SSE plc Interim Results to 30 September 2024

POWERING NET ZERO

Alistair Phillips-Davies

CHIEF EXECUTIVE SUCESSION

- Good morning and welcome to our interim results presentation.
- Before we begin, let me first address today's announcement that I intend to retire from SSE during 2025, after 11 years leading the Company.
- It has been an immense privilege to be SSE's Chief Executive, and I am extremely proud of what we have achieved during my time here.
- However, I believe the time is right for the Board to begin the search for a successor and I am fully committed to delivering a smooth handover that maintains momentum on our significant growth plans.
- Our Chair, Sir John Manzoni, will lead the appointment process, taking account of our highly capable internal team and the wider market, and we will update you in due course.
- In the meantime, I, along with the rest of the Executive Team, remain fully focused on delivering our strategy.

1. TITLE SLIDE – POWERING NET ZERO

- I'm joined this morning by Barry O'Regan, our Chief Financial Officer, and Martin Pibworth our Chief Commercial Officer and, as you will hear shortly, there is plenty to be getting on with as we make the most of the significant opportunities in front of us.
- We'll be delighted to take your questions after we present what has been a strong start to the year, as we continue to drive high-quality sustainable earnings across the Group.

2. SAFETY FIRST

- I'll start with our number one priority: safety.
- I'm pleased to say we've seen a significant reduction in both the number of injuries and the Total Recordable Injury Rate compared with the same period last year.
- In April 2024 we opened an industry-leading immersive safety centre, where actors bring the reality of a safety incident to life for our employees and contractors.
- We have already put over 6,000 employees and partners through this programme, and hope this investment will continue to have a real-world impact in ensuring everyone working for SSE gets home safely.

3. AGENDA – OVERVIEW

4. SSE PLC: AT THE HEART OF THE ENERGY TRANSITION

- You've heard me speak before about the mission-critical role SSE has in the clean energy transition in our core markets – markets that are increasingly attractive.
- Decarbonisation and electrification are two defining structural trends and while climate targets have slipped in some parts of the world and the implications of a new US administration are yet to be seen, the deployment of clean power in our home markets is accelerating.

- We are uniquely placed to benefit with one of the best clean energy portfolios in the world spanning renewables, flexibility and electricity networks: these are the key enablers of net zero and energy security more broadly.
- Our balanced business mix provides multiple growth options in offshore and onshore wind, hydro, carbon capture, batteries, transmission and distribution.
- This mix also provides deep resilience, enabling us to generate value through a variety of market conditions, as we've seen in recent years.
- And these tailwinds are strengthening.

5. A STRENGTHENING POLICY LANDSCAPE

- In the UK, our biggest market, the Government has put delivery of clean power – in an accelerated timescale – at the heart of its growth agenda.
- Already, in the first few months of the Parliament, we've seen the new Government taking bold steps, at a noticeably faster pace, as it seeks to put its 2030 clean power mission into action.
- Whether it's speeding up the outdated planning system for electricity infrastructure in Scotland – or long overdue support for long-duration storage projects like Coire Glas – the policy landscape is already more supportive than it was at our full-year results in May.
- And the NESO has now handed over to government its detailed priorities for successful pathways to clean power by 2030.
- They point to the pace of strategic investment that will be required for economic growth.
- Whichever way you look at it, SSE is ideally placed to deliver a significant proportion of any 2030 clean power plan.
- But it isn't just a UK story. As other countries intensify their focus on clean energy, there will be opportunities in other geographies across the EU and Japan where we have a growing presence.
- So, whether at home or abroad, SSE is a business with the right strategy, in the right markets, at the right time, with a once-in-a-generation opportunity before us.

6. VALUE ACCRETIVE INVESTMENT PLAN

- We are now at the midpoint of our five year, fully-funded, investment plan that will see us target around £20bn in capex investment to drive long-term earnings growth.
- The Net Zero Acceleration Programme Plus, or NZAP Plus, is supported by world-class assets and pipelines, balance sheet strength, capital discipline and highly capable teams.
- This is essentially a clean power plan, and – as you will hear throughout this presentation – we are making significant progress on delivering it.
- It gives us a clear pathway to deliver strong and increasingly high-quality growth which includes increasing adjusted EPS to between 175-200 pence by 2027.

7. POWERING NET ZERO

- So, in summary, this is a company at the heart of the clean energy transition that is delivering:
    - Investment in world-class assets, creating sustainable value for shareholders and society;
    - A carefully balanced business mix that provides deep resilience and multiple growth options; and

    - A highly disciplined approach to investment, with an ever-increasing organic pipeline of projects that offer long-term value creation.
- Whether your eye is on today, this decade, or beyond, SSE is well placed, well balanced and fit for the future.
- I'll now hand you over to Barry …

8. AGENDA – FINANCIAL RESULTS

Barry O'Regan

- Thank you, Alistair, and good morning everyone.
- I'll now take you through what was a strong start to the financial year, before touching on our continued confidence in the long-term financial outlook.

9. **FINANCIAL RESULTS – OVERVIEW**

- In the first half, the Group delivered adjusted operating profit of £860m, 24% higher than the prior year.
- I'll step through the business-by-business movements shortly, but first I want to highlight the changes in earnings mix coming through the results today.
- As you may have noticed in May, the expected higher contribution from our networks businesses this year, has not only increased the predictability of results, but also reduced the level of seasonality in Group profitability.
- And this upweighted contribution, combined with an improvement in Renewables performance, that reflects weather conditions and year-on-year capacity increases, meant that these businesses delivered twice the total operating profit they did in the prior period.
- Meanwhile, these same weather conditions contributed to more stable markets, which saw the Thermal business make a small loss in the first half.
- This is a strong Group performance that shows the benefits of both our business mix and the value from our investments starting to come through.
- Turning to that investment, our continued focus on networks and renewables, meant around 90% of the £1.3bn invested in the period, was in these businesses and their delivery of high-quality earnings.
- Overall, the Group delivered adjusted EPS of 49.8p, in line with our expectations for the period.

10. FINANCIAL RESULTS – SSEN TRANSMISSION

- Turning to SSEN Transmission's performance, adjusted operating profit decreased by 27% to £157m.
- Despite growing investment and therefore underlying revenue allowances, the year-on-year reduction includes a one-off timing effect after the business benefited from "full-expensing" accelerated capital allowances in the prior period.
- In addition to this economically-neutral timing effect, the cost of Transmission's workforce continues to grow, in preparation for the major investment programme Alistair will cover later, and depreciation has increased as the asset base expands.

11. FINANCIAL RESULTS – SSEN DISTRIBUTION

- SSEN Distribution's operating profit was up 188% year-on-year to £346m.
- As we have flagged before, and in line with our guidance for this business for the full financial year, this is because allowed revenues include a multi-year cost inflation catch-up.

- This follows a sustained period of high inflation rates which were not reflected in tariffs, which are set 15 months before the start of the financial year.

12. FINANCIAL RESULTS – SSE RENEWABLES

- In Renewables, we were delighted to announce that Viking reached full commercial operations in August.
- When combined with a full contribution from Seagreen wind farm and our Salisbury battery facility, the business finished the period with over 1GW of additional installed capacity when compared to the same six months last year.
- And – after adverse weather in the previous summer – the period saw a return to favourable conditions, with output increasing across wind and hydro.
- Combined with the increase in hedged prices, these factors meant that SSE Renewables' operating profit increased by 287% year-on-year to £336m.

13. **FINANCIAL RESULTS – SSE THERMAL**

- As we highlighted in May, we fully expected that Thermal and Gas Storage operating profits would be significantly lower than the prior year, reflecting market prices and assumed normal volatility.
- The favourable weather conditions shown on the previous slide for Renewables, also contributed to the more stable market conditions over the summer – meaning that flexible thermal generation was not required to the same extent as in previous years.
- Turning to Gas Storage, the business continues to make a seasonal loss, which is expected to revert back to profitability for the full financial year.
- With already-contracted increases in capacity market payments not due to start for another 18 months, the market environment outlined above drove a combined operating loss for these businesses of £(44)m for the half year.

14. FINANCIAL RESULTS – CUSTOMERS

- In our Customers business, we are continuing to see supply margins return to more sustainable levels.
- In Airtricity, with competitive and responsible pricing in place, we have been implementing tariff decreases whilst continuing to support vulnerable customers.
- And while Business Energy was affected by lower volumes, the decrease in customer tariffs across the businesses, also contributed to lower levels of bad debt provisions required.
- With customers' needs and expectations evolving rapidly – combined with an increasing market requirement for low-carbon power supply solutions – the importance of this business as a route-to-market for renewable generation will only increase.

15. **FINANCIAL RESULTS – OTHER BUSINESSES**

- And turning very briefly to our other businesses, I would highlight that we have commenced a reorganisation of SSE Enterprise, which will see existing activities integrated into other Business Units for a simpler Group organisational structure that provides an enhanced platform for growth.

16. **FINANCIAL RESULTS – NET INCOME**

- Below the line, net finance charges rose reflecting the interest on Seagreen project financing, while the fall in tax rate was driven by the "full expensing" capital allowance tax relief available on our investment programme.

- As we have guided to previously, we expect the benefit from “full expensing” to increase in line with our capex delivery and our current tax rate to continue to fall to an average of 12% over our five-year plan.

17. FINANCIAL RESULTS – DIVIDEND

- Dividends continue to be an important part of delivering value to our investors, and in line with the plan set out 18 months ago, we have today declared an interim dividend of 21.2 pence, reflecting an increase of 6% on the prior year.
- And we will make the recommendation for the final dividend in May, alongside publication of Full-year Results.
- Our commitment to delivering on the FY27 dividend plan remains, as we target dividend growth of between 5-10% per annum, whilst also restricting the earnings dilution from the scrip option.

18. **FINANCIAL RESULTS – BALANCE SHEET**

- The strength and stability of SSE’s capital structure has been a significant part of the Group’s delivery in recent years, as it has navigated volatile commodity prices, increased collateral requirements and higher interest rates.
- Looking forward, it is this same strength and stability that will enable the Group to increase investment in high-quality, long-term infrastructure required for the energy transition.
- And that increased investment has meant that adjusted net debt rose to £9.8bn at September 2024, with 94% held at fixed rates.
- The successful issuance by SSEN Transmission of a €850m, eight-year Green Bond in August 2024 at an attractive fixed rate, has solidified SSE’s status as the largest corporate issuer of Green Bonds in the UK.
- And we have replaced our existing credit facilities, with enhanced sustainability linked facilities that will run to the end of the decade and provide a good liquidity base.

19. OUTLOOK: REAFFIRMING EARNINGS OUTLOOK

- There is a lot of detail on this slide, but ultimately, not much has changed since May.
- We have seen the stronger performance from Networks and Renewables come through in the results presented today, in line with our expectations of better performance.
- And, whilst the weather conditions, meant flexible thermal generation was not required to the same extent during the first half of the year, we still expect the business to benefit over the key winter months and deliver around £200m of profits.
- Looking out over the medium term to FY27, the progress made to date on our investment plan means we continue to have confidence in the long-term earnings projections for our businesses.
- As ever, final performance for FY25 will be dependent upon market conditions, plant availability and the weather over the second half of the financial year.
- And therefore, consistent with the approach we have taken in the past, we will look to give specific EPS guidance later in the financial year.

20. **OUTLOOK: SUSTAINABLE EARNINGS GROWTH**

- Finally, I wanted to return to the value creation we see out to FY27.
- We are now half-way through the five-year investment plan, and with around 80% of capex either delivered or committed we are seeing the benefits of the capacity additions and regulatory asset growth that are a core part of that plan.

- And with ever increasing investment each year, we're expecting to deliver around £20bn of capex by 2027 as we progress through the plan
- Whilst phasing of spend may mean we don't hit this number exactly, that does not affect our confidence in achieving our earnings targets.
- Crucially, we have already locked in and are delivering on the key projects that will deliver our FY27 earnings guidance.
- And we have done so through the selective progression of organic projects with a highly disciplined commitment to hurdle rates
- This ensures delivery of attractive risk-adjusted returns over any volume targets.
- And it is this commitment to disciplined investment that drives our confidence in achieving not only our 175-200p guidance, but also a higher quality of earnings for the Group.
- This is high-quality value creation that we expect to be delivering for years to come.
- I'll now pass you over to Martin, to talk through operational performance for our energy businesses...

21. AGENDA – OPERATING REVIEW

Martin Pibworth

22. OUR MARKET ENVIRONMENT

- Thank you, Barry.
- As Alistair said earlier, accelerated clean power targets are making our markets increasingly attractive for investment.
- Whilst energy markets have settled at lower levels than those we experienced during the last few years, gas prices remain historically strong, peak spark spreads are positive, and the Capacity Mechanism is increasing over time.
- Our portfolio of businesses is designed to react to changes in the price environment.
- High windspeeds are obviously good for onshore and offshore assets; but when the wind doesn't blow our hydro and growing battery flexibility protects Renewables from over-exposure to pricing events, and our thermal fleet is able to dispatch in line with the positive pricing dynamics.
- Our FY27 earnings guidance is based upon a long-term assumed power price for unhedged renewables that is consistently tracking below the GB baseload price.
- This is despite historically low spark spreads and a dislocated UK carbon price impacting the future market value assessments. Both could offer upside to our price scenario.
- Our guidance is also underpinned by a rising Capacity Mechanism price in GB and Ireland.
- But it is also based upon a measured assessment of the option value of assets that offer market flexibility.
- Finally, we are continuing to lock in future value through our hedging activities and – with almost half of our hedged position through gas equivalents – we would expect the outturn prices to be significantly higher once spark, carbon and traded option values are factored in.
- Our hedge books therefore offer a guide to an income floor rather than a locked in energy value.
- And it really is worth re-emphasising the risk management quality of our energy book; no other UK competitor has day-to-day hedging and trading optionality at every price point in the merit order.

- This offers a level of protection and assurance to the exposures of the Group that allows us to trade in additional value and supports our confidence.

23. SSE RENEWABLES – DELIVERY

- A key aspect of this is relentlessly converting our project pipeline to deliver high-quality sustainable earnings growth.
- In Renewables, our delivery record has led to a 45% increase in output, year on year, as projects come through and generate.
- At Seagreen – Scotland's largest offshore wind farm – the asset is performing exceptionally well in its first full year of operations.
- In Hydro, the plant at Tummel has been repowered and its generation potential increased with the biggest overhaul in its 91-year history, and we are carrying out other improvement works across the fleet.
- And we've deployed our first battery projects at Salisbury with work currently ongoing on our 320MW battery project at Monk Fryston, which is the largest of its kind in the UK under construction.
- We continue to create future value too. We were successful in the North Sea with Ijmuden Ver, where we are working towards financial close towards the end of 2025; in AR6 with Cloiche onshore wind farm and in RESS4 with Drumnahough.
- As ever, financial discipline remains paramount, and we will only pursue opportunities domestically and internationally where they meet the bar we have set on returns.
- Our focus on quality of earnings means that by 2027, around 50% of Renewables output will ultimately be contracted, providing reliable recurring income and optimising our level of market exposure.

24. SSE RENEWABLES – VIKING

- Completion of Viking wind farm over the summer – on time and on budget – represented a major milestone for SSE whilst demonstrating our ability to deliver across a number of businesses.
- We took the financial investment decision on a merchant revenue basis, before locking in value through two 15-year CfD auctions, which achieved an average of £67/MWh in today's prices.
- First conceived more than 20 years ago, Viking will continue to create societal and commercial value for decades – as well as leaving the legacy of enabling Shetland to access the UK grid.
- Viking is just one of any number of examples of SSE showcasing its skills across energy markets, in terms of commercial optimisation, regulatory engagement, engineering solutions and environmental standards whilst managing multi-supplier relationships to deliver complex, highly technical projects.
- Seagreen offers evidence of the same; likewise Keadby 2. Or Slough Multifuel. And of course SSEN Transmission's pioneering HVDC link to Shetland, which Alistair will talk about shortly.
- The point is that in all of these projects the Group took a long-term approach, applied strategic insight, and brought together a blend of commercial, engineering and development skills to create long-term value.

25. SSE RENEWABLES – DOGGER BANK

- In a similar way, Dogger Bank will be a world-class asset with excellent long-term prospects.

- As is often the case with first-of-a-kind technologies being deployed on this scale, it too has faced challenges, particularly related to the issues with the Haliade X turbines and the remedial actions required by manufacturer GE Vernova.
- We are continuing to make progress on installing and commissioning and, as I speak, the vessel is out on site preparing to start installation of the 32nd turbine.
- Improvements are starting to come through and will seek to make up lost ground where possible as we target completion of Dogger Bank A in the second half of 2025.
- For their part, GE have revised their operational procedures and quality assurance thresholds, whilst introducing additional controls to ensure the long-term performance of turbines installed and commissioned.
- In parallel, work continues apace on Dogger Bank B and C. We already have most of the monopile and transition pieces in place on B and are well under way in procuring a second turbine installation vessel.
- Importantly, even with this delay and second vessel, we continue to expect our equity returns across all three phases will be comfortably above our hurdle rates.
- And, as we have learned over many years of building major infrastructure projects, it's important to take a long view.
- Dogger Bank will be the world's largest offshore wind farm, able to power around 6m homes, with an operational life in the region of 35 years.
- It will create real value for decades to come whilst building deep supply chain relationships, enhancing expertise and generating further option value through a potential fourth phase in Dogger Bank D.

26. SSE RENEWABLES – SUSTAINABLE GROWTH

- With 5GW of renewables capacity already installed and around 2.5GW under construction, the bulk of our 9GW FY27 target is well under way.
- And we have been clear throughout the execution of our plan that our focus is on value over volume, with clear hurdle rates that need to be met before we take an investment decision.
- Building out with discipline may mean that it takes longer to take projects into construction – particularly given the turbulence of the last few years – however with a portfolio of high-quality options we believe this is the right approach to delivering value.
- And, as Barry highlighted in May, we do not need to take FID on the 1.5GW balance to reach our FY27 earnings target.
- We believe our growing 17GW of diverse early and late-stage options will be required under every scenario in the future energy system, with major projects like Berwick Bank and Coire Glas capable of making a vital contribution once policy and planning hurdles are overcome.
- Our projects are unique in their scale, but sites like our pumped storage options offer market responsiveness qualities that we – and indeed the NESO in its recommendations to government – believe to be strategically critical.
- Geographically, our primary focus remains GB and Ireland, but we continue to make progress internationally with projects under construction in Jubera, Chaintrix and Puglia taking our Southern European portfolio of in-construction sites to over 100MW.
- With recent auction success in the Netherlands and with auctions ahead in Japan, we will continue to selectively grow our international pipeline where it makes strong financial sense to do so.
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27. **SSE THERMAL – CRITICAL FLEXIBILITY**

- The critical role that flexible thermal generation will play in supporting security of supply in a future energy system is becoming better understood.
- Policymakers are recognising the pressing need to back up a renewables-led system and greater value is being placed on availability in a tightening market, with our fleet locking in more than £1bn of capacity market revenues over the five-year plan.
- As demand grows, and legacy nuclear sites retire, we expect future capacity mechanism out-turns to remain strong and ensure ageing CCGTs can extend their asset lives.
- As with elsewhere in the Group, delivery is the key focus within Thermal and the business has operationally performed well with fewer unplanned outages during the period.
- Strategic milestones have also been met in the first half of the year with completion – ahead of time and within budget – of the joint venture 55MW Slough Multifuel plant.
- And consent has been granted for 300MW of new-build biofuel generation capacity at the Tarbert Next Generation plant – a project that will contribute to much-needed security of supply in an increasingly tight Irish market.
- Looking further ahead, we remain committed to offering Hydrogen and Carbon Capture and Storage generation solutions as the business progresses a 4GW development pipeline that could deliver clean flexible assets towards the end of this decade and into the early 2030s.

28. ENERGY CUSTOMER SOLUTIONS

- Whilst SSE is primarily focused on the supply of electricity, it is becoming increasingly clear that the demand side can not only drive an increased need for our product but, in the form of CPPAs, it can also provide vital routes to market and underpin new generation investments.
- In our Customers business, we are leveraging the Group's capabilities across the energy value chain to offer increasingly integrated solutions to large corporates across UK and Ireland.
- These include more bespoke green contracts, longer duration sales agreements and hybrid offerings that assist end users with their own net zero ambitions.
- We are also continuing to supply energy and efficiency solutions to households in the vertically integrated Irish market and, having supported customers through the worst impacts of the cost-of-living crisis by foregoing profits, this business is returning to more normal operating conditions.
- Our Customers business will continue to provide an important shopfront option to our wider energy businesses in the years ahead.
- I'll now hand back to Alistair.

Alistair Phillips-Davies

29. SSEN TRANSMISSION – DELIVERY ACCELERATING

- Thank you, Martin.
- We will turn now to our electricity networks businesses, and firstly SSEN Transmission which is one of the fastest growing networks businesses in Europe and where we continue to make strong progress on the £20bn Pathway to 2030 programme.

- I will come onto the Shetland link in a moment but let me start with what is the biggest single transmission project undertaken to date in the UK.
- Following Ofgem approval for a nominal spend of around £4.3bn, ground has been broken on the Eastern Green Link 2, a project that will eventually provide a 500km link from the north east of Scotland to Yorkshire.
- Meanwhile, in Orkney, all major supply chain contracts have been signed for a new High Voltage Alternating Current system.
- Consent has also been granted to upgrade the Argyll and Kintyre network to 275kV, which is crucial to enabling renewables across the region and ensuring security of supply.

30. SSEN TRANSMISSION – PIONEERING HVDC

- The pioneering 260km subsea Shetland link shows what can be achieved at pace.
- The innovative £660m project was delivered on time and within budget – and in conjunction with Renewables delivering Viking wind farm.
- On the mainland it connects to the first multi-terminal HVDC switching station of its kind in Europe, a technology which will be a core component in the electrification of our economy.
- The experience gained in this project consolidates our industry-leading HVDC expertise and sets the business up for growth.

31. SSEN TRANSMISSION – RIIO-T3 IN FOCUS

- We have shown you this slide before, but it is worth repeating. We are already making real progress here and the tailwinds are strengthening.
- The NESO recently set out its recommendations on the accelerated grid investment needed to enable the UK Governments' Clean Power target, providing unprecedented clarity on the scale of the task.
- And Transmission's upcoming RIIO-T3 plan will be at the heart of it, with a blueprint for upgrading and reinforcing the high voltage network in the north of Scotland.
- With much of the work within the upcoming price control already built into our licence conditions, and with potential for that to increase still further, it is vital that the final settlement supports debt and equity investment.
- In the run up to submission of our Business Plan next month we are working with Ofgem to ensure we arrive at a framework that best serves the needs of all stakeholders.
- Our asks of the regulator are clear and transparent:
    - Firstly, we're looking for Ofgem to aim up from the top end of the cost of equity range published in their methodology decision.
    - Secondly, they should set lower asset lives and capitalisation rates that would support cashflows.
    - And finally, the overall framework should be consistent with maintaining strong credit ratings.

32. SSEN DISTRIBUTION – INVESTING IN ED2

- SSEN Distribution is 18 months into the delivery of the RIIO-ED2 price control period which includes an ambitious capital expenditure programme that is growing and modernising our asset base.
- With major upgrades under way and supply chain locked in across a number of projects, we expect capex to continue to increase following a 20% growth in FY24.

- This acceleration will bring with it improved performance and better customer service as well as increased Regulated Asset Value.
- In addition to our baseline plan there is the potential for further upside under the Uncertainty Mechanisms, with over £130m effectively secured out of a total of up to £700m on offer across the price control period.
- And while we are growing the network, we are also making it smarter, targeting 5GW of flexible capacity by the end of RIIO-ED2 and earning early rewards for delivering flexibility services under the DSO incentive.

33. SSEN DISTRIBUTION – FOUNDATIONS FOR GROWTH

- Looking ahead, future energy scenarios point to a significant role for smart, flexible distribution networks.
- To do this we need to build capacity and demand-side flexibility.
- This is a significant growth opportunity for Distribution comparable to what we are seeing play out in Transmission now, albeit with different phasing.
- Distribution has published the first Strategic Development Plans of any DNO, as we seek to ensure the business is well placed to capitalise on a shift from a reactive to proactive regime.
- In the meantime, we look forward to the upcoming recommendations from the National Infrastructure Commission which we hope will build on positive signals from the NESO about the need for faster delivery of strategic Distribution investment.

34. SSE NETWORKS – PREMIUM ASSET GROWTH

- We operate in a highly dynamic sector, but right now it is electricity networks where the race to net zero is offering the best opportunities.
- The premium assets SSE has across the transmission and distribution businesses are key to the growing quality and sustainability of the Group's earnings profile, providing predictable, index-linked returns over the long term.
- SSE's unique position as a key enabler of the renewables potential of the North Sea is providing double digit additions to RAV annually over the course of the five-year plan to FY27.
- And this growth is only accelerating.
- Clean power can only be delivered with modernised electricity networks.
- Accelerated transmission growth is already in the construction and delivery phase, and distribution will be next.

35. AGENDA –SUMMARY

36. SSE PLC: AT THE HEART OF THE ENERGY TRANSITION

- This morning we've presented the details behind a strong start to the year.
- Excellent progress up to the halfway point in the NZAP Plus programme gives us added confidence in our 175-200p adjusted EPS target for FY27, with clear visibility of growth within our renewables and electricity networks plans.

- Let me sum up with a brief reminder of why SSE is at the heart of the energy transition.
- The role we will play in the 2030 clean energy plan presents an unprecedented growth opportunity.
- We have deliberately built a business that is mission-critical to the electrification of the economy with world-class assets across renewables, flexibility and networks.

- And we are creating real value through:
    - Our focus on delivery.
    - The resilience and optionality of our business mix.
    - And a combination of underlying balance sheet strength and capital discipline that allows us to pursue growth when and where the value is greatest.
- This is the right business in the right markets at the right time.
- Thank you, and we'd be delighted to take your questions.
- Over to you operator.