's Net Zero Transition Report. Progress against SSE's carbon targets and Net Zero Transition Plan will continue to be published yearly in SSE's Annual and Sustainability Reports.

SSE's climate-related information is disclosed across a number of reports in SSE's annual corporate reporting suite, alongside its submission to the CDP Climate Change programme. These disclosures are designed to complement each other and provide stakeholders with a holistic view of SSE's performance in managing climate-related opportunities and risks. All reports are available at **sse.com/sustainability.**

Amendment to the shareholder 'say on climate' resolution

In 2021, SSE introduced the framework for an annual shareholder 'say on climate' resolution at its Annual General Meeting (AGM). This resolution gives shareholders the opportunity to receive and approve the Company's Net Zero Transition Report on an advisory basis. At the 2024 AGM, 98.2% of shareholders voted in its favour. At the 2025 AGM, shareholders will be asked to receive the Net Zero Transition Report 2025 and approve a revised timetable where votes on the Net Zero Transition Report occur every three years, in line with the UK government's Transition Plan Taskforce (TPT) recommendation that companies review their transition plans every three years.

See Appendix A for the 2024/25 shareholder resolution.

Updated Net Zero Transition Plan

With the case for climate action more pressing than ever, SSE is at the forefront of the energy transition, providing the practical solutions needed for a clean power system. SSE is firmly committed to the long-term ambition to achieve net zero and its Net Zero Transition Plan sets out how it intends to get there.

Updating SSE's Net Zero Transition Plan

Transition plans play a critical role in outlining company pathways to net zero, supporting both delivery and accountability. SSE was an early adopter of transition planning, publishing its first Net Zero Transition Plan in March 2022, with a minor update in October 2022 in response to feedback.

As part of this year's corporate reporting suite, SSE published an updated Net Zero Transition Plan, in line with the UK Government's Transition Plan Taskforce (TPT) recommendation to update standalone transition plans every three years.

The refreshed plan has been structured around three core themes: generation, operations, and value chain, which should help stakeholders better understand SSE's action to reduce emissions. The Plan also includes a new cross-cutting action on protecting and restoring nature. SSE's updated Net Zero Transition Plan on a page can be seen on pages 4 and 5.

In light of the new UK Government's Clean Power 2030 Action Plan – published in December 2024 – SSE's updated plan also presents new emissions scenarios against the company's scope 1 and 2 science-based targets. These scenarios are based on the timing of the phased reduction in unabated gas generation and its shift to a back-up role to balance the system and ensure security of supply.

These scenarios are described in full on page 12 of the Net Zero Transition Plan.

SSE's updated Net Zero Transition Plan is available at **sse.com/sustainability.**

Emission Scenarios

With six years until SSE reaches the milestone of its near-term science-based emissions targets, the ability to forecast a range of potential outcomes in 2030/31 is becoming apparent. To support stakeholder scrutiny of progress, SSE has published two scenarios for its 2030/31 targets in its updated Net Zero Transition Plan.

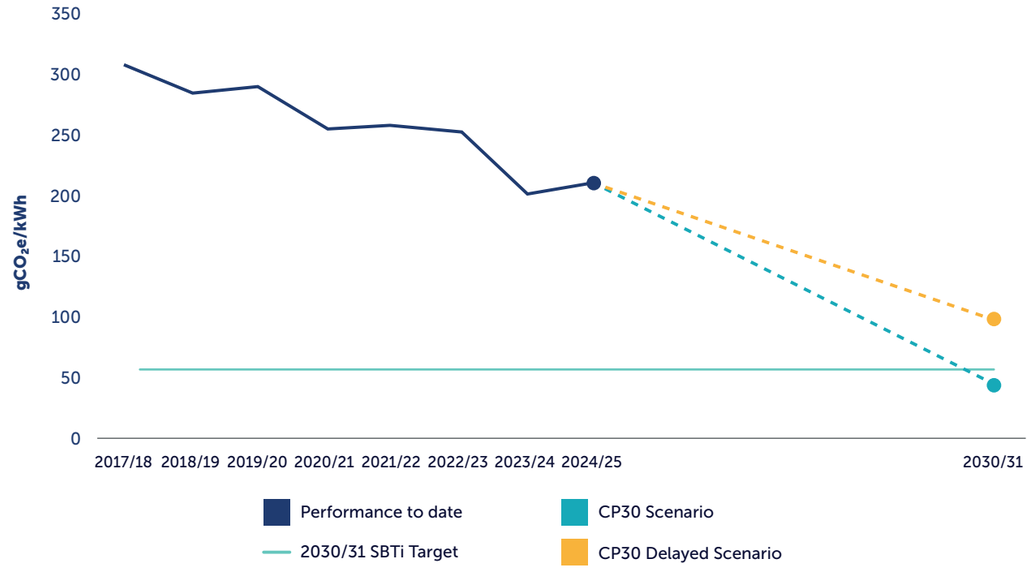
Firstly, a scenario where the UK Government achieves its Clean Power 2030 Action Plan (CP30 Scenario), which would see SSE comfortably meet its near-term science-based targets. In this scenario, SSE expects to outperform its science-based target by reducing absolute scope 1 and 2 emissions by 83% against the 2017/18 base year. The scope 1 carbon intensity of this scenario is expected to be 48gCO_2e/kWh, compared to the science-based target of 61gCO_2e/kWh.

At the other end of the spectrum, SSE can see a scenario where the 2030/31 targets are missed (CP30 Delayed Scenario). If new large scale renewable projects are delayed, there is a consequential impact on the requirement for the higher carbon alternative for longer.

This would mean SSE reduces absolute scope 1 and 2 emissions by 60% against the 2017/18 base year, compared to SSE's science-based target reduction of 72.5%. Furthermore, SSE's scope 1 carbon intensity target would also be missed, out turning at 100gCO_2e/kWh, as opposed to its science-based target of 61gCO_2e/kWh.

Openly discussing these issues signals to stakeholders, particularly policymakers and regulators, the necessary policy interventions to achieve net zero at both company and system levels.

Figure 1: SSE's scope 1 carbon intensity scenarios (gCO_2e/kWh)



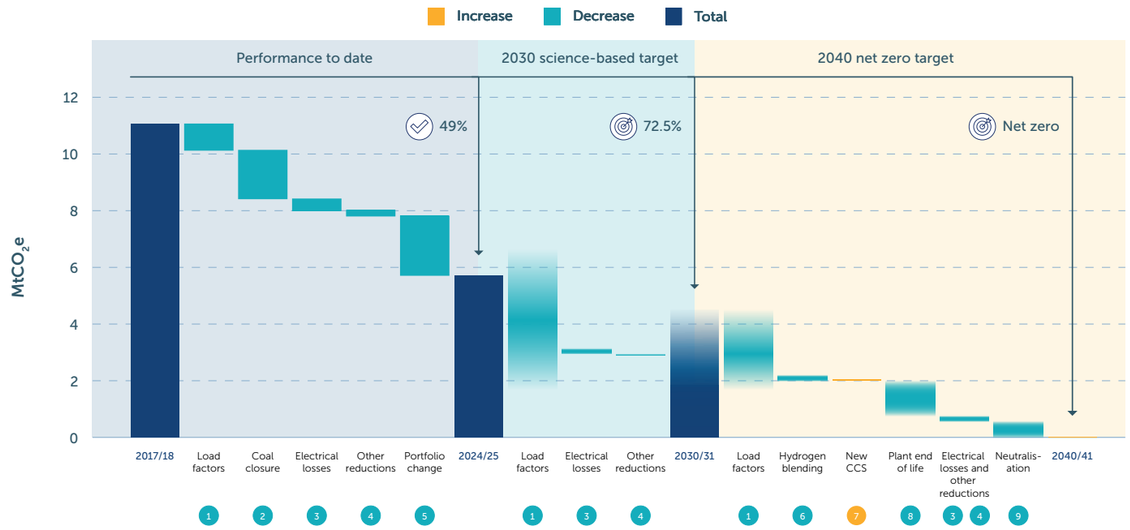
SSE's transition pathway 'levers' for scope 1 and 2 emissions

Last year SSE published its net zero transition pathway levers that set out the key steps required to meet its 2030 science-based targets and 2040 net zero commitment. This disclosure has supported higher quality engagement with investors and will be reviewed annually.

SSE's net zero transition pathway 'levers' have been updated to reflect performance to date as well as the two emission scenarios for 2030/31. The phased reduction in unabated gas generation - shown as load factors on the pathway - will be largely dependent on pace of policy and regulatory change in core markets as described in SSE's Net Zero Transition Plan.

SSE's transition levers are described in full on page 90 of the Sustainability Report 2025.

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



Levers post 2024/25 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.

Net Zero Transition Plan on a page

SSE's near and long-term carbon targets, alongside key action it will take to achieve them.

Near term (2025 - 2035) | **Long term (2035 - 2050)**

2025 — **2035** — **2050**

Targets

Carbon intensity
Reduce the carbon intensity of scope 1 GHG emissions by 80% by 2030, from a 2017/18 base year.

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

Supplier engagement
Engage with 90% of suppliers by spend to set science-based targets by 2030.

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

Scope 1 and 2
Net zero for SSE's scope 1 and 2 emissions by 2040.

Scope 3
Net zero for all SSE's remaining scope 3 emissions by 2050.

Actions

Generation (Scope 1)

1. Reduce emissions from unabated gas generation
2. Develop new low-carbon flexible generation
3. Grow the renewable energy portfolio
4. Transparent advocacy in favour of enhanced policy
5. Explore options for neutralising residual emissions

Operations (Scope 1 and 2)

6. Reduce electrical losses from SSEN Distribution
7. Reduce reliance on Scottish Island backup diesel generation
8. Reduce SSEN's leakage and reliance on SF_6
9. Switch vehicle fleet to electric
10. Deliver a net zero property estate

Value chain (Scope 3)

11. Support customers to fuel switch and use less gas
12. Advocate for a pathway for decarbonised heat
13. Work with joint ventures to deliver a net zero pathway
14. Collaborate with suppliers on net zero action
15. Work with suppliers to improve scope 3 reporting

Climate adaptation and resilience
16. Continuous review of adaptation plans at business unit level, whilst participating fully in national adaptation frameworks

The natural environment
17. Ensure all onshore large capital projects in the UK and Ireland incorporate SSE's nature-related targets

Just transition
18. Publish an annual update on delivery of the Just Transition Strategy

Performance against SSE's Net Zero Transition Plan

SSE aims to reduce GHG emissions in line with the 1.5°C pathway set for the power sector by the Science Based Targets Initiative and has set near-term science-based targets on the net zero pathway.

Halfway to SSE's near-term science-based carbon targets

This year marks an important halfway point towards two of SSE's key science-based targets that are focused on carbon intensity and absolute emissions. The Company has made progress against each of the four near-term targets, as outlined in Figure 3.

SSE is now one-third of the way towards its scope 1 carbon intensity reduction target and two-thirds of the way towards its absolute scope 1 and 2 reduction target.

Key milestones along the way have included closing SSE's last coal power station in 2020 and the construction of flagship renewable projects such as the Beatrice offshore wind farm in 2019, Seagreen offshore wind farm in 2023 and the Viking onshore wind farm in 2024. SSE has increased its renewable energy capacity to 4,982MW in 2024/25.

Emission trajectories are not expected to follow a straight line – year-to-year, they can go up as well as down. The impact of weather, market demand and availability of assets in the UK and beyond cause variations in SSE's year-on-year GHG emissions performance. SSE saw this in 2024/25, with emissions higher than the previous year, due to higher demand from it's thermal assets.

SSE is also nearly halfway towards its scope 3 gas sold target and last year met its supplier target to engage with 50% of suppliers, by spend, to help them set science-based targets by 2024. So, this year, as part of updating the Net Zero Transition Plan, the target was reset to engage 90% of suppliers by 2030.

Figure 3: 2024/25 progress against SSE's science-based targets from a 2017/18 base year

Scopes 1 and 2

Reduce the carbon intensity of scope 1 GHG emissions — by 80% by **2030**

36% progress

2024/25: **218gCO_2e/kWh** (29% reduction from base year)

Reduce absolute scope 1 and 2 GHG emissions — by 72.5% by **2030**

67% progress

2024/25: **5.70MtCO_2e** (48% reduction from base year)

Scope 3

Reduce absolute GHG emissions from use of products sold — by 50% by **2034**

46% progress

2024/25: **1.95MtCO_2e** (23% reduction from base year)

Engage with 90% of suppliers by spend to set science-based targets — by **2030**

51% engaged

2024/25: **51% by spend engaged**

Total reported emissions

Figure 4 shows the change in SSE's carbon footprint since the 2017/18 base year.

Last year, SSE's total reported GHG emissions increased by 10% to 10.2 MtCO_2e (2023/24: 9.27MtCO_2e). However, overall, SSE's reported emissions have decreased by 32% versus the 2017/18 base year, which stood at 15.1MtCO_2e.

SSE's total reported GHG emissions in 2024/25 comprised 51% Scope 1 emissions, 5% Scope 2 emissions and 44% from the Scope 3 emissions that SSE measures.

Scope 1 and 2 emissions performance

SSE's Scope 1 and 2 emissions are the ones that it has most control over. The largest contributors to SSE's scope 1 and 2 GHG inventory for the year were thermal generation emissions (91%) and emissions associated with with distribution losses (7%) which refers to the electricity lost as it travels through SSEN's equipment. Reducing these emissions means decarbonising SSE's electricity generation and operations by investing in low-carbon infrastructure and more efficient processes in it's operations.

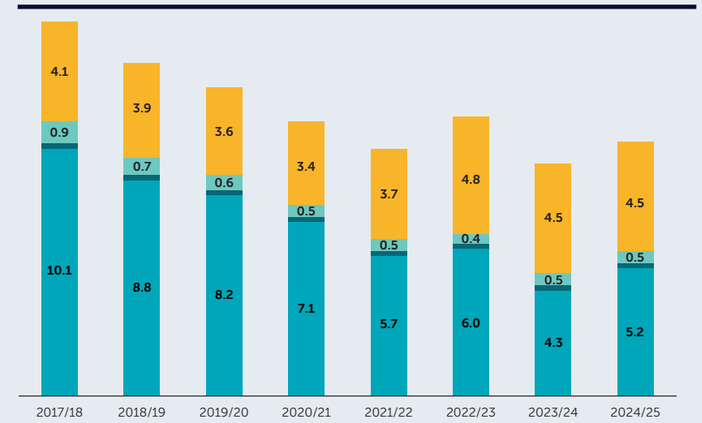
This year, SSE's scope 1 GHG intensity of electricity generated was 218gCO_2e/kWh (2023/24: 205 gCO_2e/kWh), overall representing 29% reduction against the 2017/18 base year. Meanwhile, SSE's Scope 1 and 2 absolute emissions were 5.70MtCO_2e (2023/24: 4.81 MtCO_2e), representing 48% reduction against the 2017/18 base year.

Both SSE's scope 1 carbon intensity and absolute scope 1 and 2 emissions increased compared to last year due to a 24% rise in thermal generation output and constrained capacity on the grid for renewable energy. This year's rise in thermal generation output was caused by changes in market demand and increased running of SSE's most efficient assets.

SSE's Scope 2 GHG emissions were 0.48MtCO_2e in 2024/25, representing a 2% increase from the previous year (2023/24: 0.47MtCO_2e), due to distribution losses. As the second largest source of Scope 1 and 2 emissions, distribution losses accounted for 7% of emissions in 2024/25. This year's increase was due to more power transported across the distribution networks.

As well as the emissions associated with generating electricity and distribution losses, SSE is also working to reduce other operational emissions, which accounted for 2% of Scope 1 and 2 emissions in 2024/25. This includes emissions from diesel generation, sulphur hexafluoride (SF_6), fleet vehicles and energy use in SSE's offices and buildings.

Figure 4: SSE's GHG emissions by scopes between 2017/18 and 2024/25 (million tonnes CO_2e)



- **Scope 3:** Gas sold (Category 11), Joint Venture investments (Category 15), well-to-tank emissions from raw fuels purchased (excluding gas sold) and transmission and distribution emissions from electricity used in non-operational and operational buildings (Category 3), SSEN Transmission network losses (Category 9), contractor vessels (Category 4), and business travel (Category 6)
- **Scope 2:** Electricity consumption in operational and non-operational buildings and SSEN Distribution network losses
- **Other scope 1:** Operational vehicles and fixed generation, sulphur hexafluoride and gas consumption in buildings
- **Scope 1:** Electricity generation carbon emissions

Scope 3 emissions performance

SSE has an important role in influencing the decarbonisation of its indirect value chain emissions by advocating for decarbonised heat, while working with joint-venture and supply chain partners.

The largest contributors to SSE's scope 3 GHG inventory for the year included gas sold to customers (43%) and emissions associated with joint venture thermal generation (35%). The remaining scope 3 emissions came from the upstream emissions associated with purchased fuels used in thermal power stations (19%), transmission losses, and business travel. This year, SSE's total reported scope 3 emissions have increased slightly by 2% to 4.54MtCO_2e in 2024/25 (2023/24: 4.46MtCO_2e), mainly driven by a 21% increase in the upstream emissions associated with the fuels purchased for consumption in SSE's thermal generation sites (0.85MtCO_2e, up from 0.71MtCO_2e in 23/24), as a result of the increased demand on these assets. This increase was partly counteracted by a 3% decrease in emissions associated with gas sold (1.95MtCO_2e, down from 2.01MtCO_2e in 23/24) alongside steady emissions from joint venture thermal generation investments (1.60MtCO_2e).

In 2023/24, SSE met its 2024 target to engage with 50% of suppliers by spend to help them set science-based targets. So, this year, as part of updating the Net Zero Transition Plan, the target was expanded to engage 90% of suppliers by 2030.

SSE's Net Zero Transition Report summary

SSE understands that net zero targets are only credible when backed up by a clear plan of actions. SSE's Net Zero Transition Plan is designed to provide this clarity for its stakeholders. It outlines 18 key actions to ensure its net zero ambitions are met.

This section provides a summary update on the key actions addressing SSE's largest source of GHG emissions from electricity generation, alongside wider actions to reduce operational and value chain emissions. Further information is provided throughout this report.

Actions	Key progress in 2024/25
Generation (Scope 1)	
1. Reduce emissions from unabated gas generation	SSE Thermal continues to focus on managing its existing unabated generation fleet carefully, ensuring plant availability to respond to system needs and weather patterns. Despite the long-term trend of a 48% reduction in scope 1 and 2 emissions against the 2017/18 base year, SSE's scope 1 emissions increased in 2024/25 compared to 2023/24 due to a 24% rise in thermal generation output. This year's rise in thermal generation output was caused by changes in market demand and increased running of SSE's most efficient assets. Annual Report – pages 32 and 47 Sustainability Report – pages 18 and 19
2. Develop new low-carbon flexible generation	While the speed of deploying next generation decarbonised power stations has slowed, SSE Thermal is committed to bringing forward new flexible generation which can support short-term security of supply requirements while also delivering long-term decarbonisation. SSE is seeking planning consent for Peterhead Carbon Capture Power Station in Aberdeenshire and in February 2025, a Final Investment Decision was taken on Tarbert Next Generation Power Station in Ireland. This 300MW plant will run on 100% sustainable biofuels, with the potential to convert to hydrogen. As a pragmatic partner to the UK Government, SSE Thermal is also progressing plans for new 'decarb-ready' power stations which would initially run on natural gas before converting to hydrogen. Annual Report – pages 32 to 33 Sustainability Report – page 20
3. Grow the renewable energy portfolio	SSE's renewable generation capacity across all its renewable technologies grew to 4,982 MW in 2024/25 (2023/24: 4,457MW). In 2024/25, the 443MW Viking onshore wind farm in Shetland became operational and SSE Renewables is approaching completion and full commercial operations at Yellow River wind farm (101MW) in Ireland. SSE is targeting an increase in renewable installed capacity to 7GW by 2027, with ~1GW under construction at that point in time. Annual Report – pages 30 to 31 Sustainability Report – page 28
4. Transparent advocacy in favour of enhanced policy	SSE advocates for more ambitious – and practical –policy to achieve clean power, focussing on the acceleration of renewables deployment, transforming the electricity networks, clear commitments for low carbon flexible generation and a just transition. In 2024/25 SSE engaged the new UK and Irish Governments and regulators to support the delivery of clean power systems. On the global stage, SSE attended COP29 in Baku, Azerbaijan, as well as attending New York Climate Week, to help drive widespread climate action. Sustainability Report – page 25
5. Explore options for neutralising residual emissions	SSE Thermal monitors and engages in UK government policy development on greenhouse gas removals (GGRs), as part of being a member of the Department for Energy Security and Net Zero (DESNZ) GGR Expert Group. In 2024/25, SSE responded to the UK Government consultation on the potential integration of GGR credits into the UK ETS and SSEN Distribution established a new partnership with Scottish Marine Environmental Enhancement Fund (SMEEF) as part of its £2.4m planting scheme to restore 14 hectares of seagrass in the north of Scotland during its current price control period (RIIO-ED2). Sustainability Report – page 69

Actions	Key progress in 2024/25
Operations (Scope 1 and 2)	
6. Reduce electrical losses from SSEN Distribution	During 2024/25 emissions from electricity lost across SSEN Distribution's network increased by 2% due to more power being transported across the distribution network. Addressing these losses is a key component of SSEN Distribution's business plan for the current price control period, RIIO-ED2. In 2024/25, SSEN Distribution secured Ofgem funding for two innovation projects to improve the monitoring and reporting of electrical losses and improve cross-sector coordination on work to minimise losses. Sustainability Report – page 20
7. Reduce reliance on SSEN's Scottish Island backup diesel generation	During 2024/25 there was an 11% decrease in the volume of fuel combustion from standby generation compared to the previous year. This year's reduction in demand for diesel generation was due to less network outages and maintenance work compared to the previous year. SSEN Distribution continued to work towards reducing reliance on backup diesel generation and trailing mobile generators with lower carbon fuel sources. Sustainability Report – page 20
8. Reduce SSEN's leakage and reliance on SF_6	In 2024/25, SSE's reported SF_6 emissions increased slightly to 281kg from 265kg the previous year due to an increase in emissions from Distribution. SSEN continued to adopt SF6 alternatives in substations, where appropriate, as well as managed SF_6 leakage on the networks. SSEN Transmission has made significant progress in 2024/25 with its lowest recorded leakage rate. Sustainability Report – page 21
9. Switch vehicle fleet to electric	SSE made good progress towards its EV100 commitment with 69% of its light vehicle fleet now fully electric, with fully electric vehicles (EVs) comprising 48% of its total committed fleet. Transitioning the commercial van fleet is slower and SSE continues to trial low-emission and electric vans and aims to increase the electric van fleet as suitable vehicles become available. Sustainability Report – page 21
10. Deliver a net zero property estate	Energy consumed in SSE offices, depots and data centres decreased compared to last year. Emissions from SSE's property estate decreased by 6% compared to 2023/24, mainly driven by SSE's policy to work in high-standard, energy-efficient buildings and redeveloping existing buildings to make them more energy efficient. SSE purchased 100% of its electricity for use in its facility managed offices from renewable sources, backed by renewable guarantees. Sustainability Report – page 21

Actions	Key progress in 2024/25
Value chain (Scope 3)	
11. Support customers to fuel switch and consume less gas	In 2024/25, SSE Airtricity continued its focus on enabling access to low carbon solutions for its customers. During the financial year, a partnership with Activ8 Energies installed solar on over 2,000 rooftops, and energy services products were delivered to around 5,000 customers throughout the year, ranging from Smart home surveys and heating upgrades to full-scale domestic retrofits. Annual Report – page 40 Sustainability Report – pages 22 and 32
12. Advocate for a pathway for decarbonised heat	SSE uses its reputation to advocate for practical policy and regulation to support greater innovation to decarbonise heat. For example, SSE is an active member of the Heat Networks Industry Council (HeatNIC) and attends its quarterly ministerial roundtables. In 2024, SSE Energy Solutions responded to the UK government's consultation on heat network zoning. Sustainability Report – page 22
13. Work with joint ventures to deliver a net zero pathway	SSE has started to work with joint venture partners to develop their transition plans; however faster progress is required. The UK's Transition Plan Taskforce (TPT) disclosure framework is not designed for asset-level transition plans, so SSE is working to adapt the TPT approach to help gas-fired generation assets align with a net zero pathway, helping to decarbonise the UK's power system, while continuing to provide long-term security of supply and grid stability. Sustainability Report – page 22
14. Collaborating with suppliers on net zero action	In 2024, SSE reached its target to engage with 50% of suppliers by spend to help them set science-based targets. It has now expanded the target to engage 90% of suppliers by spend by 2030. To date, 51% of SSE's suppliers by spend have set, or committed to set science-based targets. Annual Report – page 52 Sustainability Report – pages 18 and 37
15. Work with suppliers to improve scope 3 reporting	SSE uses EcoVadis, a globally recognised sustainability assessment platform, to assess supplier performance against key environmental (including carbon), social and governance areas. At 31 March 2025, 46% of SSE's suppliers by spend had a valid score through the EcoVadis platform. This year, as a starting point, SSE has reported its estimated emissions from purchased good and aims to move towards a more robust hybrid method of reporting these emissions using supplier data in the future. Sustainability Report – pages 23 and 37
Cross-cutting	
16. Continuous review of adaptation plans at business unit level, whilst participating fully in national adaptation frameworks	In 2024/25, SSEN Transmission published a new climate resilience strategy, while SSEN Distribution published its fourth standalone report in response to UK Government requirements on power companies. SSE also participates in national adaptation frameworks, which this year included contributing to the fourth round of voluntary, industry-level Climate Adaptation Power reporting (APR4). Annual Report – page 48 Sustainability Report – page 24
17. Ensure all onshore large capital projects in the UK and Ireland incorporate SSE's nature-related targets	SSE made good progress against its nature-related targets during 2024/25. While all 53 of its in-scope large capital projects in the UK and Ireland consented since April 2023 met the target of incorporating 'no net loss' in biodiversity, 47 of them exceeded the target by incorporating biodiversity 'net gain' into project design. SSE met its 'no net loss' of native woodland policy commitment on all in-scope onshore large capital projects consented from April 2024. Annual Report – page 46 Sustainability Report – pages 67 and 68
18. Publish an annual update on the delivery of the Just Transition	In 2024, SSE refreshed its Just Transition Strategy, committing to developing a 'place-based' approach, recognising how important it is that the transition is grounded where it will happen, informed by the views of the people who will be most affected. To ensure accountability and track progress, the new strategy also introduced 10 just transition KPIs covering employment, consumer fairness, and communities. Progress against the 10 KPIs over 2024/25 have been included in this year's Sustainability Report. Sustainability Report – page 91

Governance and accountability

The shareholder-approved framework for reporting progress against the Net Zero Transition Plan commits SSE to update annually on the key measures and information relating to its climate performance. Confirmation against those key measures is outlined in the table below.

Key measure to disclose	2024/25 progress
The measures the Company uses to evaluate the consistency of its economic activity with the Net Zero Transition Plan	SSE's Net Zero Acceleration Programme Plus is a five-year plan to 2027 currently forecast to invest around £17.5bn in renewables, electricity networks and system flexibility that will be needed to achieve clean power by 2030. As the UK's Green Taxonomy framework is still in development, SSE continues to voluntarily align its reporting with the EU Taxonomy • Net Zero Acceleration Programme Plus – see page pages 6 to 17 of SSE's Annual Report 2025 • EU Taxonomy assessment – see pages 49 and 80 of SSE's Annual Report 2025
The measures the Company uses to align its public policy engagement and external communications with the Net Zero Transition Plan	SSE advocates for more ambitious – and practical – policy to achieve clean power, focusing on the acceleration of renewables deployment, transforming the electricity networks, clear commitments for low carbon flexible generation and a just transition. In 2024/25 SSE engaged the new UK and Irish Governments and regulators to support the delivery of clean power systems. On the global stage, SSE attended COP29 in Baku, Azerbaijan and New York Climate Week, to help drive widespread climate action. In addition, SSE reviews its trade association memberships annually to ensure that the organisations of which it is a member also advocate in line with the ambitions of the Paris Agreement. • Trade Association Climate Reviews – see **sse.com/sustainability** • Climate advocacy activities – page 25 of the Sustainability Report 2025
Information regarding the governance of the Net Zero Transition Plan and any link between the Company's targets and executive remuneration	To reinforce SSE's commitment to sustainability and to ensure accountability at the highest level of the organisation, sustainability-linked metrics and targets form a core element of Executive performance-related pay. These performance measures include climate-related issues. A portion of the Annual Incentive Plan is linked to performance in key ESG ratings. In addition, a portion of the longer-term Performance Share Plan is linked to performance against strategic measures to deliver SSE's net zero-focused capital investment plan, as well as progress against SSE's 2030 Goals, which are focussed on addressing the challenge of climate change. • Annual Report – see pages 140 to 148
How the Company has evaluated and mitigated the impact of the net zero transition on the Company's employees, communities in which it operates, and other stakeholders in the context of a just transition to being a net zero business	In 2024, SSE refreshed its Just Transition Strategy, committing to developing a 'place-based' approach. This recognises how important it is that the transition is grounded where it will happen and is informed by the views of the people who will be most affected. To ensure accountability and track progress, the new strategy introduced 10 just transition KPIs covering employment, consumer fairness, and communities. Progress against the 10 KPIs over 2024/25 have been included in this year's Sustainability Report. • Annual Report 2025 - see page 53 • Sustainability Report 2025 – page 91
Confirmation of the extent to which the Company's overall climate risk reporting is consistent with the Final Recommendations of the Task Force on Climate-related Financial Disclosures	Since 2018, SSE has been aligning its disclosures to the Task Force on Climate-related Financial Disclosures (TCFD) recommendations. In 2024/25 SSE continued to integrate its disclosures against the TCFD recommendations throughout this years' Annual Report, providing a holistic understanding of how climate-related impacts are managed by SSE. • Annual Report 2025 – TCFD-aligned disclosures, see page 48 and pages 71 to 79
Any applicable updates to the frameworks, relevant methodologies, timescales for goals and targets and core assumptions used in relation to the Net Zero Transition Plan	In 2024/25, SSE updated its Net Zero Transition Plan, consistent with the Transition Plan Taskforce (TPT) recommendation to update standalone plans every three years. SSE's refreshed Plan is structured around three core themes: generation, operations, and value chain. This structure helps stakeholders better understand SSE's actions to reduce emissions. The Plan also includes action to protect and restore nature, and new emissions scenarios against SSE's scope 1 and 2 2030 science-based targets. In light of the UK Government's Clean Power 2030 Action Plan, these scenarios are based on the timing of the phased reduction in unabated gas generation and its shift to a back-up role to balance the system and ensure security of supply. The methodologies, frameworks and assumption SSE uses to report its GHG performance is published annually in its Sustainability Reporting Criteria. • Net Zero Transition Plan – see **sse.com/sustainability** • Sustainability Report 2025 – pages 14 to 17 • Sustainability Reporting Criteria 2025 – see **sse.com/sustainability/policies-and-assurance** • EU Taxonomy alignment – see pages 30 and 107 of SSE's Annual Report 2025

Appendix A: Shareholder Resolution

Net Zero Transition Report and frequency of voting

Resolution 19: to receive on an advisory basis SSE's Net Zero Transition Report for the year ended 31 March 2025 and that the Company shall, subject to regulatory changes, hereafter:

a. produce a standalone report every three years on the terms and implementation of the Net Zero Transition Plan, and in accordance with the Final Recommendations of the Task Force on Climate-related Financial Disclosures and any other legal or best practice frameworks as applicable (the 'Net Zero Transition Report').

b. propose a resolution every three years at an Annual General Meeting of the Company for shareholders to receive, consider and express non-binding advisory approval of SSE's Net Zero Transition Report.

c. report annually within the Company's Annual Report and/or Sustainability Report (and/or such other place as the Company sees fit in accordance with applicable rules or laws) on the Company's progress against the Company's near-term greenhouse gas emission reduction targets (including scopes 1, 2 and 3) and Net Zero Transition Plan.

Nothing in this Resolution shall limit the Company's nor its Directors' ability to take any action which it or they believe in good faith would best promote the success of the Company. For the avoidance of doubt the authority given under Resolution 19 of SSE plc's 2021 Notice of AGM, setting out the annual intention to consult shareholders on the Net Zero Transition Report, as passed on 22 July 2021, is revoked by this Resolution 19.

Notes to Resolution 19: Net Zero Transition Report

This Resolution asks shareholders to receive the Company's Net Zero Transition Report for the year ended 31 March 2025, and in doing so, consider and approve it on a non binding advisory basis. They are also being asked to consider moving from a one- to three-year cycle for preparing standalone Net Zero Transition Reports for consideration by shareholders on an advisory basis at an Annual General Meeting. Progress against SSE's carbon targets and Net Zero Transition Plan will continue to be published annually.

SSE's Net Zero Transition Report for 31 March 2025 provides a navigation aid to climate related disclosures in both the Annual Report 2025 and throughout the Sustainability Report 2025. The Net Zero Transition Report 2025 is available on sse.com.

The Net Zero Transition Report includes the following information:

a. the measures the Company uses to evaluate the consistency of its economic activity with its Net Zero Transition Plan;

b. the measures the Company uses to align its public policy engagement and external communications with the Net Zero Transition Plan;

c. information regarding the governance of the Net Zero Transition Plan and the link between the Company's targets and executive remuneration;

d. how the Company has evaluated and mitigated the impact of the net zero transition on the Company's employees, communities in which it operates, and other stakeholders in the context of a just transition to being a net zero business;

e. confirmation of the extent to which the Company's overall climate risk reporting is consistent with the Final Recommendations of the Task Force on Climate related Financial Disclosures and any other legal or best practice frameworks as applicable;

f. any applicable updates to the frameworks, relevant methodologies, timescales for goals and targets, and core assumptions used in relation to the Net Zero Transition Plan; and

g. the Company's progress on the implementation of matters that are the subject of the reporting requirements set out in paragraphs (a) to (f), above.

The scope of the Net Zero Transition Report is updated and revised from time to time, in line with any mandatory requirements and best practice. These updates do not include commercially confidential or competitively sensitive information, and are carried out at a reasonable cost.

Given that shareholders may have multiple motives when voting on such a matter, the Company wishes to clarify that if there is a significant vote against, it would hold discussions with shareholders through its Investor Relations and environmental, social and governance ('ESG') engagement programme and seek information from them about why they did not support the proposed resolution, informing all shareholders about the results of that process and announcing its intended measures aimed at taking them into account.

To discuss the content of this document, please get in touch:

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