Sustainability for the long term

SSE plc Sustainability Report 2025

About our reporting

This Sustainability Report for the period 1 April 2024 to 31 March 2025 provides enhanced disclosure of SSE's policies, practice and performance against its key economic, social and environmental impacts and goals.

Alongside SSE's full suite of reports published together on 13 June 2025, this report aims to provide clear, transparent reporting to help stakeholders understand and accurately assess SSE's performance. It also supports open and constructive dialogue with society, regulators and peers on some of the more challenging sustainability-related issues facing SSE and its industry. SSE provides examples of those challenges – referred to throughout this report as 'dilemmas' – as well as how it considers the needs of several different stakeholder groups.

Discover the full suite of corporate reporting at sse.com

Annual Report

Sustainability Report

Net Zero Transition Report

Net Zero Transition Plan

Inclusion and Diversity Report

Alternative performance measures

SSE assesses the performance of the Group using a variety of performance measures. These measures are not all defined under IFRS and are therefore termed 'non-GAAP' measures. A reconciliation from these non-GAAP measures to the nearest prepared measure in accordance with IFRS is presented and described from page 162 of SSE's Annual Report 2025. The Alternative Performance Measures SSE uses might not be directly comparable with similarly titled measures used by other companies.

Powering the low-carbon transition

The planet faces unprecedented challenges that demand urgent action to protect people and the natural world.

As a leading UK-based energy company, we can play a vital role in addressing these challenges by driving the transition to net zero. Established in the earliest days of electrification, with roots in hydro-electric power stations and electricity networks, SSE develops, builds, operates and invests in the electricity infrastructure and businesses need for a clean, secure and affordable energy system. Our diversified portfolio includes onshore and offshore wind farms, hydro-electric power, solar and batteries, flexible thermal generation, and electricity transmission and distribution networks. We also provide energy products and services for businesses and other customers.

UK-listed and headquartered in Perth, Scotland, we are a major contributor to the economies in the UK and Ireland. We employ around 15,000 people and are real Living Wage and Fair Tax Mark certified.

A purpose-driven strategy

We want to support the transition to net zero in ways that share the benefits of climate action as widely as possible, while leaving no-one behind. This ambition is enshrined in our purpose: 'to provide energy needed today while building a better world of energy for tomorrow'.

Our purpose guides our business strategy which commits to create value for shareholders and society in a sustainable way. We do this by delivering social and environmental benefits that are informed by our stakeholders, through core business goals aligned to UN's Sustainable Development Goals (SDGs) most material to our business.

Highly material SDGs

SDG 13: Climate Action

SDG 7: Affordable and Clean Energy

SDG 9: Industry, Innovation and Infrastructure

SDG 8: Decent Work and Economic Growth

SSE is also committed to minimising its impact on the natural world, guided by its three nature-related targets and environment strategy. Like the Goals, the strategy is framed by three SDGs that focus on protecting nature and responsible resource use.

Material SDGs

SDG 12: Responsible Consumption and Production

SDG 14: Life Below Water

SDG 15: Life on Land

Delivering across all these areas means sharing value with people and communities, while aiming to leave the natural habitats around our infrastructure in a better state than we found them. We build lasting partnerships with stakeholders and partners, based on open and collaborative work, to help accelerate progress in all these areas.

SSE's 2030 Goals – taking stock halfway to 2030

SSE's 2030 Goals provide a framework to ensure SSE plays a meaningful role in addressing the challenge of climate change in ways that are fair to working people, consumers and communities.

Since first establishing the Goals in 2019, SSE has made considerable progress. SSE has made strong progress towards its ambition to connect renewable energy to the electricity transmission network in the north of Scotland. However, in the context of the current market and policy environment, there are increasing challenges in meeting SSE's carbon intensity goal and SSE does not expect it will meet its ambitious goal to increase renewables output fivefold by 2030.

Cut carbon intensity by 80%

Reduce scope 1 carbon intensity by 80% by 2030 to 61gCO_2e/kWh, compared to 2017/18 baseline of 307gCO_2e/kWh.

218gCO_2e/kWh

On target but with risk

61gCO_2e/kWh

Increase renewable energy output fivefold

Build a renewable energy portfolio that generates at least 50TWh of renewable electricity a year by 2030.

13.3TWh*

Behind target

50TWh

Enable low-carbon generation and demand

Enable the connection of at least 20 GW of renewable generation capacity within SSEN Transmission's licence area.

10.9GW

On target

20GW

Champion a fair and just energy transition

Be a global leader for the just transition to net zero, with a guarantee of fair work and commitment to paying fair tax and sharing economic value.

£8.68bn
contribution to UK and Irish GDP

67,190
jobs supported in the UK and Ireland

* Includes pumped storage, battery energy storage systems, biomass and constrained-off wind in GB.

Chief Executive's foreword

Remaining true to the principles of long-term sustainability

Defining features of long-term sustainability can be found embedded into the hydro-electric power schemes in northern Scotland. Although the pioneers of these systems in the 1940s and 1950s did not use the term "sustainability," they incorporated environmental and social considerations.

The Act of Parliament ensured passage for Atlantic salmon through hydro dams and lochs, and the primary goal was to improve lives and livelihoods. This foresight allows these power stations to continue operating today, providing clean, green, and flexible power through an extensive high- and low-voltage network.

In 2025, those principles are, arguably, more important than ever.

Driven by a new imperative to transform energy consumption away from fossil fuels to cleaner, more efficient and more secure renewable electricity, SSE is, once again, at the forefront of delivering a new generation of nationally significant infrastructure.

Through 2024/25, progress was made. Plans for new, critical arterial transmission circuits from the very north of Scotland to the population centres in the south are developing at pace. The scale of these investments is creating a once-in-a-generation opportunity to deliver social legacies in the north, in the form of housing investment, community benefits and enhanced industrial activities. This will support high-quality jobs and local wealth creation. Each circuit on land will add value to nature post-construction.

While I would like to see similarly accelerated delivery of new onshore and offshore wind farms, I remain hopeful that the circumstances will arise where SSE's enviable pipeline of projects will be developed in full. Equally, we know that the renewable-led power system of the future necessitates an element of flexibility.
Which is why SSE remains ready, as it has for well-over a decade, to deliver the new generation of thermal energy, with the ability to remove and store harmful carbon emissions.

> **SSE is, once again, at the forefront of delivering a new generation of nationally significant infrastructure.**

SSE's hallmark is transparency, evident in our tax affairs, gender pay gap, and greenhouse gas emissions disclosures. This year is no different. A refreshed Net Zero Transition Plan, published in June 2025, outlines two scenarios for carbon emissions, informing stakeholders of challenges and fostering collaboration.

As I hand over to SSE's new Chief Executive, Martin Pibworth, the next generation of leadership will continue pursuing long-term value creation for both shareholders and society.

Alistair Phillips-Davies
Chief Executive, SSE plc

Questions and Answers with SSE's Chief Sustainability Officer and Chief Executive

SSE's Sustainability Journey to 2025 and beyond

After 18 years with SSE, Chief Sustainability Officer Rachel McEwen is stepping down. Here she reflects on the past year and the broader direction of travel for sustainability – alongside outgoing Chief Executive Alistair Phillips-Davies, who is retiring from SSE this year.

In 2024 global warming exceeded 1.5°C for the first time. Are we losing the fight against climate change?

Rachel: No, not for a second do I believe that. We should never lose sight of the enormity of what we're trying to achieve here which is essentially the wholesale rewiring of society. So, it's going to be tough. The goal is to remove every gramme of carbon dioxide in the UK power system within a decade – that's something that never would have felt even remotely possible when I started this job over a decade ago. Of course, we don't want global temperatures to rise at all, but we must keep our eyes on the prize.

Alistair: Like Rachel, I remain optimistic. And that's because of the huge progress made so far on tackling climate change here. At SSE we've taken out three quarters of the carbon dioxide we were emitting. Now all the coal stations in this country are closed and we're seeing hours and days when the country's electricity comes from green sources. As we go to the next phase, we need to bring on technologies such as carbon capture and storage (CCS), hydrogen and pumped storage. There will always be bumps in the road, but huge progress has been made with SSE at the heart of it.

What were your highlights from 2024/25?

Rachel: To me what comes through loud and clear is the socioeconomic impact of the investments SSE is making. We use this phrase 'sharing value' which is exactly what we're trying to do with community funds as the happy consequence of investing in the power system. Because we've been building wind farm projects for 25 years now, we can see the hugely positive and cumulative impact of these funds. The upgrades required to transform the transmission network in the north of Scotland will create a similar story. SSE's activities are also leading to new jobs in its supply chain, for example Sumitomo building a new big cable factory in the Moray Firth shows how the Highlands can reap the rewards of the green transition.

Alistair: When I reflect on the past financial year to me it's about doing lots of things well and staying true to our course. That includes Dogger Bank where we're overcoming supply chain issues to build what will be the world's largest offshore wind farm. This year we've hooked up Shetland to the mainland grid for the first time so we can switch off the island's diesel-powered stations – which is a tangible gain. In transmission we have a £20bn business plan that would enable Scotland to effectively add 10GW of new offshore wind onto the Grid. And who knows, maybe one day it will help us connect up Coire Glas pumped storage which we want to build in the Highlands as part of the flexibility piece. So, to me it's not about just any one thing; it's about all the work going on every day in SSE to take forward a multitude of projects.

And what about SSE's own emissions story for 2024/25?

Rachel: This year our emissions increased slightly compared to last year, but overall, we're a third of the way to meeting our goal of cutting carbon intensity of electricity generated by 80% by 2030. As we build more renewables that trend will continue but nobody said progress on carbon reductions would be a perfectly straight line. The approach that this Company takes is to deploy honesty and openness. So, this year we're setting out two different scenarios for our 2030/31 science-based targets – one where targets are met and one where they are missed. We don't know what the future will be quite yet, but we can envisage futures that could do either. We'll be fully transparent with our stakeholders.

Is sustainability becoming unfashionable?

Rachel: Possibly yes but I have a long memory and have seen these things have peaks and troughs. SSE is resolutely committed to inclusivity and diversity because it gives the broadest talent pool of expertise we need to help power net zero. But I judge sustainability not on whether it's fashionable but whether it stands the test of time. For example, compare the hydro schemes built in North America with those built in Scotland.

In North America there are dozens of hydro schemes that have had to be dismantled because they didn't factor in the migration patterns of the native river salmon. But in the Scottish Highlands our SSE forefathers built hydro assets 80 years ago that are still proudly powering communities today and still helping and not hindering salmon migration. That's true sustainability.

Alistair: As SSE we need to take the long-term view. Of course, we must be mindful of the operating environment we're in and pivot accordingly, whilst always being mindful that we are a business acting in the public interest. That's why sustainability must pass the test of time at SSE.

How would you sum up SSE's sustainability journey?

Rachel: What's interesting is that everything SSE now stands for in terms of sustainability I believe we can find a thread back to previous generations. Everything we've achieved here in sustainability over the past 12 years has been in step with the culture of this organisation. I see us as stewards of sustainability who are here at SSE for a moment in time.

Alistair: I joined just after the company was privatised and to me the biggest landmark was the acquisition of Airtricity which really set us on the path to renewables. SSE has a great history and will be around for a long time to come. I've loved working with Rachel to manage the transition to clean energy and I'm sure we'll both proudly cheer from the sidelines as SSE continues to play its part in helping this country get to net zero.

What have been your personal high points?

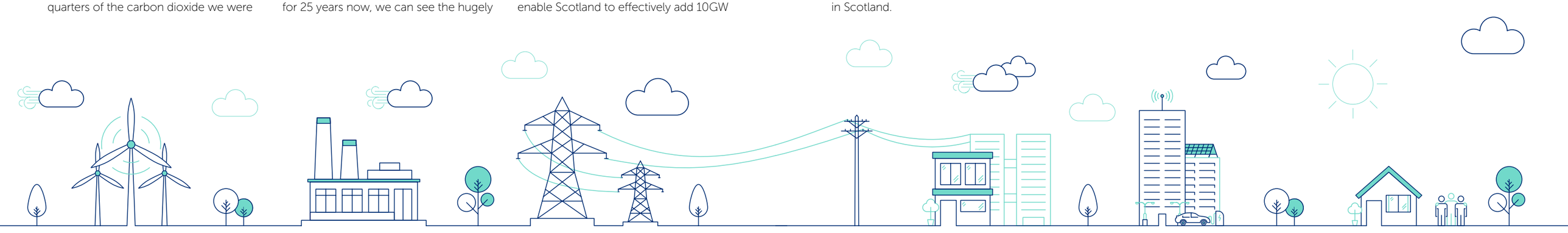
Alistair: It's always the people. I've spent so much time at SSE and been lucky to make so many friends along the way. I was made a Board director at the age of 34 so I was quite inexperienced, but I've had a lot of help from so many amazing people. I think now half the employees at SSE have been here for five years or less so there's a lot of new blood and fresh talent around to take the Company forward.

Rachel: I've loved the way people at SSE have embraced the concept of sustainability. It's allowed us to do so many good things such as signing up to the Fair Tax Mark 11 years ago. The criteria were tough, and no other FTSE-100 Company achieved it for five years after we did. It gave us the highest anti-tax avoidance standards of any company in Europe – and when our Finance Director gave the go-ahead it was a real highlight. The Fair Tax Mark is all about companies paying their fair share to the society they serve which aligns perfectly with everything that SSE strives to stand for.

And finally, any advice to your successors?

Alistair: Try and enjoy it because it's a difficult job. It goes incredibly quickly so step back every now and again to soak it all in and connect properly with the people around you. Otherwise just go and knock it out of the park.

Rachel: Find your collaborators. It's amazing how many people want to make a positive difference to the world too.



Sustainability in context

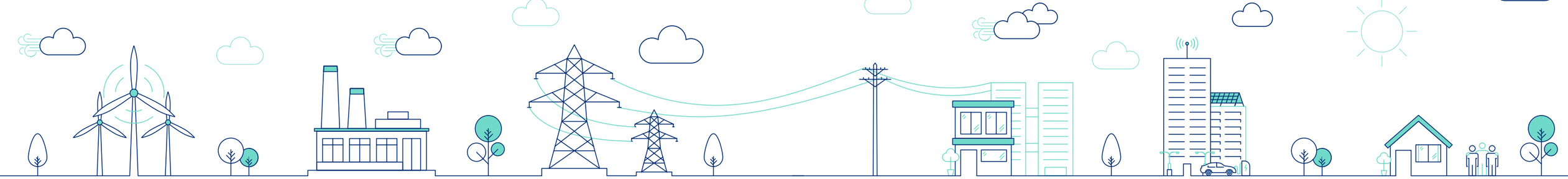
While the financial year 2024/25 presented significant change geopolitically and economically, there are simultaneous trends affecting the context for sustainability in a UK-listed energy company focused on the clean power transition.

Clean power by 2030: 'A mission just short of impossible'

A new UK Government in 2024 established a highly ambitious Clean Power Mission to deliver clean power in Great Britain by 2030. The UK's National Electricity System Operator quickly produced a comprehensive plan in Autumn setting out a strategic roadmap to meet the mission providing important clarity to the industry. However, against this strategic backdrop, several policy reforms remain to be completed, raising significant uncertainty for SSE and the wider sector. A proposal for 'zonal pricing' in electricity markets, while intending to decouple renewable power prices from their fossil fuel equivalents is introducing pricing risk into developments, especially in the north of the country. The next auction round for renewable energy will be a critical one, albeit there are clear signs of inflationary pressures within supply chains.

Paris Agreement threshold likely to be breached

- The goal of limiting global warming to 1.5°C above pre-industrial levels – established by the Paris Agreement ten years ago – has become increasingly unattainable according to the most recent scientific assessments.
- The World Meteorological Organisation reports there is a 70% probability that the five-year global average between 2025 and 2029 will exceed the Paris Agreement threshold.
- Despite the window to achieve the 1.5°C target closing, the Intergovernmental Panel on Climate Change continues to highlight the urgency of immediate and ambitious climate action to minimise the most severe consequences associated with exceeding the 1.5°C threshold.



Public acceptance of nationally significant infrastructure

Meeting nationally significant goals of improving energy security, making energy more affordable and decarbonising the power system is resulting in large scale infrastructure developments across the UK and beyond. In recognition of the contribution being made by the communities that host transmission infrastructure, the UK government is creating a mechanism for community benefit funds and direct payments to households closest to the new infrastructure. The UK government is also consulting whether to mandate community funding from renewable energy developments too.

These arrangements are being implemented alongside reforms to make the planning system more effective and efficient. With there being far more energy projects in the development process that the UK requires to meet its goals, an overhaul of the grid connection process will lead to unviable energy projects being removed from the queue for connection, providing clarity to communities on the status of projects in their area.

Sustainability disclosure regulation reset

The European Union's Corporate Sustainability Disclosure requirements represent a significant set of transparency requirements that SSE's Irish subsidiaries, despite its London listing, expected to be caught by in 2026. Alongside others, SSE's preparations for disclosure were halted following the publication of the EU 'Omnibus Simplification Package' and its significant reduction in disclosure requirements. At the same time, the UK is progressing plans to adopt the International Sustainability Standards Board (ISSB) standards, with an expectation of implementation from 2026.

Doubts about ESG slow sustainable finance growth

From a peak of positive ESG sentiment at the time of the coronavirus pandemic, growth of inflows into ESG or sustainability investment funds appears to be slowing. With Europe dominating the global sustainable fund market and continuing to grow, albeit at a slower rate, this is partially offset by outflows from ESG funds in America. Fears of 'greenwashing', and fund labelling rules in both the EU and UK, are leading to developments in fund strategies and branding.

SSE's approach: materiality and collaboration

Sustainability underpins SSE's purpose, drives its vision and is embedded in strategy. It is how SSE delivers its commitment to creating and sharing value with its stakeholders while supporting the just transition to net zero.

While that transition is being delivered, SSE's 2030 Goals provide a roadmap for driving progress in the short to medium term. More information on the 2030 Goals and progress this year can be found on page 2.

SSE's approach to sustainability is informed by the issues that matter most to its stakeholders in areas where it can have the biggest impact. A double materiality assessment helps SSE identify and prioritise those areas, with its activities guided by a robust governance structure.

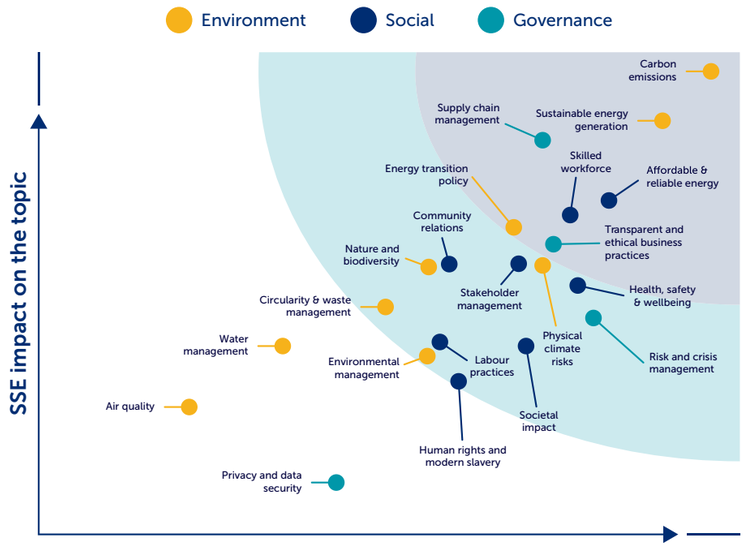
And since addressing the climate crisis and ensuring a just and fair transition to net zero isn't something SSE can do on its own, SSE works collaboratively with other organisations, partners and peers. These partnerships help it accelerate progress towards net zero in a way that addresses key societal and industry challenges.

Focusing on the sustainability topics that matter most

SSE follows the double materiality approach when considering the sustainability issues that matter most to the business and its stakeholders. This assesses the actual or potential impacts of SSE's operations on society and the environment, as well as how sustainability issues might affect its financial performance.

SSE undertook a 'pulse check' on its double materiality assessment in 2024/25, to ensure it continues to focus on the most material topics. This involved an internal review of key developments, such as material financial transactions, supply chain spend and practices, and Group risk over 2024/25. SSE also reviewed external sources on global and industry-specific issues.

Figure 1: SSE's double materiality matrix



The review confirmed that SSE's full double materiality assessment remains relevant. Results can be seen in Figure 1. SSE is not currently required to disclose under the EU Corporate Sustainability Reporting Directive (CSRD), and its double materiality assessment has not been undertaken as part of meeting CSRD requirements.

More information on SSE's performance against the material issues outlined can be found throughout this report, and in SSE's Annual Report 2025.

Understanding what matters to our stakeholders

SSE's double materiality assessment gathers insights from SSE's different stakeholder groups, to ensure the things they care about are carefully considered. This is an important way that SSE builds their perspectives into its business plans and objectives. Since different stakeholder groups often have different perspectives and needs – which sometimes conflict – SSE must navigate these differences to achieve the best overall outcome.

SSE's most material sustainability topics

1. Carbon emissions
2. Sustainable energy generation
3. Affordable and reliable energy
4. Supply chain management
5. Skilled workforce

Opportunities for enhanced Impact

1. Just transition
2. Circularity
3. Nature and biodiversity

SSE's stakeholder engagement focuses on six key groups:

- Employees
- Shareholders and debt providers
- Energy customers
- Government and regulators
- NGOs, communities and civil society
- Suppliers, contractors and partners

Detailed insight into how SSE engages with its stakeholders, as well as the issues that matter most to them, can be found on pages 8 and 9 of SSE's Annual Report 2025.

Building lasting partnerships to achieve more

One of the best ways that SSE can address the impacts identified by its double materiality assessment is by working in partnership with others. In fact, by working collaboratively, SSE can help accelerate a fair and just transition to net zero, sharing value with society and driving positive change more quickly.

SSE has worked with some of its partners for many years. For example, for more than a decade it has partnered with the Living Wage Foundation and the Fair Tax Foundation to ensure that it creates and shares long-term value with those who work on its behalf and wider society.

SSE also works with partners and industry peers to tackle the complexity of decarbonising energy, since addressing the climate crisis is a systems-level challenge. For example, SSE is involved in several industry collaborations that focus on key challenges facing the energy sector, including SSE Renewables being a founding partner of Sustainability Joint Industry Partnership (SusJIP). SusJIP brings together global offshore wind developers and aims to develop the first standardised approach for calculating lifecycle emissions of offshore wind farms.

How SSE governs sustainability

SSE has a well-established sustainability governance structure that provides clear lines of accountability and helps ensure that SSE delivers its strategy to create value for shareholders and society in a sustainable way.

A structured governance framework

Responsibility for ensuring that sustainability is embedded in SSE starts at the top. SSE's Board, Chair, Chief Executive, Group Executive Committee (GEC) and sub-Committees are all accountable for the most material sustainability impacts. The Board is advised on these matters by the Safety, Sustainability, Health and Environment Advisory Committee (SSHEAC).

To drive accountability, SSE links a portion of executive pay to Group performance against independent ESG ratings, as well as to longer-term progress towards the 2030 Goals. See 'Sustainability-linked Executive remuneration' section on this page for more information.

SSE also has issue-specific steering groups and sub-committees, which report to Group Committees. This includes the Human Rights Steering Group and Sustainability-related Financial Disclosures Committee, which both report to the Group Risk Committee.

Some of SSE's Business Units have their own sustainability committees which report to their Business Unit Executive Committees. This includes SSEN Distribution and SSE Renewables.

SSE regularly reviews the effectiveness of its governance framework, as the nature and complexity of the sustainability issues it manages continue to grow. SSE's Governance Framework in relation to sustainability issues can be seen in Figure 2. SSE's full governance structure can be found on page 92 of SSE's Annual Report 2025.

The role of the Chief Sustainability Officer

SSE's Chief Sustainability Officer (CSO) reports directly to the Chief Executive and is responsible for advising the Board and its Committees, the GEC and individual Business Units on sustainability issues and strategy. To further integrate sustainability within SSE's governance structures, the CSO is a member of the:

- Safety, Sustainability, Health and Environment Advisory Committee
- Group Risk Committee
- Group Safety, Health and Environment Committee
- Group Large Capital Projects Committee

Sustainability-linked Executive remuneration

Sustainability is linked to both short-term and long-term performance for Executive remuneration, as follows:

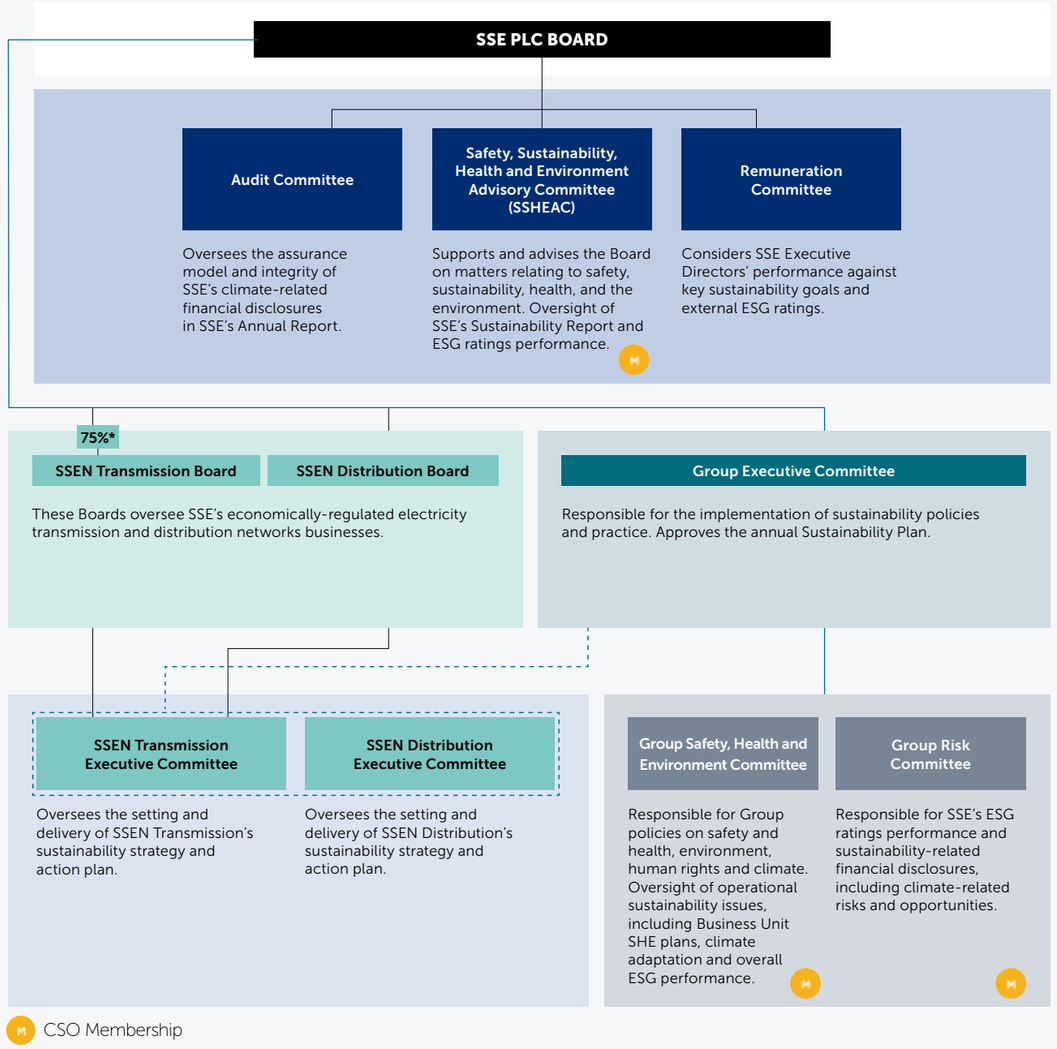
Annual Incentive Plan (AIP)
10% of the AIP is linked to average percentile performance across two key external ESG ratings. Performance at the median deemed the threshold and performance at the upper quintile, or above, the maximum. The outturn for 2024/25 performance was 10%.

Performance Share Plan (PSP)
30% of the shares awarded under the PSP are linked to sustainability as follows:

- 15% directly linked to performance against SSE's 2030 Goals, with an outturn of 11% for 2024/25.
- 15% linked to 'strategic measures' which assess progress towards the successful delivery of SSE's capital investment plan, with an outturn of 10% for 2024/25.

For full detail of performance for Executive remuneration, including detailed scorecards, see pages 140 to 148 of SSE's Annual Report 2025.

Figure 2: SSE's Governance Framework for sustainability-related matters



Strengthening non-financial disclosures governance

In 2024/25, the Audit Committee approved a new Sustainability-related Financial Disclosures (SRFD) Committee, a formal sub-Committee of the Group Risk Committee. The SRFD Committee is responsible for advising, steering and governing sustainability-related financial disclosures, such as climate change and across the SSE Group. It has cross-functional membership, including colleagues from Sustainability, Finance, Risk and Audit, and Investor Relations.

Monitoring developments in sustainability disclosures

SSE monitors developments in the sustainability disclosure landscape to ensure it complies with the latest requirements. In February 2025, the EU published its Omnibus Simplification Package aimed at streamlining a number of sustainability regulations, including the Corporate Sustainability Reporting Directive (CSRD).

Because of its activity in Europe, SSE may be subject to CSRD requirements in the coming years. However, the proposed changes may affect when SSE will need to disclose and also how it reports as a Group, and some subsidiary disclosures are now not needed. SSE will continue to monitor developments closely.

SSE believes the proposals offer a more proportionate approach to reporting and is supportive of the proposed changes. SSE continues to focus on working to adopt the most relevant aspects of the International Sustainability Standards Board (ISSB) Standards, which are likely to be implemented through the upcoming UK Sustainability Disclosure Requirements.

*SSEN Transmission is owned 75% by SSE plc and 25% by Ontario Teachers' Pension Plan Board

Driving climate action

With 2024 being the warmest year on record, the case for climate action is more pressing than ever. Everything SSE does is aimed at supporting the energy transition and achieving clean power. SSE's Net Zero Transition Plan, 2030 goals and accompanying science-based targets set out how the company intends to achieve this. At the same time, SSE is adapting its assets to be more resilient to climate change and speaking up on behalf of industry in national and international discussions about the net zero transition.

Reduce scope 1 carbon intensity by 80% by 2030 to 61gCO_2e/kWh, compared to 2017/18 baseline of 307gCO_2e/kWh.

Cut carbon intensity by 80%

218gCO_2e/kWh | **61g CO_2e/kWh**

On target but with risk

Despite the long-term trend of a 29% reduction against the 2017/18 base year in scope 1 GHG intensity of electricity generated, performance from last year to this year demonstrates a 6% increase to 218gCO_2e/kWh (2023/24: 205 gCO_2e/kWh). This was due to a rise in thermal generation output and constrained capacity on the grid for renewable energy.

Performance at a glance

Alongside its 2030 Goals, SSE measures progress against a range of KPIs.

Scope 1 and 2 emissions reduction from 2017/18 base year	Proportion of suppliers by spend that have set, or committed to set science-based targets	Sulphur hexafluoride (SF_6) emissions	CDP Climate Change Score
48% (2023/24: 57%)	**51%** (2023/24: 51%)	**281kg** 2023/24: 265kg)	**A-** (2023/24: A)

SSE's Net Zero Transition Plan

SSE is firmly committed to the long-term ambition to achieve net zero across all emissions by 2050 at the latest, with a Net Zero Transition Plan that sets out how it intends to get there. The plan includes clear targets and actions that enable stakeholders to hold the company to account.

A strategy to support net zero

2024 was the warmest year on record and the first year to pass the 1.5°C global warming limit. This is the threshold at which scientists believe the risk of even more severe climate change impacts rises significantly, so the need for action is more urgent than ever.

SSE is providing practical solutions to deliver the clean power system needed. To demonstrate commitment to the transition, SSE is aiming 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 also set four near-term targets, which have been verified by the Science Based Targets Initiative (SBTi) and are aligned to a 1.5°C pathway. These targets frame SSE's Net Zero Transition Plan which sets out how the Company will make the steep cuts in carbon emissions needed to reach net zero. The plan makes it 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 to support a renewables-led system and transitioning away from flexible unabated gas generation in favour of new low-carbon flexible generation.

It is important to note that SSE's role in the transition goes far beyond meeting its own targets. The Company's investment in decarbonised electricity is vital in enabling other key sectors decarbonise, especially in road transport and heating, as they switch their energy needs away from fossil fuels to clean power instead.

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 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 TPT recommendation that companies review their transition plans every three years.

Emission Scenarios

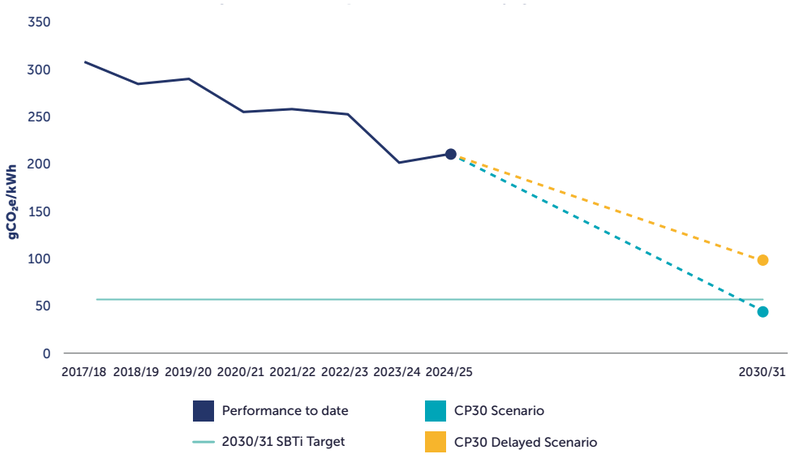
With six years until SSE reaches the milestone of its near-term science-based emissions targets, the ability to forecast a range of potential outcomes in 2030/31 is becoming apparent. To support stakeholder scrutiny of progress, SSE has published two scenarios for its 2030/31 targets in its updated Net 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 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 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 3: SSE's scope 1 carbon intensity scenarios (gCO_2e/kWh)



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

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 14 and 15.

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.

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

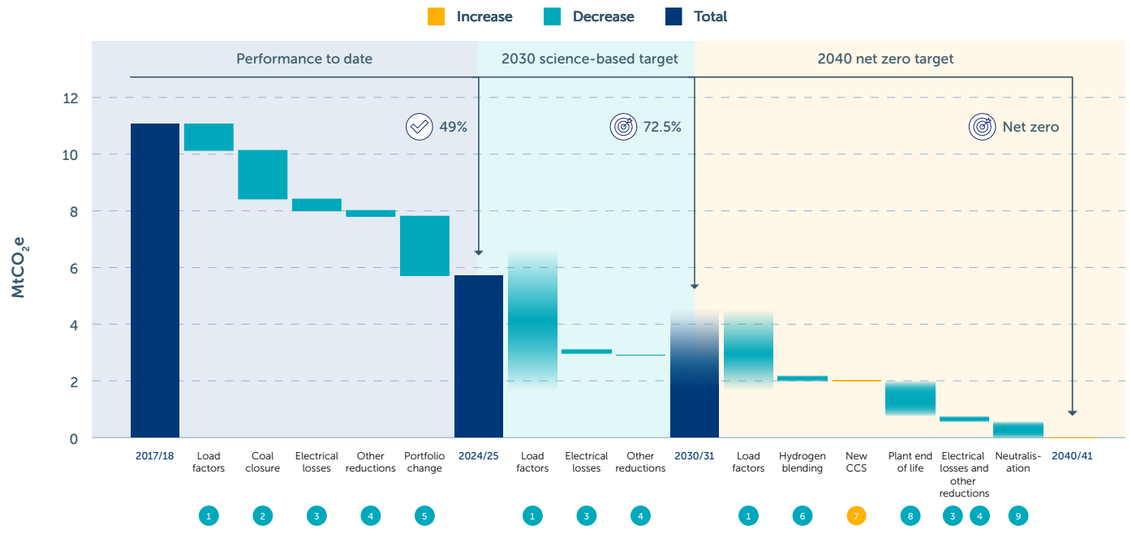
SSE's transition pathway 'levers' for scope 1 and 2 emissions

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.

Figure 4: 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

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

Targets

Near term (2025 - 2035)

Long term (2035 - 2050)

2025

2035

2050

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

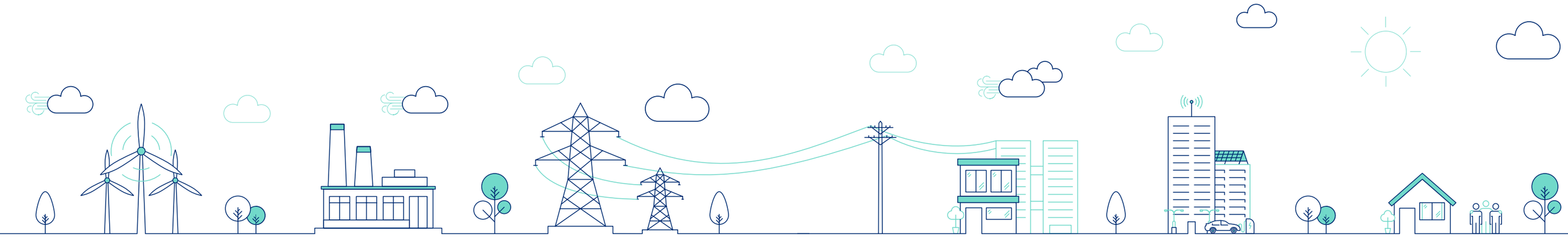
Operations (Scope 1 and 2)
6. Reduce electrical losses from SSEN Distribution
7. Reduce reliance on Scottish Island backup diesel generation
8. Reduce SSEN's leakage and reliance on SF_6
9. Switch vehicle fleet to electric
10. Deliver a net zero property estate

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 5.

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 its 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 5: 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 6 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 10.2MtCO_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 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 its operations.

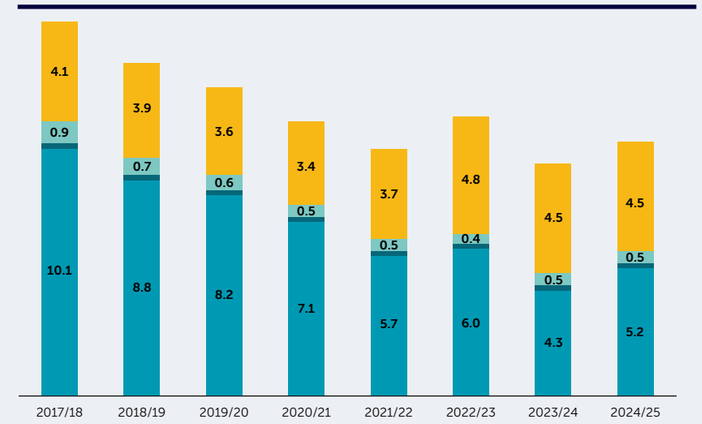
This year, SSE's scope 1 GHG intensity of electricity generated was 218gCO_2e/kWh (2023/24: 205gCO_2e/kWh), overall representing 29% reduction against the 2017/18 base year. Meanwhile, SSE's Scope 1 and 2 absolute emissions were 5.70MtCO_2e (2023/24: 4.81MtCO_2e), representing 48% reduction against the 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 6: 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

Decarbonising SSE's electricity generation

Electricity generation is the main source of SSE's direct climate impact, and the company's thermal and renewable businesses both play an important role here. Renewable electricity generation support reductions in SSE's scope 1 intensity of electricity generation, but has a negligible impact on SSE's scope 1 and 2 footprint.

During 2024/25, SSE Thermal continued to develop innovative low-carbon thermal electricity generation projects that can reduce GHG emissions while supporting secure electricity systems. For example, in February 2025, SSE Thermal approved its investment to build the Tarbert Next Generation Power Station in Ireland. This 300MW plant will run on 100% sustainable biofuels, with the potential to convert to hydrogen. Investing in the plant will not only support Ireland's electricity system but lay important foundations for the country's low-carbon future.

In Great Britain, progress to decarbonise flexible generation in the power system has been slower than expected and additional flexible capacity in the system will still be needed over the coming decade. 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 Thermal is developing 'decarb-ready' power stations at its sites in Keadby and Ferrybridge. Both sites will be 'dual fuel', meaning they can run on natural gas before converting to hydrogen once the necessary hydrogen transport and storage infrastructure is in place. This helps minimise the risk of 'carbon lock-in', when fossil fuel-based assets continue to be used despite options to substitute them for low-carbon alternatives, thereby slowing the transition to net zero.

Developing renewable energy

Meanwhile, SSE Renewables is developing a world-class portfolio of renewable-generating assets. For example, in 2024, the 443MW Viking wind farm became fully operational, making it the UK's most productive onshore wind farm, and SSE's 28MW Chaintrix-Bierges and Vélye Wind Farm became the company's first operational asset in mainland Europe. SSE's generation capacity across all its renewable

technologies grew to 4,982MW in 2024/25 (2023/24: 4,457MW).

Decarbonising SSE's operations

As well as investing in new low-carbon infrastructure, SSE must also reduce the emissions from existing operations. Below is a summary of the action being taken across SSE's networks and businesses to tackle emissions from distribution losses, diesel generation, sulphur hexafluoride (SF_6), fleet vehicles and energy use in SSE's offices and buildings.

Innovation projects to improve SSE's understanding of distribution losses

Given their significant contribution to SSE's scope 1 and 2 emissions, it's important that the company looks for ways to minimise distribution losses. 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. The New Approach to Losses (NATL) project is developing a new analysis model to ensure that losses are accurately and fairly allocated across network users, by factoring in increasing generation on distribution networks and changing power flows from the transmission network. The Innovating Losses Analysis and Detection (I-LAD) project, meanwhile, will develop novel approaches to automating the way losses-related data is collected, identified and modelled, to improve cross-sector coordination on work to minimise losses.

Piloting low-carbon alternative fuel in generators

Diesel embedded generation ensures continuous power supply for customers on the Scottish Islands - providing security of supply as a last resort for some of the most isolated and vulnerable customers. SSEN Distribution is looking at ways to reduce reliance on this carbon-intensive form of power generation through network reinforcements and flexibility services, as well as trialling lower-carbon alternative fuels. During 2024/25, for example, SSEN Distribution continued pilot projects using hydrotreated vegetable oil (HVO) as a transition fuel in standby generators and to power a battery generator in Slough. In summer 2025, SSEN Distribution also plans to test a hydrogen-based generator.

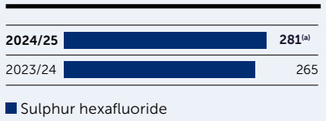
Tackling SF_6 leaks across SSE's networks businesses

Sulphur hexafluoride (SF_6) is used extensively across the electrical industry because of its excellent insulating and interruption properties, making it possible to reduce equipment size and improve reliability and safety. However, SF_6 is a potent greenhouse gas that is 23,500 times more harmful to the Earth's atmosphere than carbon dioxide, and, if released, stays in the atmosphere for more than 3,000 years.

In 2024/25, SSE's reported SF_6 emissions increased slightly to 281kg (2023/24: 265kg). As such, SF_6 remains a key focus for SSE, for example, SSEN Transmission has made significant progress in the last year, with its best year to date in managing SF_6. By taking a zero-tolerance, 'if it leaks, we repair it' approach, SSEN Transmission outperformed its Ofgem and SF_6 strategy leakage rate targets.

Other measures include installing SF_6 monitors and working with universities to better predict which assets are more likely to leak, as well as supporting research in corrosion – a key cause of SF_6 leaks. SSEN Transmission is also a world leader in adopting SF_6 alternatives and last year installed approximately 2,840kg of SF_6 alternatives.

Figure 7: SF_6 emissions performance
(in kgs)



SSEN Distribution SF_6 emissions increased last year. The business continues to focus on reducing SF_6 leaks through enhanced monitoring and proactive maintenance, and targeted asset replacement and last year, replaced 222 assets with new better-sealed SF_6 equipment.

Viable alternatives to SF_6 products that can be readily integrated into the distribution network at lower voltages are not yet widely available on the market. To help move away from SF_6 in the medium to long term, SSEN Distribution is engaging with suppliers to trial SF_6-free alternative products and taking part in industry working groups to drive innovation in assets that contain SF_6.

Electrifying SSE's vehicle fleet

Since joining the Climate Group's EV100 initiative in 2019, SSE has made good progress in moving away from fossil-fuel-powered vehicles, with 69% of the Company's car fleet now fully electric. However, SSE's progress in transitioning its commercial van fleet is slower, with only 52 fully electric vans currently in operation, representing 4% of the commercial van fleet. SSE continues to trial low-emission and electric vans as new models enter the market, and aims to increase fleet numbers as suitable vehicles become available.

Driving greater energy efficiency across SSE's property estate

Emissions from SSE's property estate decreased by 5% 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. The Company also continues to purchase 100% renewable electricity for use in managed offices, backed by renewable guarantees. Last year, SSE submitted its latest Energy Savings Opportunity Scheme (ESOS) assessment, which identifies cost-effective, energy-saving measures.

[a] This data is subject to external independent limited assurance by Ernst & Young Global Limited ('EY'). For the results of that assurance, see EY's assurance report and SSE's Sustainability Reporting Criteria 2025 on sse.com/sustainability.

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.

As shown in Figure 8, 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%), with the remaining scope 3 emissions arising 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 2023/24), 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 2023/24) alongside steady emissions from joint venture thermal generation investments (1.60MtCO_2e).

Decarbonising SSE's value chain

Over the past year, SSE has focused on driving down scope 3 emissions by supporting customers with energy efficiency measures, advocating for heat decarbonisation, working with joint-venture partners to develop transition plans, and with suppliers to better understand the scope 3 emissions related to purchased goods and services.

Addressing emissions from gas sold

Decarbonising heat is an important part of the transition to net zero and why SSE has a science-based target to reduce these absolute emissions. However, decarbonising heat also represents a key challenge, since a clear pathway for both households and business is yet to emerge. Nonetheless, SSE is committed to working with customers to reduce gas consumption through greater energy efficiency and by switching to low-carbon sources of heat. This includes SSE Airtricity's work to support customers with energy efficiency measures and deliver large-scale energy efficiency retrofit projects. See page 32 for more information.

SSE also uses its reputation to advocate for good 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. And in 2024, SSE Energy Solutions responded to the UK government's consultation on heat network zoning, which could help unlock an ambitious project pipeline. It could also accelerate private investment in heat network zoning, a UK growth market that is expected to be worth £60-80bn by 2050.

Developing transition pathways for joint ventures

SSE has started initial working 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.

Strengthening SSE's Purchased Goods and Services and Capital Goods reporting data

To build new electricity infrastructure, SSE procures goods and services through its global supply chain, these goods and services come with associated upstream scope 3 emissions. This category of emissions is particularly important since it is likely to increase over the short to medium term as SSE buys more goods and services to build the clean electricity infrastructure needed to support the transition to net zero. Additionally, SSE's global supply chain itself is still transitioning to net zero, which adds to the challenge.

These upstream emissions are inherently complex to report, since they rely on data from SSE's supply chain and partners. Over the past year, SSE has been working to understand these emissions better. As a starting point, SSE has used a 'spend-based' methodology to estimate its Scope 3 Category 1 and 2 emissions associated with Purchased Goods and Services, and Capital Goods for 2024/25, which were approximately 2.30MtCO_2e. These estimated emissions are currently not included in SSE's assured total reported emissions inventory.

As a result, SSE has identified: (1) electrical equipment, machinery and steel structures; (2) civil construction activities; and (3) construction and installation vessels as the three biggest sources of goods and services emissions. SSE expect the materiality of these emissions sources to vary year-on-year based on project activities and methodological development.

SSE will continue refining and improving its estimates in the coming years, including strengthening the way it collects and analyses supplier emissions data. In future the Company is aiming to move towards a more robust hybrid reporting method that combines supplier-specific emissions with spend data. See pages 37 to 38 for more on SSE's approach to sustainable procurement.

Figure 8: SSE's reported scope 3 GHG emissions 2024/25

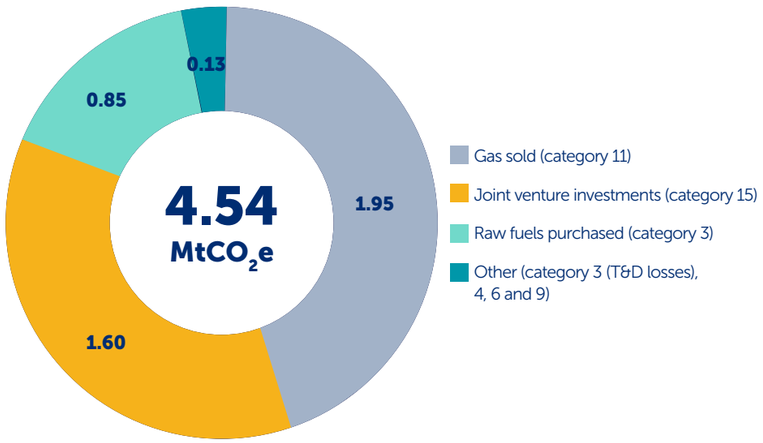
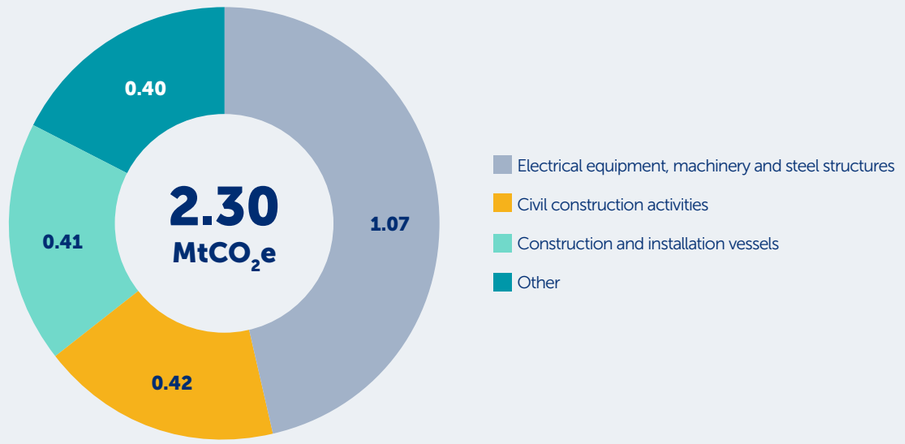


Figure 9: Purchased Goods and Services and Capital Goods estimated emissions by good or service source (MtCO_2e)



Collaborating to reduce emissions from onshore wind turbine foundations

Onshore wind turbine foundations are significant engineering structures requiring a considerable volume of concrete and steel in their construction. These materials produce high emissions of carbon dioxide equivalent (CO_2e) during their manufacture and make up a significant proportion of SSE Renewables' scope 3 emissions. As a result the business is exploring ways it can reduce this impact.

Over 2024/25, SSE Renewables worked in collaboration with Mott MacDonald, one of the business's key contract partners, to better understand how it can move towards net zero foundations. To do this, it looked at the carbon impact of two core elements: the materials and the overall foundation design philosophy. Lower-impact concrete mixes and using composite reinforcing bars, rather than traditional steel bars, were investigated as options to address emissions from materials. The work concluded that whilst lower-impact materials could reduce the embedded carbon in a foundation, the overall design philosophy can have a much greater impact.

The findings of this study will support the design specification of SSE Renewables' future onshore foundations, leading to savings of embodied carbon on the future onshore fleet.

Adapting to climate change

While SSE is doing everything it can to limit climate change, the frequency of extreme weather events, and the unpredictability of weather patterns is increasing. It is more important than ever that SSE ensures its operations and networks are both prepared and resilient to a climate changed world.

The latest climate and weather science demonstrates clearly that climate change is accelerating. The physical impacts of climate change have the potential to adversely affect SSE's operations and interrupt the supply of energy to homes and businesses.

One of SSE's main climate risks is the impact from extreme weather events, such as high winds or intense storms. To manage this risk, SSE has made significant investment to help teams respond as quickly as possible when problems occur. For example, SSE monitors short- and long-term weather patterns using climate-based computer models and has robust crisis management and business continuity plans in place. The company also invests in programmes to improve the resilience of its infrastructure.

SSE's work was put to the test in January 2025, when 1,100 engineers and community support teams were mobilised to respond to Storm Éowyn, which brought 100mph winds to parts of Scotland. During this storm, SSEN Distribution quickly restored power to approximately 92,000 affected customers and SSEN's customer service team spoke with over 2,000 vulnerable customers on the phone and provided over 7,000 hot meals to people waiting to be reconnected.

See the further information on SSE's physical climate risks in the Climate-related Financial Disclosures section of the 2025 Annual Report (pages 71 to 78) for more on this work.

Supporting national adaptation plans

SSE participates in national adaptation frameworks, which set out the actions that the government, local authorities and industries will take to adapt to the impact of climate change. For example, at the end of 2024, SSE businesses contributed to the fourth round of Climate Adaptation Power reporting (APR4). This voluntary industry level reporting will inform the development of the fourth UK National Adaptation Programme (2028-2033) and the UK Climate Change Committee (CCC) biennial adaptation progress report. SSE Renewables and SSE Thermal also provided input to the joint Energy UK and Renewable UK report, while SSE networks businesses provided feedback on the report through the Energy Networks Association (ENA). ARP4 reporting demonstrates that the UK's power sector recognises how important it is to understand, and prepare for climate change in critical energy infrastructure.

Implementing business-specific resilience plans

SSE's Business Units are affected by climate change in different ways, so need to prepare their own climate risk assessments and adaptation plans to strengthen the resilience of their assets. SSE's network businesses have published business-specific resilience plans as part of their price control business plans.

- **SSEN Transmission:** In December 2024, the business published a climate resilience strategy as part of its latest business plan submission for the RIIO-T3 price control period 2026-2031. Recognising that climate change poses a key risk to SSE's commitment to ensure a reliable, sustainable, and secure energy supply for customers, the strategy sets out the specific climate risks for the transmission network, and the action needed to address them. The strategy is also aligned with SSEN Transmission's strategic asset management plan and informed by the ENA's Climate Change Adaptation report. The climate risk assessment is based on the ENA approach, which uses the Met Office Climate Projections (UKCP18) and a high-emissions pathway.
- **SSEN Distribution:** Last year the business published its fourth standalone report in response to the UK Government's requirement for power companies to report on how they are managing climate risk and the actions needed to adapt their assets.

Using SSE's influence to advance climate action

Tackling climate change and reaching net zero isn't something SSE can do on its own. It requires close collaboration with policymakers, trade associations and industry partners. So, as well as tackling its own emissions, SSE advocates for national and industry change.

Over the past year SSE has engaged the new UK and Irish Governments and regulators to support the delivery of clean power systems. SSE continues to promote transparent climate policy engagement and reviews the climate positions of its trade associations each year. On the global stage, SSE attended COP29 in Baku, Azerbaijan, to help drive widespread climate action decarbonisation goals across the island of Ireland.

Advocating for clean power

In 2024/25, SSE welcomed the publication of the new UK Government's Clean Power Mission and Clean Power 2030 Action Plan. The Mission and Plan should help develop the clean, homegrown energy the UK needs to drive economic growth, support families, and lead the world in tackling climate change by cutting emissions in line with the goals of the Paris Agreement.

SSE has helped inform the clean power plan's development, so that policies, regulation and market design support infrastructure investment. SSE contributes to the policymaking process through responses to consultations, calls for evidence and Parliamentary enquiries. CEO Alistair Phillips-Davies has been part of the Government's Net Zero Council.

SSE has engaged regularly with Ofgem and the newly created National Energy System Operator (NESO), including hosting visits to SSE's Coire Glas, Blackhillock and Foyers sites. SSE also hosted its Business of Leading the Energy Transition event in London attended by Head of Mission Control Chris Stark, Energy Minister Michael Shanks MP, and other business and climate leaders.

For the Clean Power Plan to succeed, the Government will need to make significant progress in four key areas in 2025:

- The upcoming CfD auction for offshore wind
- Bringing forward Long Duration Electricity Storage (LDES)
- Progressing the carbon capture, use and storage pipeline in the upcoming Government's Spending Review
- Delivering electricity transmission grid upgrades.

As a leading developer of clean energy infrastructure in the UK, the company is committed to playing a constructive role in delivering the plan SSE also sees four cross-industry issues that must be addressed: accelerating planning and consent; reforming the grid connection process; the threat of zonal pricing, and the financeability of regulatory frameworks.

The Government's industrial strategy and the 10-year infrastructure strategy, alongside this year's Spending Review will all be critical milestones in the success of the UK's clean power and growth missions.

Transparent climate policy engagement

For the second consecutive year, SSE was included in InfluenceMap's Global Leaders in Policy Engagement Report 2024, which recognises companies that take part in science-aligned advocacy, strategic engagement and address indirect influence through trade associations. SSE works closely and engages with these associations on a continuous basis to ensure that their principles on climate change are aligned with SSE's climate strategy and the goals of the Paris Agreement.

SSE's Trade Association Climate Review is available at **sse.com/sustainability.**

Highlighting the environmental and social implications of Zonal Pricing

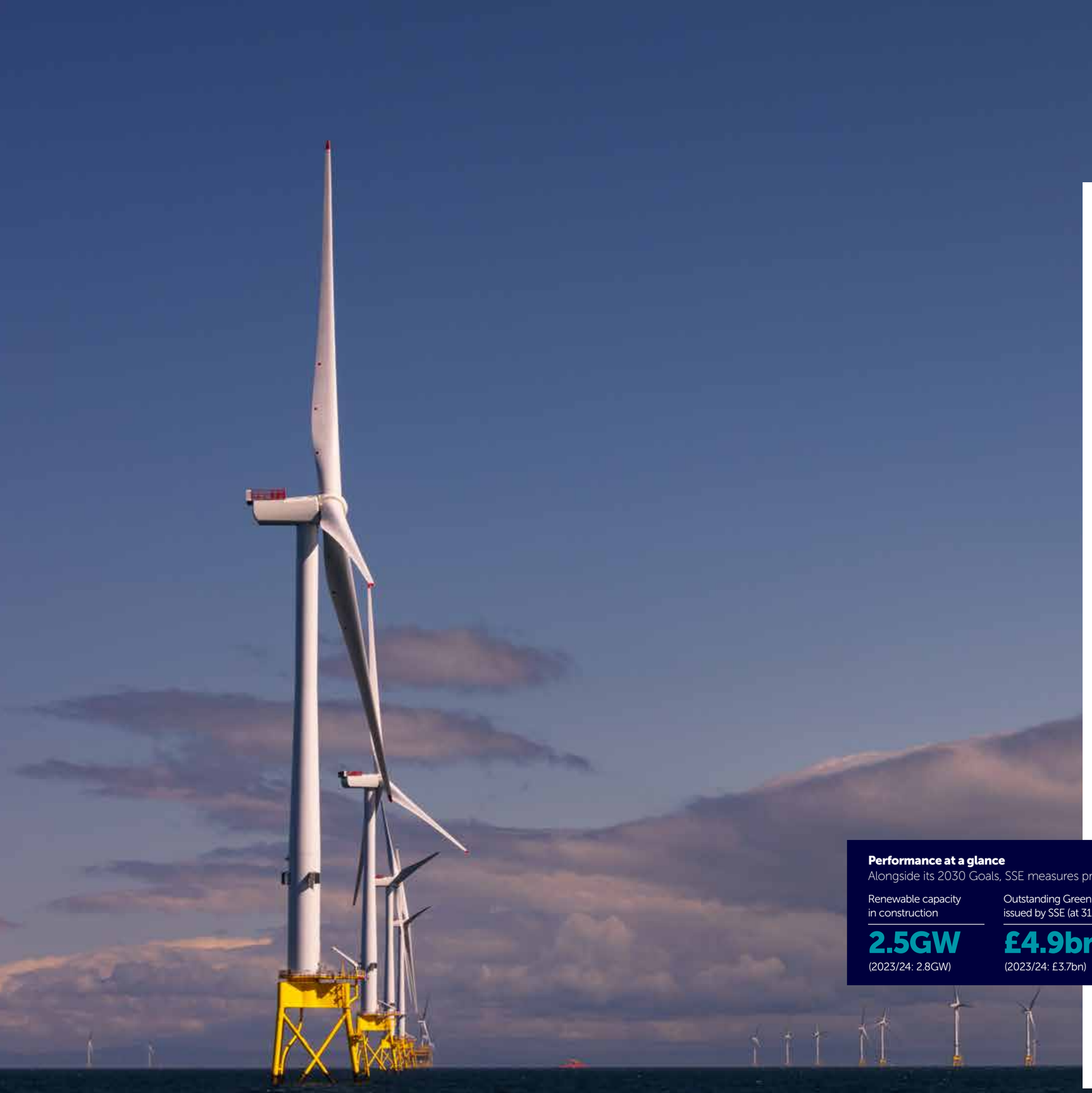
There are several imminent policy decisions that will influence the future shape of the energy sector in Great Britain – from decisions on market reforms, to determinations on networks price controls and the parameters of the upcoming allocation round for renewables contracts.

The UK Government's Review of Electricity Market Arrangements (REMA), more specifically decisions on zonal pricing, is due to conclude by mid-2025. Throughout the year and the since REMA was initiated in 2022, SSE has maintained that zonal pricing would lead to poorer outcomes for consumers and UK plc by deterring investment, delaying the energy transition and exacerbate distributional issues. Since REMA was launched policymakers have taken significant steps to address grid constraints through the planned grid deployment and introduction of strategic energy planning.

Whilst existing generators would have transitional arrangements in place, it would inject more than five years of uncertainty, and raise the costs of clean energy investment, and undermine the sector's ability to capture domestic supply chain investment. Ultimately, it would delay the transition to clean power and delivery of climate targets, as well as leaving consumers more exposed to gas prices for longer.

From a social perspective, zonal pricing risks creating a 'postcode lottery', where there will be winners and losers, undermining public support for the energy transition. Some households could pay £200 to £300 more simply because of where they live, and existing industries in the UK's industrial clusters would face higher costs at a time of significant global headwinds.

Ruling out zonal pricing out would generate an immediate boost to investment in low-carbon infrastructure. Focussing on reforms to the existing market in Great Britain, would keep investment flowing at pace, and help deliver energy cost reductions for homes and businesses well ahead of 2030.



Providing affordable and clean energy

The biggest impact SSE can have on affordability for energy consumers is providing affordable and clean energy by investing in, and developing, new sources of cheap renewable generation. SSE does this while ensuring its own customers have access to secure and reliable energy, helping those in vulnerable circumstances stay connected during times of greatest need.

Build a renewable energy portfolio that generates at least 50TWh of renewable electricity a year by 2030.

Increase renewable energy output fivefold

13.3TWh*

50TWh

Behind target

Renewable output was 19% higher in 2024/25 compared to the previous year, largely driven by increase in operating capacity coming through delivery of Viking Windfarm and the full year contribution from Seagreen offshore windfarm coming online. However, a changing macroeconomic environment and wider delays to planning processes mean the Group is unlikely to meet this ambitious goal of 50TWh Renewable generation output by 2030.

Performance at a glance

Alongside its 2030 Goals, SSE measures progress against a range of KPIs.

Renewable capacity in construction	Outstanding Green Bonds issued by SSE (at 31 March)	Proportion of SSE's investment and capital expenditure which is taxonomy aligned	Customers on SSEN Distribution's Priority Services Register
2.5GW	**£4.9bn**	**89%**	**1,026,396**
(2023/24: 2.8GW)	(2023/24: £3.7bn)	(2023/24: 89%)	(2023/24: 925,349)

* Includes pumped storage, battery energy storage systems, biomass and constrained-off wind in GB.

Providing renewables to support the energy transition

With SSE ramping up its growth ambitions to 2030, access to transition finance plays an important role in unlocking investment to build the clean power system of the future.

SSE's 2024/25 performance: increasing renewable output

SSE's 2030 Goal to increase renewable energy fivefold to 50TWh a year, whilst established in 2021, remains critical in supporting clean power ambitions in the UK and Ireland.

During 2024/25, renewables output increased by 19% to 13.3TWh* (2023/24: 11.2TWh), meaning that SSE is now just over a quarter of the way towards its 2030 Goal.

This was due to the addition of Viking onshore wind farm (443MW) and the first full year of operation of Seagreen offshore wind farm. Average wind speeds modestly improved relative to last year, but operational production was negatively affected by Storm Éowyn in early 2025.

A year of delivery in SSE Renewables

Much of this year's progress is thanks to increasing generation capacity across SSE Renewables' portfolio. At 31 March 2025, that capacity stood at 4,983MW (2023/24: 4,457MW). As well as Viking in the Shetland Islands, SSE's Chaintrix-Bierges and Vélye Wind Farm (28MW) entered commercial operations – SSE Renewables' first operational asset in mainland Europe. Its first battery storage project is also now fully operational. See the graphic below for more on these important milestones.

The delivery of the Dogger Bank A offshore wind farm (1.2GW, SSE share 40%), has been subject to delays during installation but the project remains on track to reach completion within the second half of 2025. Meanwhile, work has continued at Dogger Bank B and C (each 1.2GW, SSE share 40%) and, once fully operational, it will become the world's largest offshore wind farm.

Taking stock on SSE's 2030 Goal

SSE Renewables has seen a significant growth in installed capacity and output over the last few years, however the changing macroeconomic environment and wider delays to planning processes mean the Group has reduced its near-term capital investment expectations. As a result, it is unlikely to meet its ambitious goal of 50TWh Renewable generation output by 2030.

More information on SSE Renewables' performance can be found in its business operating review on pages 30 to 31 of SSE's Annual Report 2025.

Key project milestones in 2024/25

Salisbury BESS (50MW)

SSE's first battery energy storage system (BESS) to become fully operational is capable of powering more than 80,000 homes for two hours during peak demand.

Fully operational: April 2024

Viking wind farm (443MW)

Located on the Shetland Islands, Viking is capable of producing enough energy to power the equivalent of almost 500,000 homes a year.

Fully operational: September 2024

Tummel Bridge Power Station (40MW)

SSE has replaced Tummel Bridge's two original hydro turbines – installed in 1933 – with new technology that will extend the power station's life for at least another 40 years.

Officially reopened: September 2024

Yellow River Wind Farm (101MW)

Located in County Ofally, Ireland, this new wind farm is capable of powering around 67,000 homes a year.

First power: December 2024

Chaintrix-Bierges and Vélye Wind Farm (28MW)

Located in the northeast of France, Chaintrix represents SSE's first operational asset in mainland Europe.

Fully operational: February 2025

Financing the net zero transition

Green- and sustainability-linked finance are an important part of how SSE can help accelerate the transition to net zero, and the company is committed to aligning its reporting with respected classification frameworks.

Issuing SSE's ninth Green Bond

In March 2025 SSE plc, issued its ninth Green Bond – a €600m, seven-year Green Bond to support investment in critical national infrastructure. The proceeds will specifically help finance and/or refinance SSE Renewables projects that are currently under construction or have been recently completed. These include the Yellow River, and Viking onshore wind farms, as well as the Seagreen and Dogger Bank offshore wind farms.

At the time of issuing, this Green Bond reaffirmed SSE's position as the largest UK corporate issuer of Green Bonds, with the total outstanding Green Bonds issued by SSE plc and its subsidiaries standing at £4.9bn.

New sustainability-linked revolving credit facilities

In October 2024, SSE plc and SSEN Transmission signed new sustainability-linked revolving credit facilities (RCFs) totalling £3.0bn**. Both RCFs include sustainability-related, business-specific key performance indicators (KPIs) that focus on priority elements of each business's sustainability strategy.

The new SSE plc £1.5bn RCF is linked to three KPIs: reducing scope 1 carbon intensity; increasing the representation of women in SSE's Leadership Group; and, delivering greater levels of community investment. It is the first time the Group has linked sustainability KPIs to a RCF, and including two social KPIs demonstrates the importance that SSE places on a fair and just transition to net zero.

It also marks the first time SSE will be getting external Limited Assurance over social sustainability data, to meet the requirements of the RCF. In line with the requirements of the external recognised Sustainability Linked Loan Principles, the KPIs represent areas where SSE is going above and beyond. This means that the community investment figure used does not include regulated community investment funds, and therefore does not align with the community investment information provided on page 60, which includes regulated funds. The community investment KPI assured can be found in the data tables on page 85.

Meanwhile, SSEN Transmission's £1.5bn RCF is linked to four KPIs that are focused on reducing emissions and increasing capital expenditure to connect more renewables to the electricity network.

New committed sustainability-linked Revolving Credit Facilities, totalling

£3.0bn**

* Includes pumped storage, battery energy storage systems, biomass and constrained-off wind in GB.
** £1.5bn relates to SSEN Transmission, which is 75% owned by SSE plc.

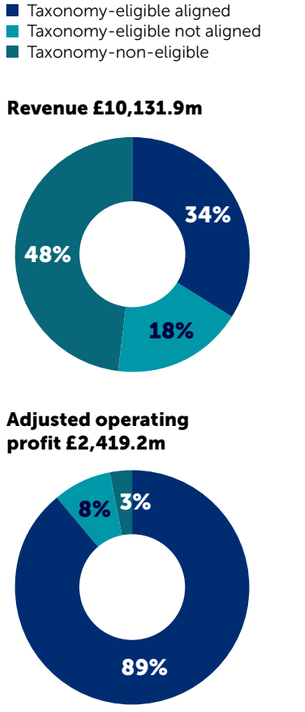
Measuring SSE's green economic activity

Green taxonomy frameworks are a useful tool for stakeholders to understand the scale of a Company's green economic activities. With the UK's Green Taxonomy framework still in development (see Supporting a new UK Green Taxonomy), SSE voluntarily aligns its reporting with the EU Taxonomy.

The high-level results of this assessment for 2024/25 are outlined in Figure 10. As SSE undertakes significant investment in the low-carbon infrastructure needed for the net zero transition, a high proportion (89%) of its adjusted investment and capital expenditure is EU Taxonomy aligned. In comparison, 31% of SSE's revenue has been assessed as related to Taxonomy-eligible aligned activities. This is because SSE's energy trading activity and the sale of power to end customers make up a large proportion of SSE's total revenue and are not listed as EU Taxonomy eligible activities.

A detailed breakdown of SSE's taxonomy-eligible activities and the assumptions used is available on page 80 of SSE's Annual Report 2025.

Figure 10: Taxonomy-aligned activities 2024/25



Supporting a new UK Green Taxonomy

In February 2025, SSE responded to the UK government's consultation on developing the UK Green Taxonomy. SSE welcomed the chance to respond, expressing the urgent need to implement a clear, science-based taxonomy, that draws on lessons from the EU Taxonomy to deliver a tailored, user-friendly solution. In SSE's view, a solution that incorporates transitional activities and aligns with global standards will attract investment, support sustainable economic growth and help the UK achieve its net zero ambitions.

Meanwhile, SSE continues to carefully monitor the impact on the EU Taxonomy as a result of the EU's Omnibus Simplification Package proposals also published in February 2025.

Helping customers with a just energy transition

SSE has a responsibility to deliver secure and reliable energy to homes and businesses, at the same time as enabling the transition to net zero at a local level in a way that is inclusive for all.

SSE's customers

SSE's purpose is to provide energy needed today while building a better world of energy for tomorrow. It does that in the most direct way by supplying electricity and gas to households on the island of Ireland, and to businesses in both GB and Ireland.

SSE energises homes with a market-leading range of energy plans designed around customers' lifestyles and budgeting preferences. It also supports business customers on their low-carbon journeys with tools and support to monitor and track energy use.

The following examples outline a snapshot of the different ways that SSE has helped customers during the year.

Helping customers access affordable and clean energy

While energy prices have fallen since the peak of the 2022 energy crisis, they remain above pre-pandemic levels and affordability remains an ongoing concern for households. SSE has a long track record of helping customers manage the costs of energy and does this in a number of ways through its businesses.

Supporting electricity distribution customers with energy affordability

Through a number of strategic partnerships, SSEN Distribution supports customers with the cost of energy, largely through energy efficiency advice and related services. Throughout 2024/25, over 1,000 households received energy efficiency advice, and over 50 households received support with the installation of energy efficiency measures. In addition, SSEN Distribution's partnership with Maggie's cancer charity, supported over 1,800 households with advice and signposting around benefits, maximising income, grants and household bills.

Managing energy price increases in Ireland

SSE Airtricity has worked hard to shield customers in Ireland from the impact of increased network prices and other charges. The business has reduced prices three times since the peak of the energy crisis in 2022 and forewent profit in 2023 in order to return funds to customers.

However, rising external costs, including network charges and wholesale energy costs, meant that in February 2025, SSE Airtricity announced increases to standard variable household electricity and gas prices in Ireland with effect from 2 April 2025. This decision was not made lightly: costs to the company increased in October 2024, and SSE Airtricity shielded customers from them for as long as possible. Details on the price increases can be found at **sseairtricity.com/ie.**

Increasing prices is always a last resort and as part of its commitment to working with customers, SSE Airtricity is a member of the voluntary Energy Engage Code. Following this code is one of the ways SSE Airtricity supports customers concerned about paying their bills.

Providing an improved and accessible customer experience

SSEN Distribution is undertaking a transformation project to modernise the way it works, which will help to enhance efficiency and improve experiences for both colleagues and customers. The project will drive a fundamental shift in how SSEN Distribution works, positioning it to create long-term value for colleagues, customers and communities.

Key improvements for the customer experience include:

- technology modernisation through upgrading systems, which will enable smoother customer interaction;
- simplifying customer communication by using plain language, reducing technical jargon on our website, and offering clear pathways for customers to apply, get cost estimates, or access information; and,
- enhancing training programmes and introducing new coaching frameworks for colleagues to ensure they are equipped with the tools to provide exceptional service.

It is hoped that these improvements will help to increase customer satisfaction through greater efficiency, clearer communication, and seamless service. They will also help to foster lasting, trust-based relationships with customers.

Supporting customers in vulnerable situations

No one knows what's around the corner and anyone can find themselves in vulnerable situations. That's why, as part of SSE's commitment to a fair and just transition, it is making sure that those who are most vulnerable have access to energy, whatever their circumstances

Additional support when customers need it most

SSEN Distribution's Priority Service Register (PSR) identifies customers who are in potentially vulnerable situations, and who may be particularly affected in the event of supply interruptions, for example power cuts during storms. This register enables the business to offer adapted services and additional support to those who need them most.

The case study on this page outlines SSEN Distribution's work in 2024/25 to raise awareness of the PSR, helping it reach the milestone of one million customers signed up to the register.

Partnering to provide local warm hubs

In early 2025, SSEN Distribution became one of the first utilities to sign up to a partnership with charity Warm Welcome Campaign. Started as a crisis response to keep people warm through the winter, the charity helps people find a place of connection and warmth close to home.

The charity provides 550 hubs across SSEN Distribution's licence areas in the north of Scotland and central southern England. The hubs take different forms including community centres, libraries, churches, cafes and more. They create warm, safe and welcoming spaces run by and for the community, and areespecially beneficial during the colder months.

Promoting the Priority Services Register (PSR)

SSEN Distribution ensures that it continually raises awareness around its PSR to ensure it captures as many people in need as possible. This is particularly important as people's situations can change over time. In 2024/25, the number of customers signed up to SSEN Distribution's PSR reached over one million.

This milestone was achieved through enhanced engagement by SSEN Distribution with community organisations and customers during the year. This included improvements to SSEN's Community Toolkit. Originally launched in 2023/24, the toolkit helps charities, vulnerable customer representatives and other local organisations promote the PSR with members of their community. Enhancements to the Toolkit include a new quick guide to help those in operational roles direct customers to appropriate advice and a digital information screen featuring key PSR information which can be used in locations including GP surgery waiting rooms.

1 million

customers now signed up to SSEN Distribution's Priority Services Register

Helping customers reduce their carbon footprint

One of the best ways SSE can help customers manage their energy bills is by working with them to reduce their carbon footprint – through access to new sources of affordable clean power, as well as helping them improve energy efficiency and adopt new digital technologies.

Supporting households with energy efficiency

SSE Airtricity actively develops propositions that will help customers lower bills and move towards a low-carbon pathway. In Ireland, progressive government policies are in place to support energy efficiency measures for domestic customers. In support of this, SSE Airtricity delivered over 2,000 rooftop solar installations in partnership with Activ8 Energies in 2024/25, lowering bills by up to 50%.

To support vulnerable households in Northern Ireland, SSE Airtricity provided Bryson Charitable Group with a donation of £250,000 in 2024/25. This is in addition to £2m previously donated and will help provide practical support to homes at risk of energy poverty and long-term winter invention measures for service users.

Helping business customers reduce emissions

Electricity consumption can make up a large portion of a business's scope 2 greenhouse gas emissions. Strategic corporate power purchase agreements (PPA) between SSE Energy Customer Solutions and business customers are enabling those customers to lower their carbon footprint while securing new routes to market for SSE Renewables' generation assets in the UK and Ireland.

As well as providing greater energy certainty and price stability, SSE's PPAs trace – and guarantee – the renewable source of the energy. This means business customers can report their market-based scope 2 emissions for electricity consumption as zero, in accordance with the GHG Protocol. These are also verified through EcoAct, an international climate consultancy that helps companies achieve their climate ambitions.

Helping customers make the switch to EVs

Over 2024/25, SSE Airtricity continued to provide electric vehicle (EV) charging solutions to help customers on their EV journey. In February 2025, SSE Airtricity entered into a partnership with Ohme, appointing the company as its trusted home EV charging partner.

The Cork-based smart charging company has developed a range of smart home EV chargers that can connect seamlessly with all of SSE Airtricity's electricity tariffs. It can automatically adjust an EV's charging for drivers to take advantage of off-peak tariffs, such as SSE Airtricity's Smart EV Charge which gives customers 8,000km free EV charging and a super low EV-rate from 7.29cents/kWh.

Investing in industry, innovation and infrastructure

SSE is working to deliver the new infrastructure needed to support the just transition to net zero, with key targets for low-carbon generation and demand. Delivering that infrastructure at pace and scale means investing in new and emerging low-carbon technologies while working with suppliers to create a more sustainable supply chain.

Enable at least 20GW of renewable generation and facilitate around 2 million EVs and 1 million heat pumps on SSEN's electricity networks by 2030.

Enable low-carbon generation and demand

10.9GW | **20GW**

On target

c. 336,000
pure electric or plug-in hybrid vehicles registered

c. 56,400
heat pumps connected

Following the connection of several large renewable schemes in 2024/25, total installed renewable generation capacity connected to SSE's transmission network in the north of Scotland was 10.9GW at 31 March 2025. This exceeds the business' RIIO-T2 goal to deliver a network in the north of Scotland with the capacity and flexibility to accommodate 10GW of renewable generation by 2026.

Performance at a glance

Alongside its 2030 Goals, SSE measures progress against a range of KPIs.

Total procurement spend	Proportion of SSE's supply chain by spend with valid EcoVadis score*	Research and innovation costs	Number of suppliers on SSE's strategic supplier relationship management programme
£5.6bn	**46%**	**£17.2m**	**c. 70**
(2023/24: £5.5bn)		(2023/24: £12.7m)	(2023/24: c.70)

*SSE entered into a partnership with EcoVadis in September 2023. 2024/25 is the first year of measuring this data.

Unlocking net zero through innovation

SSE's heritage was founded on innovation – driving the hydro-electric revolution in the north of Scotland in the 1940s and building the electricity networks needed to transport that clean power. Delivering these technologies at scale transformed the lives of people living in the region.

Innovation is fundamental to delivering a sustainable, resilient, and affordable energy system for generations to come. SSE continues to embed innovation into everything it does – from accelerating deployment of renewables to developing smart electricity networks of the future.

How SSE delivers innovation

SSE invests in innovation that accelerates the availability of low-carbon technologies and demonstrates their practical application. In 2024/25, its research and innovation costs totalled £17.2m (2023/24: £12.7m).

SSE's Innovation Advisory Council (IAC) is responsible for setting the Group-wide vision for innovation, and identifies promising new clean energy technologies that could support the Company's work. The council also acts as a forum to drive a structured and efficient approach to innovation and technology horizon scanning across the Company.

Guided by this vision, SSE's Business Units set their own innovation priorities. This devolved model empowers the Business Units to deploy the new technologies and innovations to accelerate their journey to net zero. They are supported by a central Partnership Funding team, which works with them to access government grants to test new technologies and market models.

Creating a culture of innovation

SSE's people are crucial in driving innovation. SSE fosters a culture of innovation, empowering teams to think creatively and collaborate with one another to drive incremental and transformative change. The case study on this page, as well as others throughout this report, highlight the innovative projects that SSE's employees are driving.

Innovation at SSE is guided by three strategic themes:

Safer
Using innovation to promote safe behaviour and deliver a secure supply of energy to people's homes.

Greener
Using innovation to create a positive impact on economic, societal, and environmental sustainability.

Smarter
Ensuring the company is ready for the future by learning and adapting to a changing operating environment.

An innovative approach to local networks

Delivering net zero requires a transformation in the way that local electricity networks operate. SSEN Distribution is focused on building a smarter and more flexible network that enables the connection of more low-carbon technologies.

As uptake of these technologies increases, the demand for electricity will go up. SSEN Distribution has begun testing innovative solutions and services to find new ways of managing peak electricity demand in the north of Scotland. The new approach, which the business is calling 'Demand Diversification' will involve conducting real-world trials to manage electricity demand. These will be augmented by simulations run with the teams at the University of Strathclyde's Power Network Demonstration Centre and the Energy Systems Catapult, to model how this new solution would work at scale. Electricity networks are designed to meet peak demands, which means much of their capacity is underused for most of the day. Demand Diversification will give customers incentives to spread their demand to less busy times, tapping into the ability of technologies, like EVs, heat pumps, and electric storage heaters, to be scheduled to periods when network demand is lower. Solutions such as Demand Diversification could have an important role both in helping to save consumers money and reducing waiting times for some new network connections.

Working collaboratively to drive innovation

SSE works collaboratively with peers, suppliers, local authorities and academia to drive innovation. Working in partnership makes it possible to achieve more, more quickly, through shared learning and knowledge – both key in delivering a clean energy system. This is why SSE is a founding member of two National Demonstration Research Centres and has established enduring academic partnerships with Imperial College London, the University of Strathclyde and the University of Highlands and Islands.

Supporting a more sustainable supply chain

As SSE ramps up its growth ambitions, it also carefully manages the impact of its investment activities, working with suppliers to deliver environmental and social outcomes throughout the supply chain.

Building the clean power infrastructure needed to deliver SSE's strategy and NZAP Plus investment plan requires key goods and services, such as steel, concrete, cables and maritime vessels, which relies on a resilient, sustainable supply chain.

While SSE's suppliers include large global organisations, the company understands that the impact of its activities is felt at a local level. SSE therefore aims to share the economic benefit of low-carbon investments locally where possible, by supporting the development of local supply chains and job opportunities.

SSE's supply chain spend in 2024/25

SSE spends a significant amount with supply chain partners to deliver its capital investment programme. In 2024/25, this totalled £5.6bn, remaining consistent with the previous year. This follows a significant increase in supply chain spend between 2022/23 and 2023/24, from £3.7bn to £5.5bn.

SSE's approach to sustainable procurement

SSE is committed to engaging with suppliers to help them understand the company's ambitions and expectations in important sustainability-related areas like ethics, diversity and carbon emissions. Working collaboratively, SSE aims to align sustainability goals across the supply chain so that everyone is working toward the same objectives.

SSE has a range of Group-level frameworks that help suppliers understand the Company's ambitions around sustainable procurement, as well as the expectations it has for suppliers and contractors. This includes its Sustainable Procurement Code, Sustainable Procurement Plan and its Supplier Diversity Strategy, which was launched in September 2024 (see Figure 11).

SSE helps to promote and embed these frameworks through high quality supplier engagement and building collaborative relationships, which is a cornerstone of SSE's strategic approach to sustainable procurement. Through its Supplier Relationship Management programme, SSE engages regularly with around 70 suppliers identified as critical to achieving SSE's strategic aims.

In addition, SSE and its Business Units hold conferences and engagement events with supply chain partners, focused on material sustainability topics – from improving safety performance to ensuring SSE's infrastructure projects leave a positive legacy for local communities.

Figure 11: SSE's tools for managing supply chain sustainability

Sustainable Procurement Code
Sets out SSE's expectations and requirements on suppliers and contractors, and their supply chains.

Sustainable Procurement Plan
Outlines the ambitions and approaches of SSE and its Business Units to embed sustainability in procurement and supply chain practices.

Supplier Diversity Strategy
Describes SSE's approach to promoting supplier diversity and its work to create an inclusive and varied supply chain.

Strategic Supplier Relationship Management
A programme of regular, structured engagement with critical suppliers that allows SSE to understand and address sustainability issues throughout the supply chain. Also supports collaboration to improve sustainability-related performance.

Fostering greater collaboration across SSEN Distribution's supply chain

During 2024/25, SSEN Distribution held two sustainability-focused supplier events aimed at encouraging climate and social action and greater collaboration across the supply chain.

Attended by 110 stakeholders, the events provided a platform for open dialogue, knowledge sharing and strategic planning, as well as giving SSEN Distribution the opportunity to promote its Sustainable Supplier Code. The events included talks from external sustainability assessment specialists EcoVadis and Loop to introduce their sustainability platforms and tools. SSE's Supply Chain Sustainability School supported with resources and expertise that focused on how suppliers can develop their approach in emerging areas such as social value and biodiversity.

The event helped develop stronger, more enduring relationships across SSE's supply chain, and nine new suppliers signed up to SSEN Distribution's Sustainable Supplier Code. Following supplier feedback, the business will update the Code in 2025, and continue to encourage regular engagement with supply chain partners.

Working across the industry to create a more sustainable supply chain

Collaborating with suppliers and industry partners is at the heart of SSE's approach to sustainable procurement.

This is because many of the challenges in delivering a net zero transition can't be addressed by one Company alone. Rather, by working together, SSE and its partners can help accelerate change across the value chain. SSE is involved with a number of industry-level collaborations aimed at tackling key challenges facing the power sector.

Some of these collaborations focus on addressing strategic net zero challenges, such as the Powering Net Zero Pact – a power sector supply chain initiative founded by SSE and some if its key suppliers. Others, like the Coalition for Wind Industry Circularity, address specific issues – in this example increasing the use of refurbished minor component parts in wind turbines to create a more circular economy. Together, these collaborations help SSE manage supply chain risks, drive innovation and maximise the positive impact of its work.

Developing approaches for measuring supply chain performance

Over the past few years, SSE has worked with suppliers to find better ways of measuring and monitoring sustainability-related performance within the supply chain. The clearer the data, the more SSE can track and report on its own sustainability ambitions.

Working with suppliers to set science-based targets

As part of work to reduce the company's carbon footprint, SSE set a 2024 target to engage with 50% of suppliers, by spend, to help them set science-based targets. SSE reached that figure in 2024 and has now expanded the target to engage 90% of suppliers by spend by 2030.

At 31 March 2025:

46% of SSE's suppliers by spend had verified science-based targets, up from 42% in 2023/24.

An additional **5%** of suppliers by spend had committed to setting verified targets, compared to 9% last year.

Gathering supply chain insights through EcoVadis

SSE uses EcoVadis, a globally recognised sustainability assessment platform, to measure and monitor supplier performance against key environmental, social, and governance areas. This allows SSE to build a picture of how sustainability is managed throughout its supply chain and identify any areas which require targeted improvements.

SSE is working to increase the number of suppliers engaged through EcoVadis and has an ambition to have 90% of its supply chain, by spend, achieve a valid EcoVadis scorecard by 2030. At 31 March 2025, 46% of SSE's suppliers by spend had a valid score through the EcoVadis platform.

SSE itself has been awarded EcoVadis's top rating, Platinum, putting the Company in the top 1% of all companies assessed by EcoVadis.

Piloting new technology to measure social value

In June 2024, SSE launched a 12-month trial of a specialist tracking tool as part of the Company's ongoing focus to improve the way it measures and reports on the social impact of its investments. The Loop Social Value Tool helps SSE gather social value data from suppliers by measuring key metrics across three impact areas: social, environmental, and economic. The tool is being trialled with suppliers in several projects across different SSE businesses at different stages of their lifecycle – from tender to completion.

Supplier feedback has been positive, with early results indicating that SSE and its supply chain partners generate a positive return on investment in social value. SSE is now planning a phased rollout of the tool across its businesses next year.

Promoting greater transparency in critical and conflict mineral supply chains

Critical minerals such as lithium, silicon, and copper are essential for building the green technology components that power wind turbines, solar panels and batteries. But these minerals are often located in parts of the world that are at higher risk of human rights abuses and conflict. So understanding and tracing their origin are vital for a just transition. However it can be challenging for companies to access transparent mineral data.

To support greater transparency, SSE's inaugural Powering Net Zero Pact (PNZP) workshop held in November 2024, focused on these critical and conflict minerals. The workshop included guest speakers from the UK's Foreign, Commonwealth and Development Office, the Department for Business and Trade, and the Initiative for Responsible Mining Assurance (IRMA – see page 49 for more information on SSE's support for IRMA). As well as building general awareness, PNZP power sector members learnt more about internationally recognised standards on social and environmental performance at mining sites.

Key EcoVadis developments at 31 March 2025 include:

46% of SSE's supply chain by spend had a valid EcoVadis scorecard.

537 of SSE's suppliers had shared their EcoVadis scorecards with SSE, providing transparency in their sustainability performance.

SSE mandates EcoVadis assessments for large contracts, embedding sustainability into core procurement processes.

From achieving Gold last year, SSE achieved EcoVadis's top Platinum rating this year.

Delivering sustainable infrastructure

With significant investment plans in the low-carbon infrastructure required to deliver clean power, SSE has a duty to ensure this is delivered in a sustainable way – that benefits both people and nature.

Supporting a renewables-led system

Connecting more renewables to the electricity grid is crucial for the transition to net zero. SSE Renewables is increasing renewable energy across the UK, Ireland and beyond. SSE's other businesses also play an important role enabling a renewables-led electricity system.

Connecting renewables at pace

SSEN Transmission's network in the north of Scotland supports the delivery of the UK's net zero ambitions. It connects new renewable generation and transports the power generated to the people and businesses that need it in the south.

SSEN Transmission plans to invest over £22bn to upgrade its network across the five years to 2031. This is one of the largest-ever investments in the north of Scotland.

Following the connection of several large renewable schemes in 2024/25, the total installed renewable capacity connected within SSEN Transmission's network area was 10.9GW, exceeding the business's ambition to accommodate 10GW of renewable generation by 2026.

Several milestones were reached in project delivery over the year, including:

- Energising the Shetland HVDC Link which will connect 600MW of renewable generation capacity.
- Construction beginning on the Orkney-Caithness transmission link project, which will connect 220MW of renewable generation capacity.
- Construction beginning on Eastern Green Link 2 which will scale up the UK's capacity to transport clean energy, predominantly from offshore wind, from where it is generated in the north of Scotland to areas of demand in England.

Valuable flexibility for the transition

SSE Thermal's flexible and efficient fleet of gas-fired generation will continue to play a critical role in the transition to net zero, providing reliable back-up power that complements intermittent renewables.

SSE Thermal's long-term strategy is to develop and operate a portfolio of low-carbon flexible generation, thereby reducing reliance on higher carbon power stations over time. It is investing in the development of new low-carbon flexible generation, designed to operate within a clean power system. This includes abated gas, which covers options for new-build CCS, CCS-retrofit and hydrogen, as well as other low-carbon fuels, for example hydrotreated vegetable oil (HVO). Each playing a key role in balancing the electricity system as more renewables connect to the grid. See pages 32 and 33 of SSE's Annual Report 2025 for more detail on progress.

Supporting net zero at the local level

A clean energy system needs new sources of clean power and a new way of distributing it. SSEN Distribution is at the forefront of transforming local electricity networks to make sure they are fit for net zero. It's working to facilitate the connection of the increasing low-carbon technologies, such as the millions more electric vehicles (EVs) that will take to the roads and the heat pumps that will warm people's homes.

Enabling local low-carbon technologies

One of SSE's core 2030 Goals is to facilitate two million EVs and one million heat pumps on SSEN Distribution's electricity networks by 2030. At 31 March 2025, SSEN Distribution had c.336,000 pure EVs or plug-in hybrid vehicles registered in its licence areas and c.56,400 heat pumps connected to its networks. It continued to progress several key innovation projects to support flexible markets and future infrastructure provision for the adoption of low-carbon technologies. This included further roll-out of its LENZA tool for local authorities (see page 59).

Unlocking net zero through innovation

SSEN Distribution has a dedicated innovation team which develop and deliver innovation projects aimed at enabling the delivery of local smart grids and flexibility services. One small, but interesting example of these projects is 'EqualLCT' which was awarded £450,000 of funding from Ofgem in early 2025. EqualLCT aims to support wider uptake of heat pumps by using network data to show areas where a rollout of the technology could be coordinated with energy efficiency measures. This approach can conserve heat in homes and reduce electricity demand at peak times.

Delivering clean power in a sustainable way

Delivering critical low-carbon infrastructure projects sustainably requires embedding environmental and social considerations into policies and processes – and ensuring sustainability frames decision making within the Company.

Sustainable business planning

In September 2024, SSEN Transmission published its Sustainability Strategy to 2030, with three focus areas: tackling climate change; protecting and restoring nature; and, engaging with communities. The strategy supports its Business Plan for the next regulatory price control between 2026 and 2031 and sets out how transmission growth projects will leave transformative lasting benefits, sharing the value of clean energy infrastructure with local communities for generations to come.

This will be achieved through initiatives such as the launch of its new Regional Community Benefit Fund (page 64), a pledge to deliver over 1,000 homes across the north of Scotland (page 58) and supporting local supply chain jobs like those at the new Sumitomo Electric Industries cable manufacturing facility at Nigg which entered into construction in 2024.

Embedding sustainability criteria into large capital projects

SSE embeds social and environmental considerations throughout the lifecycle development of its infrastructure projects. SSE's large capital projects governance process applies to projects over £40m, with a lighter touch process for lower value projects. It requires all projects to undertake a Sustainability Assessment and Action Plan to assess their impacts across a range of sustainability-related issues including embodied carbon, human rights risk and local economic impact.

Committed to decent work and economic growth

Providing decent work and stimulating economic growth are essential in SSE achieving its strategic objective of creating and sharing value. In practical terms, this means creating a safe and ethical workplace and helping to develop the workforce of the future. It means ensuring that SSE's activities create value for the wider economy and society while supporting the local communities who live near its infrastructure. SSE does all of this by championing fairness and a just transition to a decarbonised power system.

Be a global leader for the just transition to net zero, with a guarantee of fair work and commitment to paying fair tax and sharing economic value.

Champion a fair and just energy transition

£8.68bn
contribution to UK and Irish GDP

67,190
jobs supported in the UK and Ireland

SSE continued to create and share value with stakeholders over 2024/25, contributing £8.68bn to GDP and supporting 67,190 jobs across the UK and Ireland, an increase from £6.75bn and 54,830 respectively in 2023/24.[1]

[1] Figures for 2023/24 have been restated to reflect post year-end adjustments to data.

Performance at a glance
Alongside its 2030 Goals, SSE measures progress against a range of KPIs.

Total awarded through SSE's community investment funds	UK median gender pay gap	Total investment in learning and development	Total recordable injury rate (employees and contractors combined)
£16.3m	**11.5%**	**£41.0m**	**0.16**
(2023/24: £12.1m)	(2023/24: 12.0%)	(2023/24: £34.2m)	(2023/24: 0.20)

A just transition to net zero

Tackling climate change requires big changes in how energy is produced, transported, and used. Everyone – employees, consumers, communities, suppliers, and wider society – will be affected in different ways.

SSE aims to influence those changes in ways that create shared value, including investing in critical infrastructure, such as housing, and helping workers switch from high-carbon careers to high-quality green jobs.

SSE aims to do this in a way that is fair and inclusive, with the costs and benefits appropriately shared across society.

In 2024, SSE refreshed it's Just Transition Strategy, committing to 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.

Page 91 sets out 2024/25 performance against these indicators showing good progress in relation to SSE's workforce diversity and a record year for SSE's community investment funds. These KPIs will be kept under review to ensure they remain appropriate and relevant.

In practical terms, SSE's work in just transition means supporting:

An ethical workplace

This starts with maintaining high standards of safety and ethics, guaranteeing fair work, respecting human rights and building inclusive teams that reflect the communities SSE serves.

A workforce for net zero

Through strategic planning and skills development, SSE ensures that people have the capabilities to support the delivery of the energy transition.

Shared economic and social value

As well as committing to ethical and transparent tax practices, and contributing to GDP and employment, SSE's 'place-based' approach is helping to provide new homes and social infrastructure.

Thriving local communities

SSE invests in capacity building, funds, and heritage in the communities that live near its assets and infrastructure.

Supporting an ethical workplace

Supporting a just transition starts with SSE and the way it interacts with the people who work for and with the company – from employees to supply chain partners. It means keeping people safe, acting responsibly, listening to people's views, guaranteeing fair work and creating a culture of respect.

Putting health and safety first

Safety is SSE's number one value and everyone's responsibility. The Company's priority that everyone gets home safe is enshrined in SSE's values and the mantra: 'if it's not safe, we don't do it.

SSE has a well-established governance framework to oversee safety and a Group-wide safety management system that is certified to the internationally recognised ISO 45001 Occupational Health and Safety Management standard.

Better performance across all safety measures

During 2024/25, safety performance in SSE's direct workforce improved on the whole across the range of key safety metrics measured. – with a lower workforce incident rate, fewer potentially life-changing injuries, and a reduction in the rate of more serious incidents. The Total Recordable Injury Rate (TRIR) for employees and contractors combined was the lowest in three years and, within that, the performance among contract partners was particularly encouraging. To stay focused on safety in 2024/25, SSE set a performance expectation for the TRIR of 0.09 for employees, and 0.40 for contract partners. SSE did not meet this expectation for employees, with the TRIR increasing to 0.11 from 0.07 the previous year. SSE saw improvements in its contract partner performance, exceeding expectations at 0.25. This represents a significant reduction compared with a performance of 0.41 in 2023/24.

SSE's Safety, Sustainability, Health and Environment Advisory Committee (SSHEAC) oversees the wide range of work that SSE does around employee and contract partner safety and wellbeing. Find more on the SSHEAC's work in 2024/25 on pages 122 to 125 of SSE's Annual Report 2025.

Figure 12: SSE's key safety performance in 2024/25

TRIR (employee and contract partner)	0.16	↓ 20% from last year
Injuries	65	↓ 6 from last year
Safe days	233	↑ 18 from last year
Road traffic collisions (type 1)	12	↓ 5% from last year

Focusing on contractor safety
Contractor safety has been a particular focus for SSE in recent years. This is because an increase in the investment and construction work needed to achieve SSE's business goals has naturally led to an increase in the number of hours worked by contract partners. Typically, this work has a higher risk profile than day-to-day operational activities. During 2024/25, SSE's dedicated Contractor Safety Team continued to implement its targeted programme for improvements, while the Company launched new safety, health and environment (SHE) specifications at its annual contract partner conference.

Rolling out immersive safety training at scale
During 2024/25, more than 7,000 SSE employees and more than 900 contract partners took part in SSE's unique immersive safety training programme. This exceeded SSE's expectation of reaching 7,000 people a year. The programme was introduced in 2023/24 and uses state-of-the-art technology to blend film and live action to create an immersive experience. It is also based on psychological and neuroscientific learning principles, which ensures that participants better remember the training's lessons for longer. This in turn has a positive impact on how they behave back in the real world.

Supporting employee wellbeing

SSE has a comprehensive programme of engagement and resources to support colleagues with wellbeing, which also extends to contract partners. The Company's online Health Hub provides employees with a one-stop-shop for information around wellbeing resources available to them at SSE, and makes information as accessible as possible.

Over 2024/25, SSE saw an increase in the number of its employees who take on additional responsibilities to support colleagues with wellbeing. At 31 March, SSE had 240 wellbeing champions based in over 61 locations (2023/24: 140 over 44 locations), who help to promote wellbeing initiatives, such as CPR training, cancer talks and wellbeing cafés. SSE also had 582 trained Mental Health First Aiders (MHFA) (2023/24: 453) who are available to support colleagues around mental health. This meant SSE achieved its aim to have 1 MFHA to every 25 employees.

Partnership with British Heart Foundation
SSE has a partnership with the British Heart Foundation (BHF) that provides employees with free onsite health assessments. Over 2024/25, BHF and SSE's occupational health team delivered over 2,500 health checks. These health checks provide a valuable way to help colleagues identify potential health issues, such as cholesterol, blood pressure and diabetes, before the condition worsens.

Championing an ethical culture

SSE is committed to doing business in the right way and has a strong, values-driven culture that empowers employees at all levels to deliver the Company's strategic objectives with integrity and purpose. Underpinned by SSE's values, and set out in an all-company publication, Doing the Right Thing: guide to good business ethics, this culture guides the Company's decision-making and stakeholder engagement. Find more information on SSE's values on page 2 of SSE's Annual Report 2025.

Guiding employees to do the right thing
SSE's Doing the Right Thing guide sets out SSE's approach to doing business, and outlines the standards and behaviours that employees and those who work on SSE's behalf are expected to uphold.

It covers a wide range of topics, including safety, cyber security, preventing financial crime and corruption, ensuring fair competition and transparent stakeholder engagement. It outlines the training and resources that SSE provides employees to promote the right behaviours and outcomes, including a programme of mandatory ethics and compliance training.

This includes annual modules on cyber security, data protection, inclusion and diversity, as well as mandatory biennial bribery and anti-corruption training for all employees. Employees in relevant roles also get trained on competition law, business separation and Regulation on Wholesale Energy Market Integrity and Transparency (REMIT).

Doing the Right Thing is available at sse.com/about-us/our-culture and is promoted to all employees. Suppliers are also made aware of the guide through SSE's Sustainable Procurement Code.

Encouraging employees to 'Speak Up'
A healthy business culture is one where people feel comfortable raising concerns without fear of repercussion, and one that deals with issues quickly and fairly. Through the Company's 'Speak Up' programme, everyone who works for or with SSE is encouraged to report a concern, knowing they're protected from any negative consequences.

As well as internal channels, such as reporting to line managers or nominated internal Speak Up contacts, SSE offers employees an independent whistleblowing service hosted by Safecall, where they can report a concern anonymously.

Every report is considered for investigation with a triage system identifying and mitigating risks and directing reports to the appropriate department.

SSE supports everyone involved in the Speak Up process. One way the Company does this is through its Speak Up aftercare programme, through which SSE follows up with employees from time to time to ensure they haven't experienced any negative impacts as a result of speaking up. This includes periodic surveys up to 180 days after the initial complaint, so that participants can highlight concerns and provide feedback. Employees are also signposted to SSE's Employee Assistance Programme, aimed at supporting wellbeing, in case they need further help and guidance.

Recognising the impact this process can have on all parties, SSE limits investigations to a maximum of 45 days. This reduces stress and ensures quick, fair resolutions.

External recognition of health and safety at SSE

Wellbeing initiatives
SSE picked up the award for "best application of wellbeing data" at the 2024 Inside Out awards, which celebrate individuals and organisations who champion mental health. The judges commended SSE's partnership with the British Heart Foundation as an engaging way to promote change. SSE also received a highly commended for 'Mental Health First Aid Award'.

Investors in people
SSE was awarded the `Investors in People - We invest in Wellbeing' platinum accreditation. Only 8% of companies gain platinum and even fewer on first attempt, demonstrating SSE's proactive approach to enhancing the health and wellbeing of its people.

INVESTORS IN PEOPLE®
We invest in wellbeing Platinum

Immersive training
In late 2024, SSE's immersive training received the Utility Week award for 'Best Training Initiative', with judges acknowledging the power of an interactive approach to bring home the consequences of serious incidents and make the experience highly memorable.

Reported incidents of wrongdoing in 2024/25
In 2024/25, SSE received 62 reports of suspected wrongdoing via the Company's Speak Up channels, including Safecall, (2023/24: 73). While this marks a reduction, the overall volume remains consistent with historical patterns, reflecting the natural ebb and flow of reporting. Notably, there has been a shift in case focus, with a marked rise in reports of dishonest behaviour (up from 17 to 27) and a drop in conduct-related issues (down from 27 to 17). The increase in substantiated cases suggests improved understanding of whistleblowing criteria and a focus on more serious, actionable concerns.

SSE monitors the trends of Speak Up cases closely. Tables 1 and 2 summarise the outcomes of reported incidents and investigations for the past two financial years.

Table 1: Reported incidents of suspected wrongdoing by category

Category	2024/25	2023/24
Health and safety (general safety, environmental, product contamination)	4	7
Dishonest behaviour (fraud, theft, bribery, integrity, money laundering, corruption)	27	17
Conduct (bullying, harassment, victimisation)	17	27
Inclusion and diversity (racism, discrimination, unfair treatment)	0	2
Drugs/alcohol	0	8
Regulatory compliance	0	0
General (data protection, policy, reputation, corporate governance, failure to investigate)	14	12
Total	**62**	**73**

Table 2: Outcomes of investigations into reported incidents of suspected wrongdoing

Category	2024/25	2023/24
Dismissal/resignation	5	4
Warning issued	1	4
No action taken	0	2
Informal action - verbal warning	3	5
Investigated as grievance	1	3
Investigated and partly substantiated but with no action taken	16	4
Investigated but case not proven	25	23
Initial investigation established insufficient evidence to proceed further	6	5
Unable to investigate due to insufficient information to establish the nature, cause, location or otherwise of the allegation	1	0
Whistleblower withdrawn	0	4
Total	**68**	**54**

Incidents may be recorded in one financial year but concluded in the next. Therefore, the total number of incidents recorded in one financial year may differ from the total number of outcomes.

Listening and responding to employees

SSE enables employees to voice their opinions and share their views through a variety of channels. The Company listens to their feedback and uses it to inform decision making, with the aim of understanding and improving the employee experience of working at SSE. SSE seeks employees' views throughout their career – including a six-monthly check-in survey for recent recruits, an annual all-employee survey and exit surveys for leavers.

SSE's Board also directly engages with employees throughout the year to ensure that they understand how employees feel about the Company. Find more information on Board engagement and what members heard this year on page 99 of SSE's Annual Report 2025.

Insights from SSE's all-employee survey
SSE's annual employee engagement survey provides important insights into employee sentiment and helps measure the health of the Company's culture.

SSE's most recent survey ran in September 2024, with a high completion rate. In all, 84% of colleagues responded, and the overall employee engagement score remained strong at 86% (2023: 85%). While this score is a useful indicator, the survey's real value comes from its detailed insight into SSE employees' perspectives. The survey asks employees to share their views on key cultural and strategic areas, including inclusion, safety, strategy, doing the right thing and trust in senior leaders.

This year's results showed that safety, doing the right thing and inclusion continued to exceed external benchmarks. However, while the number of people who feel engaged with SSE's strategy improved, understanding of how each role is helping to deliver that strategy continues to lag the very high industry benchmarks, though scores continue to improve in this area. Strategy will therefore be a focus of employee engagement in future.

Culture Dashboard 2024/25

Employee feedback enables the Board to assess the strength of SSE's culture:

Overall employee engagement	Inclusion	Safety	Our strategy	Doing the right thing	Senior leaders
86% ▶	90% ▶	91% ▲	86% ▲	85% ▲	67% ▲
84% of employees engaged in our annual employee survey	Feel we have an inclusive culture	Feel we promote a safe workplace culture	Feel engaged with our strategy	Feel empowered to do the right thing	Trust in senior leaders

▶▲▼ A full survey was carried out in 2023/24. This year's results reflect responses to a pulse survey with a condensed question set. Trends are based on a like for like basis.

Guaranteeing fair work

One of the best ways that SSE can support a just transition is by ensuring that the people who work for and with the Company are paid fairly, properly supported with appropriate training, policies and processes, and treated with respect.

A continued commitment to the Living Wage
SSE believes in, and actively promotes, the principles of fair pay, demonstrated through a longstanding commitment to tackling in-work poverty by paying the real Living Wage in the UK and Ireland.

In early 2025 SSE updated its UK 'service and works' Living Wage clause to reflect good industry practice and reach as many workers as possible across SSE's diverse operations and supply chain. While SSE has had a Living Wage clause in supplier contracts in the UK since 2014, the revision clarifies real Living Wage requirements for workers on vessels and sets out a defined process for audit, escalation and remediation.

Promoting the principles of fair terms and conditions is a constant focus for SSE. During the last year, that included engaging with suppliers to promote all three Living Wage Foundation (LWF) accreditations (Living Wage, Living Hours, and Living Pensions) and engaging with the UK Government on job security proposals in the Employment Rights Bill. SSE also contributes to several LWF forums as:

- Co-chair of Living Wage Scotland's Leadership Group
- Chair of the UK Living Hours Leadership Group
- Member of the Global Living Wage Steering Group.

[1] Sustainable Engagement Score is a widely used metric when measuring employee engagement. Using a number of indicators it goes beyond simply measuring how satisfied and motivated employees are and also looks at more enduring factors that contribute to long-term engagement.

Working with trade unions and employee representatives
SSE strives to create a fair and decent working environment for all employees under both personal and collectively negotiated contracts.

SSE's four recognised trade union partners – Unite, Prospect, Unison, and GMB – are members of the principal forum, the Joint Negotiation and Consultation Committee (JNCC). For employees not covered by collective bargaining agreements, Prospect are members of our Personal Contract Forum which serves as a platform for engaging on matters related to personal contract employees.

SSE works closely with its trade union partners to ensure company policies and procedures continue to support fair and decent work, and engages with them on wider areas of mutual interest.

This year, this included negotiating a two-year pay agreement, conducting a review of SSE's skills-based pay progression system, and preparing for policy changes that may arise from the UK Government's Employment Rights Bill. SSE also engaged with trade union partners to review its wellbeing and support policies, and developed a new sexual harassment procedure with supporting materials, to align with new statutory employer requirements.

Committed to upholding fundamental human rights

Guided by its Human Rights Policy, SSE is committed to upholding the core international norms as set out in:

- UN Guiding Principles on Business and Human Rights.
- UN Sustainable Development Goals
- UN Global Compact, of which SSE is a signatory.
- OECD Guidelines for Multinational Enterprises on Responsible Business Conduct.
- International Bill of Human Rights.
- International Labour Organisation's Declaration on Fundamental Principles and Rights at Work.

In November 2024, SSE Renewables sought specialist advice from the International Transport Worker's Federation (ITF) on integrating maritime labour protections and considerations into the business's vessel audit process. The ITF provided guidance for SSE Renewables' human rights training sessions and how to conduct audits on vessels. SSE Renewables has since trialled its updated vessel audit checklist on two vessels.

In the interests of transparency and to demonstrate commitment to the right to freedom of association, SSE monitors the percentage of UK and Ireland employees covered by collective bargaining agreements, which is 46.4% as at 31 March 2025.

Protecting human rights across SSE's value chain
Human rights abuses and modern slavery in all its forms are unacceptable to SSE, and the company has a responsibility to understand and reduce the human rights risks within its businesses and supply chain.

During 2024/25, SSE continued to focus on delivering its human rights strategy and action plan, including formalising an approach to responding to potential human rights incidents. This involved developing a comprehensive procedure, aligned to the UN Guiding Principles, that details SSE's approach to escalating, investigating, and – where appropriate – remediating human rights-related issues.

SSE also improved supplier due diligence measures. This involved strengthening and embedding supplier and contractor requirements to complement existing requirements in SSE's Sustainable Procurement Code.

Human rights management actions over 2024/25:

- Updating the human rights clause for supplier contracts, in early 2025. The clause now aligns more closely to the UN Guiding Principles, gives greater clarity on audit requirements, and strengthens requirements around providing anonymous grievance mechanisms to workers.
- Embedding human rights requirements into the Safety, Health, and Environment Specification for Contractors and audit process. This included delivering a webinar in April 2025 to provide suppliers with guidance on key aspects of the specification. SSE Renewables has embedded the human rights requirements into its site level check lists and this approach will be rolled out across the remaining businesses over the coming year.
- Delivered an in-person panel discussion to SSE suppliers, in partnership with Slave Free Alliance, on the importance of managing human rights risks, and key signs suppliers should look out for.

Developing a tailored approach to human rights management for SSE's businesses
In 2024/25, SSEN Distribution launched a tailored action plan to manage and mitigate business-specific human rights risks. An early priority was to carry out a human rights risk assessment, aligned with the UN Guiding Principles. The assessment, which took place in early 2025, identified location and industry hot spots for potential risks that require increased due diligence.

SSE Renewables increased its focus on training this year, including running a webinar to raise awareness and provide advice on how to spot signs and report human rights abuses. Around 1,700 employees attended the session. In addition, training took place for the Dogger Bank senior leadership team, in collaboration with Slave Free Alliance, covering key operational and supply chain human rights risks within the offshore wind industry. As a result, the team has now developed a site-specific escalation process.

SSE Renewables works with stakeholders and multi-stakeholder initiatives to address human rights risks. This includes contributing to the development of a worker welfare toolkit through its membership of the International Responsible Business Conduct Agreement of the Netherlands, contributing to the Solar Stewardship Initiative's development of a traceability standard, and working with trade associations such as Solar Energy UK's Responsible Sourcing Group to support on supply chain sustainability.

Advocating for ethical mining

In March 2025, SSE became the first UK-headquartered energy company to join the Initiative for Responsible Mining Assurance (IRMA). IRMA aims to protect people and the environment directly affected by mining through:

- A global mining standard that defines best practice in mining
- An assurance process that independently assesses mines against that standard
- A unique governance model that gives civil society and workers power equal to the mining industry and other corporate actors.

IRMA's members include civil society and corporate entities, trade unions, NGOs, and communities affected by mining activities, including indigenous rights holders.

While SSE doesn't source directly from mining companies, the energy transition supply chains rely on certain minerals and metals, so it has a part to play in promoting sustainable practices.

By joining IRMA, SSE can advocate for responsible mining that considers the interests and needs of stakeholders who have traditionally not been heard – a critical aspect of a just transition.

For more information on SSE's engagement with IRMA, see page 38.

> **"We welcome SSE to IRMA and commend their leadership in sustainability. We especially appreciate SSE's willingness to engage directly in support of more responsible mining. It's an important signal that every point in the supply chain has a part to play.**
>
> **Rebecca Burton,**
> IRMA's Deputy Director

Building an inclusive and diverse team

SSE is committed to creating a working environment where differences are respected, and everyone is treated fairly.

A strategic approach

SSE's Inclusion and Diversity Strategy, IN, ON, UP, aims to make lasting changes by bringing diversity in to SSE, creating an environment where everyone wants to stay on at SSE, and providing equal opportunities to progress upwards in the business. The strategy is focused on four areas: Ambition; Education and Development; Inclusive Processes; and Employee Voice.

A biennial review of the strategy carried out in 2024/25 found that it remains relevant and fit for purpose. Minor refinements were made to the action plans which underpin it, to incorporate learnings from employee feedback and best practice approaches.

SSE's workforce diversity

SSE's all-workforce diversity ambitions align with best practice and ensure that the Company is monitoring a wide range of diversity metrics. Table 3 sets out these ambitions and shows that representation of all groups measured increased during 2024/25. Details of SSE's senior leadership diversity ambitions and performance for this year can be found at page 55 of its Annual Report 2025.

Progress against SSE's ambitions is driven by detailed action plans and a range of initiatives aligned with the four pillars of SSE's Inclusion and Diversity Strategy. More information on these action plans and initiatives can be found in the Inclusion and Diversity Report 2025 and at sse.com/inclusion.

Table 3: Performance against SSE's all-workforce diversity ambitions[1]

Employee representation	Ambition year	Ambition	31 March 2025	31 March 2024
Women[2]	2030	33%	31.6% 10,185 men/ 4,695 women	31.0% 9,586 men/ 4,305 women
Disability[3]	2030	8%	14.5%	11.6%
Ethnic minority[3]	2030	15%	11.2%	10.1%
LGBTQIA+[3]	2030	8%	4.3%	4.1%

1 Data is collected on SSE's HR data reporting system.
2 Gender information is captured from legal documentation at employee onboarding and recorded in SSE's HR data system, which maintains a 100% completion rate. In instances where employees transitioned after joining, the gender field on the HR data system is changed upon receipt of a formal employee request.
3 Disability, ethnic minority, and LGBTQIA+ (lesbian, gay, bisexual, transgender, queer or questioning, intersex, asexual and any others that don't identify under any of the terms listed) data listed is based on the following disclosure rates as at 31 March 2025, recognising that employees share this data voluntarily: disability (including neurodiversity) 77%, ethnicity 77%, LGBTQIA+ 76%. The overall employee diversity disclosure rate is 77%.

SSE's Inclusion and Diversity Report 2025

SSE's Inclusion and Diversity Report provides further information on SSE's strategy, actions plans, key performance indicators (KPIs) and initiatives throughout 2024/25. It can be found at sse.com/inclusion.

SSE's UK gender pay and bonus gap progress[2]

UK gender pay gap

SSE is committed to disclosing information about its diversity pay gaps and has been measuring its gender pay gap since 2016.

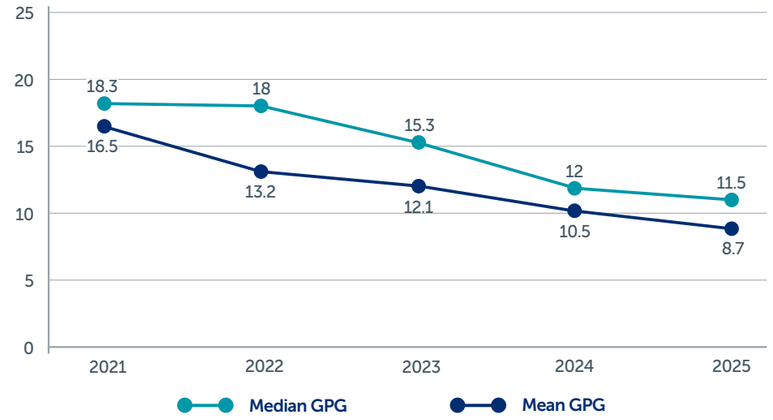
Between 2024 and 2025, SSE saw both its UK median and mean gender pay gaps continue to narrow, largely as a result of increases in the proportion of women in the upper pay quartile and in the leadership group.

Narrowing pay gaps requires sustained effort over time. SSE's approach is underpinned by its robust Inclusion and Diversity Strategy, with action plans which evolve to reflect what works best for the business.

SSE's UK gender pay and bonus gap performance 2025	
UK gender pay gap	**UK gender bonus gap**
Median **11.5%** (2024: 12.0%)	Median **32.5%** (2024: 16.6%)
Mean **8.7%** (2024: 10.5%)	Mean **41.9%** (2024: 44.4%)

Through this approach, SSE's UK gender pay gap has fallen consistently and substantially over the last five years, as shown in the diagram on Figure 13. Factors which have contributed to the reduction in the median pay gap over this time include greater representation of women in the overall workforce and in the higher pay quartiles, an increased proportion women in the leadership group and the impact of SSE's joint agreement pay progression model which was introduced in 2021.

Figure 13: SSE's five-year UK gender pay gap performance



While positive progress in reducing SSE's UK gender pay gap has been made, the Company is directly addressing areas for continued improvement, maintaining transparency along the way.

UK gender bonus gap

Over 2024/25, SSE's median bonus gap increased from 16.6% to 32.5%, and the mean gender bonus gap decreased from 44.4% to 41.9%.

SSE's bonuses apply to a proportion of employees and vary annually subject to company, business, and personal performance. Since the majority of total bonus value at SSE is made up of bonuses which are aligned to seniority, the lower representation of women at the more senior levels of the workforce is reflected in the bonus gap.

In addition, 2024/25 marked the first full year of SSE's recognition scheme, Spotlight, where employees can receive voucher awards worth up to £250 (as at 31 March 2025). These awards are counted as a bonus, in line with government guidance. The proportion of women receiving a bonus through Spotlight is higher than the proportion of men and because the Spotlight values are relatively low, the effect is to lower the average bonus for women.

[2] Figures in this section for both gender and ethnicity pay gaps represent SSE's UK operations as a whole, rather than individual legal entities. Data excludes Enerveo Limited, which remains under strategic review with the Infrastructure Solutions component of Enerveo being held for sale during 2024/25. A breakdown of gender pay gap data for all eligible legal entities under the UK Government's gender pay gap reporting requirements can be found at gender-pay-gap.service.gov.uk. Data for previous years was calculated using the methodology in place at that time.

Two years of voluntary ethnicity pay gap reporting
In line with its commitment to the Change The Race Ratio, SSE is voluntarily disclosing its second set of UK ethnicity pay gap data in 2025, showing minor changes in both its mean and median ethnicity pay gaps.

SSE has a broadly even distribution of ethnic minority employees across the pay quartiles, with increased representation in all quartiles since 2024. With increased data disclosure, SSE is able to see how this profile shifts over time as initiatives to promote ethnicity representation across all levels of the organisation take effect.

Further detail and discussion on SSE's gender and ethnicity pay and bonus gap data is provided in SSE's Inclusion and Diversity Report 2025, available at **sse.com/sustainability.**

SSE's UK ethnicity pay gap 2025

Median	Mean
-2.2%	**3.9%**
(2024: -4.2%)	(2024: 2.6%)

SSE will publish its Ireland Gender Pay Gap Report 2025 later in the year, in line with the Irish Government requirements.

Driving change through greater insight
Understanding how different demographic groups are represented in its workforce—and their experiences—helps SSE to track progress and shape priorities. Key activities which facilitated greater insight in these areas in 2024/25 included:

- **Enhancing data disclosure:** The disclosure of diversity data by employees helps SSE to understand representation within its workforce and provides the insight which has enabled it to voluntarily disclose its second set of ethnicity pay gap data for the UK in 2025. Targeted communication campaigns and offering more accessible ways for employees to share their information have contributed to an increase in the employee diversity disclosure rate in 2024/25.

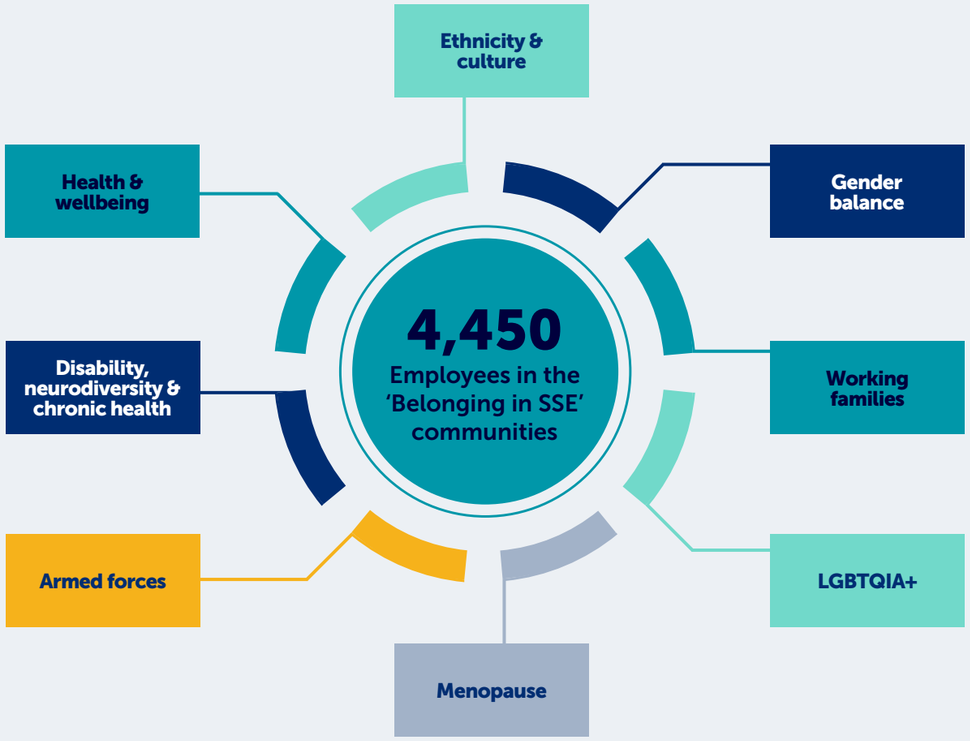
Employee diversity disclosure rate 2024/25

77%
(2023/24: 65%)

- **Growing the 'Belonging in SSE' communities:** SSE engages with employees on a range of diversity subjects through its eight 'Belonging in SSE' communities. The communities facilitate employee-led discussion, drive education and help build inclusive practices.

A key theme identified across the eight communities in 2024/25 is that there are many areas of commonality. As a result, SSE has focused on identifying opportunities to collaborate, highlight intersectionality[3], and create joint spaces for discussion.

More information on the 'Belonging in SSE' communities can be found in the Inclusion and Diversity Report 2025 and at **sse.com/inclusion.**



Supporting a workforce for net zero

SSE needs to have the right people with the right skills in place to deliver a clean power system. This includes helping people switch from high-carbon to low-carbon jobs and offering opportunities that will suit people from diverse backgrounds.

A strategic approach to workforce planning

SSE operates in a competitive market, so it's essential that it can attract talent while providing the right development opportunities for existing employees, informed by starter and leaver feedback.

SSE's strategic workforce planning tool enables SSE to collate data from multiple sources and test different scenarios while accounting for natural attrition and turnover. The model also can also be tailored to future demands by considering the likely impact of emerging technologies such as AI.

SSE's headcount
At 31 March 2025, SSE's total headcount was 14,880, reflecting an increase of 989 and a 7% rise on the previous year (2023/24: 13,891). Most of this growth occurred within SSEN Transmission and Distribution, which together accounted for 788 of the new roles, in line with their business plans. This expansion means SSE has exceeded its estimate of creating 1,000 new jobs per year from 2021/22 to 2024/25 to support its investment strategy (2021/22 headcount: 9,942). Following this period of accelerated growth, the speed of growth is temporarily slowing in some of SSE's businesses. SSE's focus this year has been on embedding new talent into the business, maximising career development opportunities, and encouraging internal job moves to ensure teams are set up effectively to deliver the NZAP Plus.

SSE's total headcount[4] in 2024/25

14,880
(2023/24: 13,891)

At 31 March each year

The company continued developing business-specific strategic workforce plans, as well as researching longer-term trends such as the impact of AI on the energy sector and how the industry might be affected by changes in other sectors' workforces.

During 2024/25, SSE commenced an operating model and efficiency review, intended to ensure that SSE has the right structures, resourcing and accountabilities to maximise the growth opportunities ahead. The review is expected to conclude in the first half of 2025/26.

Understanding future skills trends

To better understand the complex skills landscape and how future changes in the energy sector might affect the business, SSE invests in horizon-scanning. This includes working with sector skills groups in areas like carbon capture use and storage (CCUS), solar, energy storage, and high-voltage direct current (HVDC) cables. It also actively engages around effectiveness of educational funding routes and opportunities for future improvements.

SSE also collaborates with other employers where there is a common challenge. For example, SSE has been collaborating cross-industry to outline optimal entry routes, skills, and competencies and to clarify minimum qualifications and training for Senior Authorised Person (SAP) roles.

SSE engages with sector skills body Energy and Utility Skills (EUS), their wider membership, and industry bodies in hydrogen, solar and renewable energy, on shaping policy and occupational and apprenticeship standards.

[3] Intersectionality' is the way in which different aspects of a person's identity—such as race, gender, sexual orientation and disability—interact to create unique experiences.
[4] This excludes employee data for Enerveo Limited, which remains under strategic review with the Infrastructure Solutions component of Enerveo being held for sale during 2024/25.

Training and developing SSE's people
SSE's investment in skills development delivers the key skills required by the businesses and helps employees develop long-term careers.

In 2024/25, SSE invested £41m in a wide range of learning, training and development for employees. This included launching a refreshed learning management system with Cloud-based training to help SSE's operational workforce access learning through their mobile devices.

SSE also developed a low voltage (LV) jointer nine-month upskilling programme, alongside a similar programme for people working in overhead lines to help colleagues and new trainees quickly develop critical technical skills. The programmes are specifically designed to help employees with transferable skills move from other sectors into new sustainable roles.

96.3%

of employees received training or development in 2024/25, compared to 89.4% the year prior.

During 2024/25 SSE invested

£41.0m

in learning, training, and development. An increase of 19.9% compared to the previous year.

Average number of full-time equivalent employee training hours increased to

27.5

from 21.1 the previous year

Like any company, SSE's success relies on good leadership and management. This year, SSE launched mandatory onboarding for new managers and launched a new 'Leading Others' programme to help first-line managers enhance their management skills. A 'Leading Leaders' programme was piloted, specifically designed to support senior leaders in understanding leadership values and skills and to identify their personal leadership style.

SSE also relaunched its 'Leadership Live' portal, managed in partnership with Ashridge Business School. The portal provides a competency mapping tool and suite of resources. Leadership Live complements SSE's other leadership training, including Leadership Blueprint, which sets out the five core competencies and associated skills that SSE expects its leaders to have.

Multi-sector approach to workforce development

As well as investing in its employees' skills, SSE advocates for evidence-based private, public and third-sector collaboration to support the development of net zero skills across the economy. In 2024/25, SSE funded a report by the University of Edinburgh setting out pathways for workers preparing to move from traditional high-carbon sectors into emerging low-carbon sectors.

Published in January 2025, the report, Just Transition: Developing the Skills for a Net Zero Present and Future, concluded that:

- Uncertainty around energy policy exacerbates workforce planning issues. A supportive policy environment provides certainty for developers and their supply chains, which, in turn, enables investment in workforce planning, development and training.
- There is insufficient, patchy or absent data on current workforces and expected areas of decline. The report also found a high degree of variability and uncertainty around future estimates.
- The skills transition is starting from a baseline of workforce inequality. There is a need to focus on attracting new and diverse workers as well as encouraging greater diversity in the training, education and hiring process.
- Transformation in traditional and emerging industries will affect some UK regions more than others. There are also opportunities to embed skills in communities, such as in rural communities.
- There is a significant and urgent challenge around access to skills training.

SSE has shared the report with policymakers, trade and industry bodies, and trade unions. It is available at **https://www.sse.com/media/uxgbrbeg/just-transition-skills-report.pdf**

Advancing SSE's talent pipeline

Through a powerful set of programmes designed to attract a diverse next generation of recruits, SSE is developing the future skills needed to realise the company's ambitions through NZAP Plus. Over 2024/25, SSE invested £23.9m into its pipeline programmes, an increase compared to £19.5m invested in 2023/24. Table 4 provides a snapshot of some of those programmes and their activities from the last year.

Table 4: SSE's talent pipeline programme activity over 2024/25

Talent pipeline programme	2024/25 highlights
Graduate development programme • Attracting early-career professionals	• SSE invested £11.4m in the programme, increasing from £11.2m in 2023/24. • 328 participants, of which 141 joined in 2024/25. • 157 of these are part of SSE's engineering graduate scheme, which received a three-year re-accreditation from the Institute of Engineering and Technology and IMechE in March 2025.
Apprenticeships and trainee engineers • A vital part of SSE's 'earn and learn' model	• 445 people on the apprenticeship programme. • 138 people on SSE's Trainee Engineer programmes. • SSE launched new training programmes, including the first cohort of the new Solicitor Apprenticeship.
Employability programmes • Encouraging social mobility and workforce diversity	• Four-week paid internships offered to 30 young people across the UK, the largest cohort to date, through SSE's partnership with Career Ready. • SSE employees supported 60 short (unpaid) work experience placements for school pupils. • SSE's ongoing partnership with Enable, a charity that helps people with a disability or long-term health condition into work, provided a permanent position for a student following their work placement, and provided workplace visits for the students it supports, including to the offshore wind farm, Seagreen.
Science, technology, engineering and maths (STEM) outreach • Focusing on young people from under-represented or disadvantaged communities	• Over 2024/25, SSE has delivered more than 430 STEM activities, reaching over 40,000 children and young people. • SSE launched an official partnership with STEM Learning in September 2024, whose government-recognised network links volunteers with local education and youth group activities. To date, 172 colleagues have registered as 'STEM Ambassadors'. • Through charitable donations to Teach First, SSE supports the recruitment of teachers, to give children living in poverty access to a good education. • SSEN Transmission's sponsorship of EDT's Industrial Cadets programme reached more than 1,400 pupils through virtual and in-person mentoring, lesson planning and project sessions.

Supporting green skills for young people

In October 2024, SSE joined the UN Environment Programme's Green Jobs for Youth Pact. The pact brings together UN agencies, governments and employers to help address a deficit in 'green' skills and advance the just transition to a low-carbon and circular economy.

As part of the pact, SSE made a series of commitments for the 12 months from October 2024 focused on 'Employment and Entrepreneurship' and 'Green Education and Skills'. SSE's contribution to the pact supports and aligns with its other talent pipeline programmes.

Creating value for the economy and society

Much of the work that drives SSE's commercial performance also delivers long-term positive benefits far beyond the company itself. SSE is a significant contributor to the economies of the UK and Ireland, through the jobs and supply chains it supports and the tax it pays. Meanwhile, it's 'place-based' approach to supporting the just transition is helping to fund important social infrastructure.

SSE's economic impact in 2024/25[5]

SSE's investment in low-carbon infrastructure and associated activities make a significant contribution to the economies of the UK and Ireland. The business tracks its economic impact by commissioning professional services firm PwC UK to estimate the annual overall contribution to GDP and number of jobs supported.

2024/25 saw SSE make an estimated £8.68bn contribution to GDP and support 67,190 jobs across the UK and Ireland, an increase from £6.75bn and 54,830 respectively in 2023/24[6].

- In the UK, contribution to GDP increased from £5.86bn in 2023/24 to £7.88bn in 2024/25.
- A similar trend was seen in Scotland, where contribution to GDP increased from £1.54bn to £2.60bn.
- In Ireland, contribution to GDP decreased slightly from £1.04bn to £0.95bn.
- Compared to 2023/24, in 2024/25, SSE's contribution to employment also increased across the UK and Ireland.
- In the UK, the number of jobs supported increased from 50,380 to 62,000.
- The same trend was seen in Scotland, where the number of jobs supported increased from 12,830 to 19,640.
- In Ireland, the number of jobs supported also increased, from 4,450 to 5,190.

SSE's economic contribution in the UK and Ireland 2024/25

	UK	Ireland
Contribution to GDP	**£7.88bn** (2023/24: £5.86bn)	**€0.95bn** (2023/24: €1.04bn)
Jobs supported	**62,000** (2023/24: 50,380)	**5,190** (2023/24: 4,450)
Taxes paid	**£592.1m** (2023/24: £679.2m)	**€75.0m** (2023/24: €68.0m)
Investment in communities	**£15.1m** (2023/24: £11.5m)	**€1.5m** (2023/24: €0.9m)

The overall increase in contribution to GDP and jobs supported in the UK and Ireland can be primarily attributed to higher spending and investment in areas of SSE and as result of updated national accounts data published by the Office for National Statistics (ONS) which is used in the analysis. In 2025, PwC UK also made some revisions to their methodology to increase alignment with published government data sources where available[7].

This latest analysis brings the total contribution to GDP across the UK and Ireland to £95.7bn over the last ten years (adjusted for current prices).

The full 2024/25 SSE economic contribution report can be found at sse.com/sustainability.

Further information on how SSE supports a strong and sustainable supply chain can be found on pages 37 to 38.

[5] This section excludes data for Enerveo Limited, which remains under strategic review with the Infrastructure Solutions component of Enerveo being held for sale during 2024/25.
[6] Figures for 2023/24 in this section have been restated to reflect post year-end adjustments to data.
[7] The methodology updates to align to published government multipliers and savings rates, where available, also had a small impact on the results.

Tax as a net zero tool

Taxation is an important lever in the transition to net zero.

As well as raising funds for public services and infrastructure that enable decarbonisation of the wider economy, tax influences corporate behaviour, directs investment, and discourages environmentally harmful practices.

SSE is one of the UK's largest taxpayers. In the year to 31 March 2025, SSE paid £658m of profit taxes, property taxes, environmental taxes, and employment taxes, compared with £739m in the previous year. The decrease in total taxes paid in 2024/25 compared with the previous year was primarily due to less corporation tax being paid on UK profits due to higher capital allowances on capital investment. This was partly offset by higher amounts of Electricity Generator Levy, due to higher electricity generation prices in the UK, and higher corporation tax being paid in Ireland.

Total tax contribution 2024/25

£1.3bn

consisting of £658m taxes paid and £651m taxes collected.

2023/24: Total tax contribution of £1.47bn comprising £739m taxes paid and £727m taxes collected.

In the year to 31 March 2025, SSE collected £651m of VAT, environmental taxes, employment taxes and other indirect taxes, compared with £727m in the previous year. The decrease in total taxes collected in 2024/25 compared with the previous year was primarily due to higher VAT being reclaimed, due to the higher capital investment in the UK and Ireland. This was partly offset by higher amounts of employment taxes in the UK.

Ireland is the only country outside the UK in which SSE currently has significant trading operations – activities elsewhere are still at an early stage and are not yet paying material amounts of tax.

SSE's five-year total tax contribution:

£1.3bn
2024/25

£1.47bn
2023/24

£1.3bn
2022/23

£944m
2021/22

£998m
2020/21

A decade of tax transparency

Fair Tax

For the last decade, SSE has been Fair Tax Mark certified, the gold global standard for tax transparency. It was also ranked the 17th highest taxpayer out of 100 companies in the 2024 PwC Total Tax Contribution survey.

In November 2024, SSE won PwC's Building Public Trust Award for tax reporting for UK-focused companies for the third consecutive year.

PwC's awards assess all FTSE 350 companies' voluntary tax disclosures across various criteria such as tax strategy, governance, and reporting. SSE's award is independent recognition of its commitment to providing clear and transparent tax disclosures.

Supporting vital social infrastructure

SSE has long contributed to essential services and infrastructure that support communities and the economy. This 'place-based' approach is central to SSE's Just Transition Strategy (see also Helping local communities benefit from a just transition on page 63).

This year SSE began measuring its direct investment in social infrastructure. The following case studies provide two examples of that investment in action.

New housing to unlock long-term growth

Decarbonising the UK energy supply requires investment in transmission projects in the north of Scotland at a scale not seen in a generation.

But to deliver those projects, those working on them need somewhere to live. Housing is also critical infrastructure for a region's general economic growth. However, many rural communities in Scotland don't have enough homes available to attract workers and families.

In an industry-first, SSEN Transmission launched a new housing strategy in 2024/25, including a pledge to support the construction and restoration of more than 1,000 homes across the north of Scotland. Initially for use by transmission workers, the homes will later be available to local people, supporting local employers and communities whose ambitions have been hampered by limited and often poor-quality housing.

This work builds on the post-war legacy of building housing in the areas where it operates. Homes originally built for SSE (then known as the Hydro Board) workforce still exist today.

SSEN Transmission is now working with councils, registered social landlords and other housing organisations to deliver these homes. This model will inform how SSE collaborates with suppliers in other types of projects.

Investing in infrastructure to support skills

In 2024/25, SSEN Transmission's Regional Community Benefit Fund provided a £352,000 grant to support a new Sustainable Construction Centre for UHI Inverness, a partner of the University of the Highlands and Islands.

Professor Chris O'Neil, principal and chief executive at UHI Inverness, said: "This new centre is an important part of our ambitious plans to ... meet the growing demand for net zero skills. It represents a significant investment in supporting net zero targets by training a new generation of professionals skilled in sustainable practices.

"SSE and UHI Inverness have a shared ambition to create opportunities for people to live, work, and learn in the north of Scotland while contributing to the energy transition."

Training at the new campus will include building design, energy-efficient materials, and retrofitting and insulation, and will provide recognised qualifications and certifications. It is due to open in 2025 and is expected to train at least 500 learners every year.

The grant complements SSE's long-term partnership with UHI focusing on targeted local research, education and employability initiatives.

UHI Inverness Tertiary Education Leader Carrie Higgins (right) and representatives of campus owners ARK Estates at the site.

Supporting local authorities in the transition to net zero

Local authorities are a vital part of social fabric, providing essential services and acting as a bridge between their communities and national government. Given the influence they have across housing, transport and infrastructure, they also have an important role to play in the transition to net zero as place-makers.

As part of its place-based approach to a just transition, SSEN Distribution is working with local authorities to help them make informed choices about how to lower that impact.

Their Local Energy Net Zero Accelerator (LENZA) tool is transforming local planning, by empowering decision-makers to make better, more efficient decisions on new net zero development.

SSEN Distribution works to engage with local authorities, community groups, and public service providers with LENZA. The tool has secured external recognition, coming top in the Net Zero Engagement category in Utility Week Awards 2024. By providing comprehensive datasets, streamlining workflows and enabling project and scenario modelling, LENZA enables councils to reduce reliance on external consultants to create local area energy plans, delivering savings of around 54%. It also aligns local energy goals with SSEN Distribution's strategic network planning, ensuring infrastructure investments support decarbonisation pathways. At 31 March 2025, 455 users including local authority employees and their partners were using LENZA to plan net zero projects.

By working with local authorities, SSEN Distribution can also help their teams build key skills to drive the transition and support its other work to develop the next generation of low-carbon workers.

For example, in 2024/25, SSEN Distribution launched a pilot scheme to provide councils with additional support on early stage modelling to inform their decarbonisation plans.

Four SSEN graduates worked with six local authorities over the Summer and Autumn, working alongside specialists already funded by SSEN to support the councils.

Based on learnings from the pilot, SSEN has been able to further develop and refine the LENZA tool.

A place-based partnership

Another example of the place-based approach is SSE's collaboration with Aberdeen City Council, bp, Shell UK, and Barclays to consider ways of supporting a just energy transition for local communities and workers in Aberdeen. In 2024/25, with funding from participating companies, Aberdeen City Council led a procurement process to appoint a third party partner to take the project forward and develop potential interventions.

Wiltshire decarbonisation journey

Wiltshire Council faced challenges common to many local authorities such as gaps in public data availability and accuracy, and the complexities of regulatory and funding environments. They also had to ensure infrastructure plans aligned with community needs while promoting equitable outcomes across the county.

The council used LENZA to strengthen the council's bid for funding for low-income households in privately owned homes for energy performance upgrades and low carbon heating solutions.

By leveraging fuel poverty data, heat demand data and energy performance data to identify areas most in need, the council proposed targeted interventions such as insulation upgrades and heating improvements, ensuring alignment with the funding criteria.

In March 2025, Wiltshire Council was awarded £3m through the Warm Homes: Local Grant run by the UK Government.

Additionally, the local authority has also held discussions about potentially using LENZA's building stock data in the group-buying initiative, Solar Together, offering households the opportunity to purchase solar panels at competitive prices.

Supporting local communities

While SSE's support for social infrastructure and local authorities represents a significant contribution to a just transition, good relationships with the communities who live near its operations is also key. By building long-term partnerships with its neighbours, SSE helps ensure they can shape, and benefit from, the energy transition.

A strategic approach to community investment

SSE has supported community investment funding since 1998 and is one of the UK and Ireland's leading corporate grant providers.

SSE's approach focuses on delivering long-term, sustainable benefits through targeted funding, partnerships and engagement, and is guided by a set of principles:

- sharing value
- co-creation of funds
- maximising impact
- flexibility
- good governance
- transparency

These principles help ensure that SSE's investments create value across a range of areas such as local economic development, education, and environmental initiatives (**sse.com/sustainability**). In 2024, the principles were updated to ensure they focused on lasting legacy, measurable social impact and capacity building communities.

Embedding clear principles and a consistent approach across all investments allows us to focus resources and expertise on creating value for communities now while ensuring lasting benefits in years to come.

External recognition for SSE's community investment
SSE has been recognised by the World Bank as a best-practice example in several areas of community benefit management. Its 2024 The Strategic Value of Community Benefits in Offshore Wind Development report highlights SSE's specialist community investment team and its data-driven approach to measuring impact.

SSE's community investment in 2024/25

SSE's approach to community investment in 2024/25 was focused on launching new funds and extending funds across different Business Units, to ensure benefits reach a wide range of communities. During 2024/25, the total awarded through SSE's community investment funds across the UK and Ireland was £16.3m. This includes all SSE's voluntary and regulated funds. The breakdown of investment by Business Unit can be seen in the diagram.

These community investment funds provide important investment in local communities and help deliver a wide range of social value aligned to key UN Sustainable Development Goals (SDGs), as outlined in Table 5.

Community investment funds awarded in 2024/25

£16.3m
awarded through SSE's community investment funds

SSE Renewables **£13.0m**	SSEN Transmission **£2.3m**
SSEN Distribution **£0.9m**	SSE Thermal **£0.1m**

It was also a year of important milestones for community investment at SSE:

Jul 2024

SSE Thermal launched a community investment fund worth up to **£150,000** in total for community projects near its operational sites in the UK and Ireland.

SSEN Distribution introduced the new Powering Communities to Net Zero fund which will run annually until Spring 2028, awarding more than **£3m** in grants during this time.

Sep 2024

SSEN Transmission launched its first ever regional community investment fund, allowing organisations across the north of Scotland to apply for a share of **£2m**. Awards were allocated to 10 organisations in February 2025. More information can be found on page 64.

Oct 2024

SSE Renewables announced a new **£10m** hydro community fund aimed at supporting projects in the **41 communities** that host its existing hydro power infrastructure across Scotland.

Dec 2024

SSE Airtricity rolled out its first all-Ireland community fund, the Generation Green Community Fund, worth **€5m**. Awards totalling **€4.7m** were allocated to 56 projects in April 2025.

Mar 2025

SSE Renewables reached **£100m** of community grants awarded to **150 communities**, spanning over **12,000 local projects** which are pivotal to building sustainability, resilience and vibrancy at a local level.

* The funds listed cover multiple years and do not represent annual values. For more information about individual funds, please visit the relevant Business Unit webpage, accessible through **sse.com.**

Alongside community investment funds, SSE also provides charitable donations and its 'Be The Difference' employee volunteering and matched funding scheme supports causes and community initiatives that employees care about. Data relating to charitable donations and employee volunteering in 2024/25 is available in SSE's Sustainability Data Tables 2025 at sse.com/sustainability.

Advocating for change at national and sector level

As well as its own community investment programme, SSE uses its scale to advocate for improvements to community investment-related policy and practice both nationally and within the energy sector.

Table 6 shares some examples of SSE's advocacy at a national level in the last year.

More information on SSE's community investment funds is available at sse.com/sustainability.

Table 5: Community investment funds awarded in 2024/25 aligned to the UN Sustainble Development Goals

SDG	Number of projects	Value awarded
3 GOOD HEALTH AND WELL-BEING	255	**£2.3m**
4 QUALITY EDUCATION	146	**£2.7m**
7 AFFORDABLE AND CLEAN ENERGY	139	**£3.1m**
8 DECENT WORK AND ECONOMIC GROWTH	37	**£1.2m**
11 SUSTAINABLE CITIES AND COMMUNITIES	490	**£6.3m**
15 LIFE ON LAND	38	**£0.8m**

Table 6: National advocacy around community benefit in 2024/25

	Why this matters	Action in 2024/25
Greater consistency across UK and devolved governments	Developers need consistent guidance from the UK Government and devolved governments on community benefit for all technologies, so that developments in devolved nations are not unfairly disadvantaged by the mechanisms for supporting low-carbon electricity generation.	SSE led the SOWEC (Scottish Offshore Wind Energy Council) community sub group and participates in the Community and Perception Sub-group of the UK Government Task Force and Renewable UK and Scottish Renewables community forums.
Support for the principle of shared ownership and early capacity building	Under the right conditions, shared ownership of renewable assets allows communities to directly benefit from the net zero transition, which is an important part of a just transition. Examples of shared ownership projects supported by SSE include partnerships with Glasgow City Council at Cathkin Braes, Sanday Renewables at Spurness and Viking Energy at Viking Windfarm, where the community have a preferred return on their initial financial stake.	SSE has undertaken work over 2024/25 to navigate the complexities of shared ownership in a challenging market environment. For example, SSE funded a study by the Development Trusts Association Scotland (DTAS) which found that the financial sector needs to provide more access to affordable finance to enable communities, particularly less affluent ones, to participate in shared ownership in offshore wind projects.
A focus on strategic priorities	A focus on strategic issues ensures lasting impact from community funds. Key strategic issues include community wealth building, energy efficiency, rural skills and house building.	SSE has worked closely with statutory and third-sector partners to ensure that its funding focuses on strategic priorities such as housing, rural skills, and energy efficiency measures to reduce fuel poverty. SSE Renewables' research shows that 96% of Sustainable Development Fund projects funded are still delivering impact for local areas. See SSE Renewables' *Sustainable Development Fund: a decade of social impact* report at **sserenewables.com/communities.**

SSE continues to champion collaboration between renewable energy developers - particularly where wind farms operate side by side. SSE Renewables' work with RWE and Foundation Scotland at Rosehall and Achany wind farms in central Sutherland is a good example.

Since 2010, both sites have pooled their community investment funds under a single panel, ensuring a coordinated approach that maximises local benefit and avoids straining community capacity.

This joint effort has supported five local third-sector organisations - delivering care for older people, launching a local apprenticeship scheme, and enabling major community-owned projects in housing, heritage and broadband.

An independent evaluation by BiGGAR Economics confirmed the scale of impact: £2.8m invested in local communities between 2010 and 2024.

Helping local communities benefit from a just transition

Having updated its Just Transition Strategy in 2024 to incorporate a 'place-based' approach to its activities, this year SSE began identifying the places in the UK and Ireland where its activities have the most material impact. This involved mapping SSE's impacts in relation to capital investment, size of direct workforce, and community funds.

The company also continued measuring the value of its community investment funds and supported several social infrastructure projects.

2024/25 has been a key year for engaging with communities near proposed grid developments and targeting SSE's funds to address those communities' specific needs.

Benefits generated by the Rosehall and Achany funds 2010 to 2024:

£10.3m - £14.7m
in wellbeing benefits

c. £12.0m
value added to the local economy

c. 18
long-term jobs supported

Engaging with communities hosting nationally significant infrastructure

SSEN Transmission is planning to invest more than £22bn to upgrade the electricity transmission network across the north of Scotland over the five years to 2031.

To support progress through planning and consenting and deliver the programme in a way that incorporates the perspectives of local people, the business embarked on one of the largest public consultation processes ever seen in Scotland. The process (which goes beyond the minimum standards set out by the Scottish Government and Local Authorities) has involved multiple local events, inviting members of the public to share their views.

Pathway to 2030 public engagement from 2022 to 2025:

220
consultation events

300,000
people invited to attend

12,000
Written responses analysed

This public engagement has played a significant role in shaping the development of new substations and routeing of new overhead line projects, resulting in, for example, changes to substation locations and designs and alterations to preferred overhead line routes to address feedback shared by local communities.

More information on decisions resulting from public consultation can be found in the Reports on Consultation for specific projects at ssen-transmission.co.uk.

While recent research suggests most people in Scotland support new electricity infrastructure, including pylons,[8] there is some localised concern and opposition to these projects, which is to be expected for major new infrastructure. SSEN Transmission remains committed to working with communities, ensuring that the costs and benefits are equally shared.

[8] Research by Survation with fieldwork conducted 7-13 January 2025.

New regional fund building community wealth

In 2024, SSEN Transmission launched its first regional community benefit fund in the north of Scotland with community and not-for-profit organisations given the opportunity to apply for funding.

Awards were made based on the fund's three core principles: people, place and reducing fuel poverty.

These principles were developed following extensive public consultation in 2023.

In February 2025, an initial £2m of funding was awarded to 10 organisations, supporting a range of community initiatives. These included:

"Funding can be a tool for building wealth within communities, empowering local people to create new opportunities, meet objectives, and strengthen community assets."

Peter Peacock, inaugural Chair of the SSE Transmission Regional Development Fund

Kyle & Lochalsh Community Trust

£361,989

for Kyle and Lochalsh Community Trust to construct a longhouse-style heritage centre, serving as both a learning hub for traditional skills and a local museum.

Regional Screen Scotland

£350,000

for Regional Screen Scotland to fund a new mobile cinema to serve over 40 remote communities across the Highlands and Islands.

THAW Orkney

£295,322

for THAW Orkney to provide upgrades to fuel-poor households, improving energy efficiency and reducing costs.

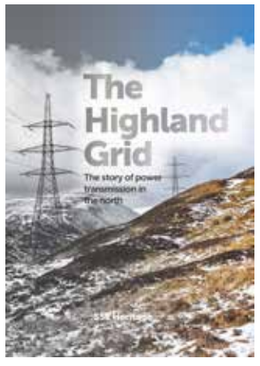
SSEN Transmission's 'Pathway to 2030' investment programme is expected to generate more than £100m in community benefit funding for communities across the north of Scotland in the coming years.

Safeguarding cultural heritage

The energy sector is changing rapidly and much of SSE's work focuses on creating a more sustainable future. However, SSE also believes in safeguarding its unique cultural heritage recognising the people and communities who have contributed to the power system through the decades. Over the last 12 months, SSE has been involved in two important projects that are helping bring the rich history of electricity to life.

Publication of The Highland Grid

In June 2025, SSE published a new book called The Highland Grid: The story of power transmission in the north. The book is the result of an oral history project conducted in 2024 to collect the memories and perspectives of people involved in developing and operating the electricity transmission network in the north of Scotland from the 1950s onwards. Former employees of SSE and its predecessors were invited to take part in group sessions to share memories and experiences from their careers.



The book stands as an important record of the contributions these people made, offering both historical context and personal narratives at a time when the Highland grid is undergoing large-scale expansion to meet the needs of future generations.

Rehoming the Christchurch collection

In 2013, the SSE Heritage Museum of Electricity in Christchurch, Dorset, closed its doors for the final time. However, the collection of historical artefacts has remained at the former 1903, Grade II listed Power Station ever since.

An independent feasibility study to explore future options for the site in 2024 found a requirement for the building's operational use, meaning that the collection can no longer remain there. As a result, SSE embarked on a process of finding new homes for the collection.

This included creating several heritage displays within flagship SSE sites, and donations of historical artefacts made to local and national museums. For example, SSE returned Phoebe, the Goddess of the Moon statue that once stood near the Bankside Power Station in central London, now home to the Tate Modern Gallery. SSE will auction the remaining artefacts in late June 2025.

SSE Renewables Viking Community Fund

SSE established the Viking Community Fund in 2024. It is the largest renewable community fund in the UK and will contribute more than £72m during the Viking Wind Farm's operational lifetime. To date, the fund has awarded £1m to over 50 local projects since it was launched.

The fund, managed locally by the Shetland Community Benefit Fund, is focused on delivering long-term, meaningful impact across the islands. Guided by an extensive community consultation led by IBP Strategy and Research - including input from young people, businesses and the third sector - six priorities were identified for the next five years. These included helping young people stay in Shetland, improving housing and transport, and protecting the natural environment.

Centred on local priorities, local voices, and lasting change, the fund is already making a difference, supporting projects such as:

- An energy efficiency initiative to reduce emissions and costs
- An apprenticeship programme creating local job opportunities
- A scholarship scheme encouraging students to live and study in Shetland.

Protecting and restoring the natural environment

Our planet's health and resilience rely on nature and the delicate ecosystems that support biodiversity, however these are in serious decline.

SSE has a long history of working in remote, sensitive landscapes and is committed to minimising its footprint and carefully managing the impacts of its operations. As well as addressing carbon emissions, this means limiting the use of important resources such as water, minimising other air emissions and reducing waste through responsible consumption and production. But it's also about going further to support the restoration of nature too: SSE has therefore set specific nature-related targets as well.

Performance at a glance

SSE measures progress against a range of KPIs.

Of SSE's onshore large capital projects in the UK and Ireland:

53 of 53
have designed in 'no net loss' in biodiversity

47 of 53
have designed in biodiversity 'net gain'

Proportion of waste by tonnage diverted from landfill

99%
(2023/24: 97%)

Proportion of waste by tonnage recycled or re-used

71%
(2023/24: 65%)

Total water consumed

2.37 million m³
(2023/24: 2.44 million m³)

Managing environmental impacts

While greenhouse gas (GHG) emissions represent SSE's most material impact on the environment, its activities also require water – a precious natural resource – and produce waste and other air emissions. There is also a risk that its work can negatively affect the environment through incidents such as oil-related leaks.

SSE's environment strategy
SSE follows the principles of the 'mitigation hierarchy' to manage its environmental footprint, which means avoiding negative impacts as the first priority. Where they cannot be avoided, the company aims to mitigate these impacts, while also seeking opportunities to add value too.

This strategy provides a framework for managing and mitigating SSE's impacts on land, air, freshwater and marine ecosystems, while using resources efficiently and embracing the principles of a circular economy. It doesn't cover SSE's approach to addressing GHG emissions, since this is managed through the Net Zero Transition Plan pathway (see pages 16 to 17).

The strategy has three pillars (see graphic) and is aligned to the UN Sustainable Development Goals (SDGs). It provides a consistent structure for each Business Unit to tailor the management of environmental impacts, setting specific goals and metrics to measure success and support SSE's Group-wide targets.

SSE provides training in environmental management, as well as business- or role-specific training for all relevant employees. In 2024/25, SSE enhanced its Environmental Awareness training and more than 3,000 employees have now completed the course. SSE is also currently developing a new environmental training course, focused on the three pillars of its environment strategy: environmental management and governance, responsible consumption and production and the natural environment.

SSE held its first Environment Conference in December 2024, bringing together SSE's wider environment community to explore key themes of nature, environmental management and governance and incident learning. The outputs are being used to develop strategy and plans for 2025 and beyond.

SSE's Environment Strategy

Environmental management and governance

Providing a framework for the careful risk management of environmental impacts

Responsible consumption and production

Working towards more sustainable patterns of resource consumption; reducing reliance on non-renewable and single use products

Natural environment

Supporting the conservation, restoration and sustainable use of land and water resources

>3,000
employees completed awareness training to better understand SSE's environmental risks.

SSE's environmental management system

SSE manages its environmental footprint through an environmental management system (EMS) that sets out the controls, processes and procedures that guide any business activity that has an impact on the environment. The EMS is certified to ISO14001, as are all of SSE's businesses.

SSE's ISO14001 certificates are available at sse.com/sustainability.

SSE is a corporate partner of the Institute of Environmental Management and Assessment (IEMA).

IEMA
Transforming the world to sustainability

Nature-related targets

SSE aims to leave habitats in a better state than they were found. In practical terms that means SSE has established three interrelated nature targets for its large capital projects on land.

For all onshore large capital projects in the UK and Ireland, SSE has commited to delivering:

'no net loss' in biodiversity
on those consented from April 2023 onwards

'no net loss' of native woodland
on those consented from April 2024 onwards

'net gain' in biodiversity
on those consented from April 2025 onwards

Continuing to develop SSE's nature-related disclosures

In this context, SSE is committed, over time, to the enhancement of its nature-related reporting. This includes taking inspiration from the Taskforce on Nature-related Financial Disclosures (TNFD) framework. In 2024, this involved working with third-party specialists to apply the first two phases of TNFD's approach – 'Locate' and 'Evaluate' – at several pilot assets. SSE is now working on the third and fourth phases – 'Assess' and 'Prepare' – which builds on previous work to draw out SSE's nature-related risks and opportunities at pilot assets, covering on- and offshore wind, hydro, thermal and networks, as well as a more holistic Group-wide view. Once complete, future phases of this work will be considered, with a focus on supporting readiness for future disclosure requirements.

Global Biodiversity Framework

The Kunming-Montreal Global Biodiversity Framework (GBF) is an international agreement to protect and restore biodiversity by 2030, and was adopted at COP15 in December 2022. It includes 23 targets against which businesses like SSE can demonstrate collective action. SSE observes international developments and is considering application in the context of business operations. Alignment is clear on protecting and restoring ecosystems; sharing benefits with local communities and investing in and collaborating on solutions.

Kunming-Montreal GLOBAL BIODIVERSITY FRAMEWORK

Reporting on impacts

SSE's environment strategy sets out how it manages and minimises environmental impacts (excluding GHG emissions), while performance is reported by impact area: nature-related targets, water use, waste management and air emissions, along with data on the year's environmental incidents.

Progress against nature-related targets

SSE's three nature-related targets focus on protecting biodiversity and native woodland when working on onshore large capital projects in the UK and Ireland. SSE assesses and tracks in-scope projects and their commitment status on a monthly basis. This year, SSE made positive progress and met its no net loss of biodiversity target for all 53 in-scope projects. In fact, the majority of projects exceeded no net loss, having designed in biodiversity net gain. SSE also met its no net loss of native woodland target.

For in scope onshore large capital projects in the UK and Ireland:

'no net loss' in biodiversity
on those consented from April 2023 onwards

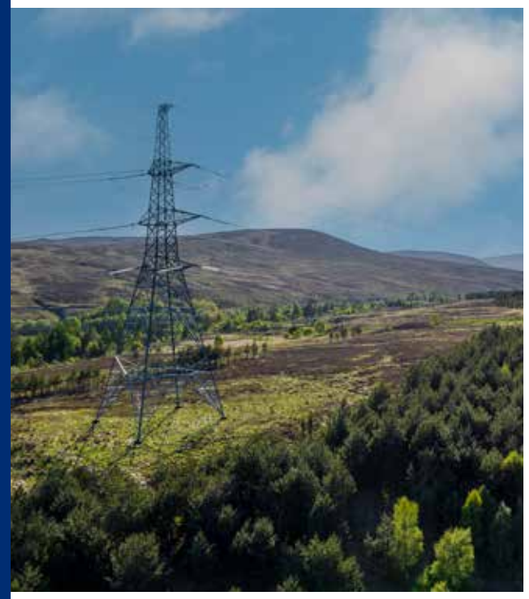
53 of 53 met the target by incorporating (at least) 'no net loss' in biodiversity

'net gain' in biodiversity
on those consented from April 2025 onwards

47 of 53 exceeded the target of 'no net loss' by incorporating 'net gain' in biodiversity

'no net loss' of native woodland
on those consented from April 2024 onwards

SSE met it's 'no net loss' of native woodland policy commitment.



SSE's biodiversity net gain journey

2019
- SSEN Transmission sets its 'no net loss' and 'net gain' targets
- SSEN Transmission publishes its biodiversity net gain approach and site optioneering toolkit

2021
- SSEN Distribution sets its 'no net loss' and 'net gain' targets

2022
- SSE Group sets its 'no net loss' and 'net gain' targets for all Business Units
- SSE Renewables publishes its biodiversity net gain approach and site optioneering toolkit

2023
- SSEN Distribution sets its biodiversity net gain approach and site optioneering toolkit
- SSEN Transmission brings forward its 'net gain' commitments by almost two years

Biodiversity net gain, from design to implementation

SSE was an early adopter of biodiversity net gain (BNG) and while SSE's Group targets ensure biodiversity considerations are being designed into projects, SSE is moving to the delivery phase of those plans. For example, SSEN Transmission has begun seeding and planting schemes on a number of projects that were designed as BNG and is moving to begin maintenance of these.

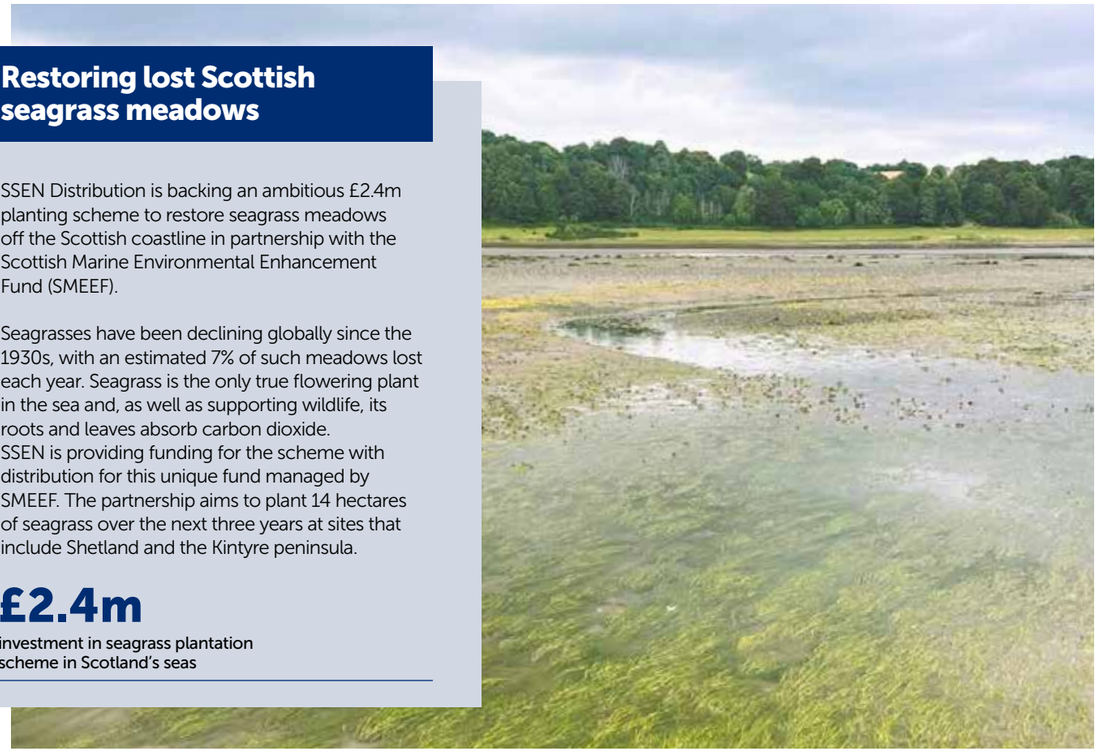
Nature restoration takes time, and the next frontier is monitoring and adaptive management on projects. It is important that processes are well established to track and monitor project biodiversity enhancements at scale, over time and in an effective way.

Restoring lost Scottish seagrass meadows

SSEN Distribution is backing an ambitious £2.4m planting scheme to restore seagrass meadows off the Scottish coastline in partnership with the Scottish Marine Environmental Enhancement Fund (SMEEF).

Seagrasses have been declining globally since the 1930s, with an estimated 7% of such meadows lost each year. Seagrass is the only true flowering plant in the sea and, as well as supporting wildlife, its roots and leaves absorb carbon dioxide.
SSEN is providing funding for the scheme with distribution for this unique fund managed by SMEEF. The partnership aims to plant 14 hectares of seagrass over the next three years at sites that include Shetland and the Kintyre peninsula.

£2.4m
investment in seagrass plantation scheme in Scotland's seas



Restoring habitats for wild salmon in the River Garry

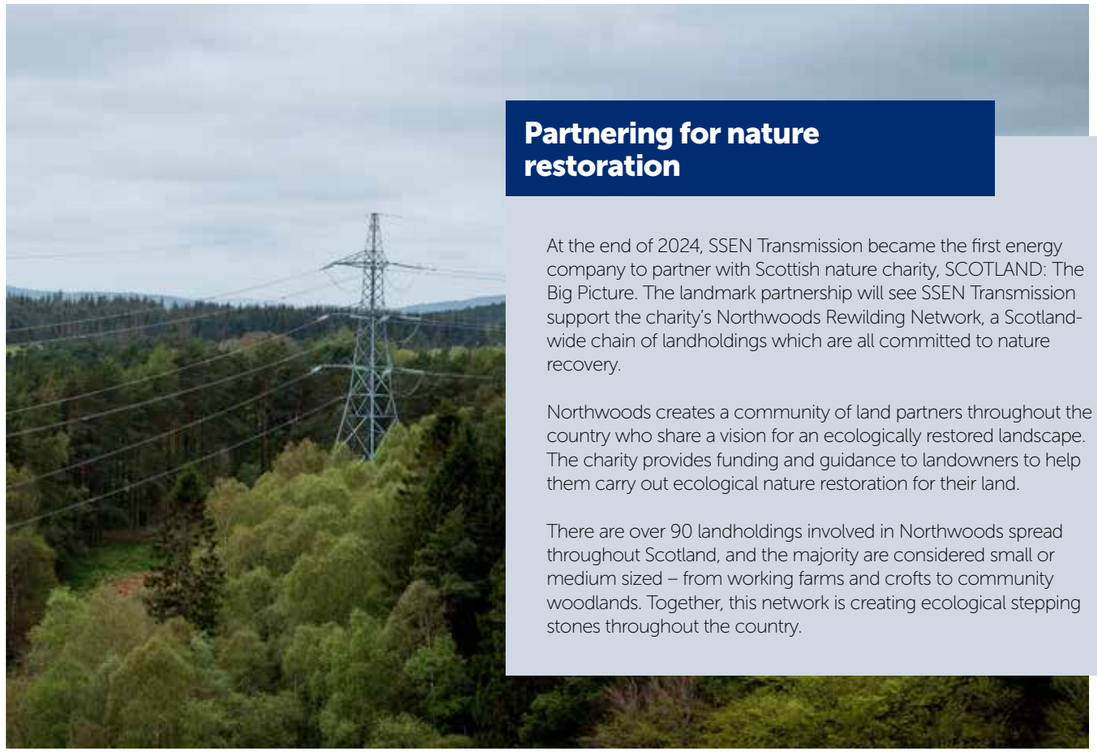
In 2017, SSE Renewables restored a constant flow of water to the River Garry, which had been dry since the 1950s. The project was a result of collaboration with Scottish Environmental Protection Agency (SEPA), University of Highlands and Islands (UHI) and the Tay District Salmon Fisheries Board, and aimed to bring back populations of wild salmon to the river.

SSE Renewables' engineers retro-fitted a system to provide constant down-stream flow and provided passage facilities for juvenile salmon. Next, work was undertaken to reintroduce salmon to the river. The Tay District Salmon Fishery Board led an extensive stocking programme, with more than two million eggs released in the river and its tributaries. This was complimented by extensive monitoring, using techniques such as drone habitat mapping, electrofishing, genetic analysis, and sediment tracking.

In the initial years after rewatering, populations of the stocked juveniles were dominant. Now, genetic studies carried out by researchers at the UHI have revealed that stocked fish are now outnumbered by wild Atlantic Salmon.

This marks a significant turning point, signalling that the river is regaining its natural balance. The returning wild salmon population benefits the environment and brings social and economic value to local communities.

Partnering for nature restoration



At the end of 2024, SSEN Transmission became the first energy company to partner with Scottish nature charity, SCOTLAND: The Big Picture. The landmark partnership will see SSEN Transmission support the charity's Northwoods Rewilding Network, a Scotland-wide chain of landholdings which are all committed to nature recovery.

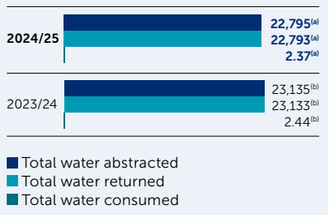
Northwoods creates a community of land partners throughout the country who share a vision for an ecologically restored landscape. The charity provides funding and guidance to landowners to help them carry out ecological nature restoration for their land.

There are over 90 landholdings involved in Northwoods spread throughout Scotland, and the majority are considered small or medium sized – from working farms and crofts to community woodlands. Together, this network is creating ecological stepping stones throughout the country.

Managing water use

SSE relies on a dependable supply of water for generating power in its hydro and thermal power stations, none of which are in water-stressed areas.[1] Water is a shared resource, so it must be used carefully in a way that is sustainable not only for business, but for local communities and ecosystems. This use is guided by specific policies and processes, often determined on a site-by-site basis and in close collaboration with environmental regulators.

Figure 14: Water performance
(in million cubic metres)



In 2024/25, total water abstracted by SSE slightly decreased to 22,795[a] million m³ (2023/24: 23,135[b] million m³). The vast majority (98%) of water abstracted this year was used in SSE's hydro generation operations, and a similar volume of water passed through the hydro plant compared to the previous year. This water is technically recorded as abstracted, but it passes through turbines to generate electricity and is returned to the environment almost immediately, and therefore has minimal environmental impact. SSE's total water abstracted excluding hydro operations decreased by 9% and its water consumed decreased by 3%.

Water abstracted in relation to the generation of electricity from SSE's thermal assets decreased by almost 9% to 545 million m³ (2023/24: 597 million m³), and consumption remained stable compared to the previous year. SSE's Great Island Power Plant in Ireland is one of the main contributors to water abstracted by SSE's thermal assets. A reduction in output of around 17% from Great Island compared to 2023/24, was a driving factor in the reduction in the downward trend for water abstracted.

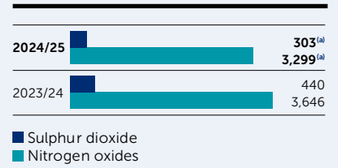
Managing air emissions

Nitrogen oxides (NO_x) and sulphur dioxide (SO_2) are both significant byproducts of SSE's thermal generation activities. Environmental teams embedded within the Thermal and Distribution businesses carefully manage these emissions to air, working closely with relevant environmental regulators to meet their strict licence conditions.

SSEN Distribution's diesel-fired Lerwick Power Station on Shetland, which has played a crucial role in supplying electricity since the 1950s, contributes the majority of SSE's NOx and SO_2 emissions. In 2024/25, SSE saw a reduction in these emissions driven by several factors including a 16% decrease in output from Lerwick Power Station compared to the previous year. Additionally, the installation of a new engine at Lerwick in 2021 which uses urea in its exhaust abatement system, and the increased use of Gas Oil instead of Heavy Fuel Oil, has led to a further reduction in NOx and SO_2 emissions.

This summer, new engines will be installed at Lerwick Power Station, supporting further reductions in emissions. The construction of a new Battery Energy Storage System, due to complete in 2026, will see Lerwick move into standby mode while still being available to protect security of supply on Shetland when required.

Figure 15: Air emissions performance
(in tonnes)



In previous years, SSE would disclose data for particulate matter (PM10) and mercury emissions from thermal generation plant, above a de-minimum threshold of 10 tonnes and 1kg respectively. In 2024/25, no plant produced emissions above those thresholds, and therefore were considered immaterial in terms of impact.

[1] As defined by the relevant environmental regulators in the jurisdictions where SSE's assets are located.
[a] This data is subject to external independent limited assurance by Ernst & Young Global Limited ('EY'). For the results of that assurance, see EY's assurance report and SSE's Sustainability Reporting Criteria 2025 on sse.com/sustainability.
[b] This data was previously reported in the SSE plc Annual Report 2024 where it was subject to external independent limited assurance by PricewaterhouseCoopers LLP ('PwC'). For the results of that assurance, see PwC's assurance report and SSE's GHG and Environmental Reporting Criteria 2024 on sse.com/sustainability.

Waste management performance

SSE's operations produce several types of waste, such as metal, cable, wood and general office waste. SSE reports on the solid operational waste that it directly manages, which is produced from activities like replacing transformers and equipment, operational redundancy and maintenance. SSE doesn't report on waste generated through construction projects, contractor activities and specialist waste from SSE power stations.

Guided by the widely understood waste hierarchy framework – prevent, reuse, recycle, recover, disposal –SSE also looks for ways to improve operational efficiency and promote better recycling practices and measures that divert waste from landfill, and work with supply chain partners to do the same.

Over 2024/25, SSE managed 7,642 tonnes of solid operational waste (2023/24: 6,117 tonnes), an increase of 25%. While the volume of waste managed increased, the vast majority of this waste was diverted from landfill, increasing compared to the previous year to 99% (2023/24: 97%). SSE also saw an increase in waste that was sent for recycling or re-use to 71% (2023/24: 65%).

This meant SSE exceeded the target it set for 2024/25, which was to divert 95% of waste by tonnage from landfill and recycle 55% of waste by tonnage.

SSE also discloses its ash and gypsum waste disposed, which was 11,911 tonnes in 2024/25 (2023/24: 9,991 tonnes) representing an increase of 19%.

Since 2019 SSE has focused on improving the way it reports on solid operational waste across different waste streams and increasing transparency in its segregated waste reporting. SSE's solid operational waste data, including a full breakdown by end destination, can be found in the table on page 86.

SSE is also working to embed circularity principles into its operations to minimise its environmental impact, enhance operational efficiency, strengthen resilience to resource shortages and create value for stakeholders. As part of SSE's Circular Economy Community Fund, it issued £5,000 funding to four local organisations to help them further promote recycling activities in communities where SSE operates.

99%
of waste diverted from landfill, exceeding the 95% target.

71%
of waste recycled or reused, surpassing the 55% target.

Collaborating for sustainable BESS lifecycle management

Battery Energy Storage Systems (BESS) are an important technology to support the transition to net zero, providing grid flexibility in systems with high renewable energy penetration. With the proliferation of lithium-ion batteries in both energy systems and transport, it is essential that these assets are managed to maximise circularity and to minimise carbon.

To address this, SSE Renewables worked with the Centre for Process Innovation, part of the strategic industry research and innovation hub High Value Manufacturing Catapult, to explore the opportunities for promoting sustainability of BESS from manufacturing through to usage and end-of-life.

Responsible decommissioning of end-of-life BESS is crucial to the industry to avoid landfill and to recover expensive and rare materials, such as lithium. A key consideration of this study was the end-of-life optioneering SSE Renewables has upon BESS decommissioning. It examined the opportunities for deploying second life BESS into other applications and the recycling technologies that are under development within the UK and beyond. As a result of this work SSE Renewables is better equipped to plan for BESS decommissioning and will continue to work collaboratively with its BESS suppliers to ensure that batteries are designed with end-of-life in mind to promote cradle-to-grave circularity in its assets.

Energy consumption

Between 2023/24 and 2024/25, the energy SSE purchased for use in its assets (offices, depots, thermal power stations, gas storage facilities, and data centres) increased by 7%. Electricity consumption in SSE's gas storage assets increased by 13% and made up 75% of the total electricity used from renewable sources. Energy consumed in SSE's offices, depots and data centres reduced by 6% this year, reflecting efficiency measures being put in place.

In 2024/25, around 48% of the electricity that SSE purchased for its assets (offices, depots, thermal power stations, gas storage facilities, and data centres) was from renewable sources, consistent from the previous year. Within this SSE purchased 100% of its electricity for use in its directly managed offices from renewable sources, backed by renewable guarantees.

SSE is a member of the Climate Group's EP100 initiative to encourage businesses to double energy productivity associated with office and depot buildings by 2030 from a 2011 base year.

Table 7: Energy use (in GWh)**:**

		2024/25	2022/23
Purchased heat from non-renewable sources	UK/Ire	4.8/0.06	4.8/0.06
Purchased electricity from renewable sources	UK/Ire	103.5/0.9	96.1/0.9
Purchased electricity from non-renewable sources	UK/Ire	112.1/0	105.3/0

Environmental incident performance

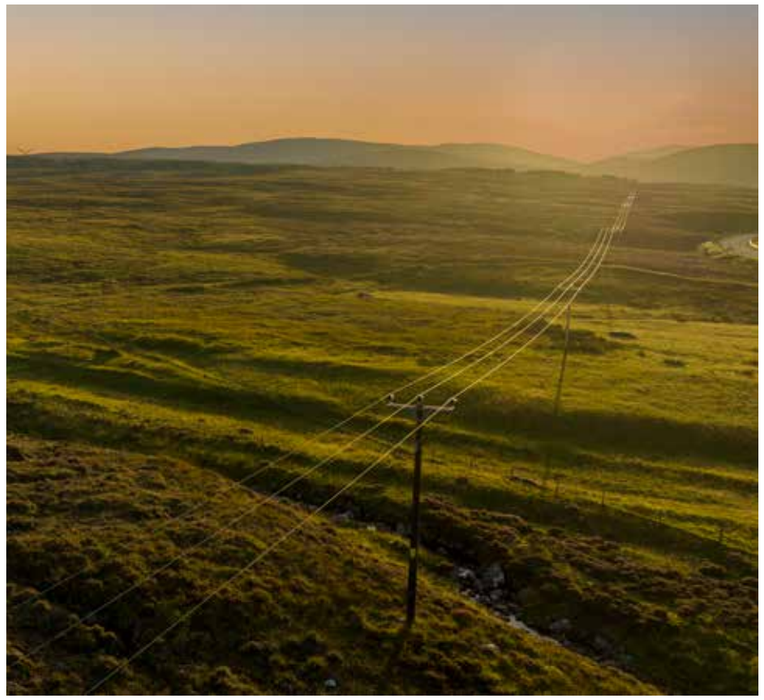
To ensure effective environmental management, SSE operates an environmental management system which sets controls, processes and procedures. All of SSE's businesses are certified to ISO 14001:2015.

While SSE's processes are designed to reduce the risk of environmental incidents happening, sometimes they do occur. For example, key environmental risk areas include oil and related spills and silt releases. This year, environmental incidents have decreased to 115 (2023/24: 143). There were no major incidents, and most incidents were minor. There was a 32% drop in serious incidents to 27 (2023/24: 40). The number of environmental permit / licence breaches significantly decreased to nine (2023/24: 19).

27
serious environmental incidents down from 40 in 2023/24.

88
minor incidents down from 103 in 2023/24.

9
permit/license breaches down from 19 in 2023/24.



This year's significant decrease in incidents reflects an improved focus on incident learning and intervention, a slight slowdown in some project and contractor activity, the reclassification of offshore marine risk and our relentless focus on maintaining our governance process to analyse reported environmental incident data.

To improve both management and performance this year, SSE continued to focus on engaging with contract partners to strenghten its environment specification and guidance to ensure consistency and drive environmental compliance and perfomance.

Disclosures supplement

This disclosures supplement provides additional information to provide enhanced transparency and understanding of content throughout this report.

SSE seeks to provide comprehensive information for the benefit of its stakeholders, and does so through this report and a variety of additional information sources through its website and in standalone reports. It also seeks to align to commonly understood sustainabiltiy disclosure standards.

Signposting to policies, practices and performance

SSE's Sustainability Report 2025 is complimented by the Annual Report 2025, as well as a range of sustainability disclosures, which can be found on **sse.com/sustainability**.

Some of these key disclosures are highlighted below.

Sustainability data tables
Detailed environmental, social and economic data is available to download from SSE's website. For transparency, three years' worth of data is provided against each indicator where possible.

Sustainability Reporting Criteria documents
SSE's Sustainability Reporting Criteria 2025 details the reporting approach SSE uses to disclose greenhouse gas and air emissions, water and social impact related information. The criteria is updated annually.

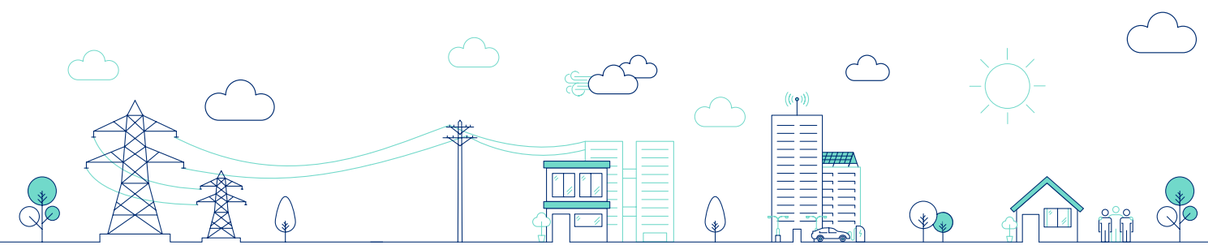
Pay gap information
SSE's UK and Irish gender pay gap information is available to download on SSE's website. SSE also discloses its ethnicity pay gap in its Inclusion and Diversity Report 2025. The report contains detailed information on SSE's Inclusion and Diversity Strategy, actions plans, key performance indicators (KPIs) and initiatives.

Human rights and modern slavery
SSE's Human Rights Report and Modern Slavery Statement sets out the steps taken by SSE to assess, mitigate, prevent and remedy human rights abuses and modern slavery within its business and supply chains.

Supply chain
SSE has a range of Group-level frameworks that help suppliers understand the Company's ambitions around sustainable procurement, as well as the expectations it has for suppliers and contract partners. This includes its Sustainable Procurement Code, Sustainable Procurement Plan and its Supplier Diversity Strategy. These documents can be found at sse.com/potential-suppliers/.

Group Policies
SSE makes key sustainability-related Group Policies publicly available on its website, outlining SSE's approach to promoting a healthy business culture and guiding decisions and actions as expected by its stakeholders.

ISO certifications
SSE's ISO 14001:15 (Environmental management systems) and ISO 45001:18 (Occupational health and safety management systems) certificates are available to download from its website.



ESG ratings and indices performance

ESG ratings and benchmarks are a useful tool for SSE to demonstrate performance to its stakeholders, at the same time as identifying areas for improvement in its operations and disclosures.

SSE actively engages with external environment, social and governance (ESG) ratings agencies and investor-led ESG ratings. The table below outlines SSE's current performance in the key ratings and indices, alongside the previous year's performance.

SSE's performance in key ESG ratings and indices.

	2024/25	2023/24	Stable/improved/decreased
S&P Global Corporate Sustainability Assessment	71/100	72/100	**Decreased** SSE has an 89th percentile ranking (Mar 2025)
MSCI	AAA	AAA	**Stable** SSE is in the top 11% of 135 global utilities (Jan 2025)
SUSTAINALYTICS ESG Risk Rating	21.8	20.4	**Decreased** SSE is ranked 12th percentile in Electric Utilities (Feb 2025)
CDP A LIST 2021 CLIMATE	A-	A	**Decreased** SSE scored as 'Leadership' (Feb 2025)
CDP Water	B-	B	**Decreased** SSE scored as 'Management' (Feb 2025)
FTSE4Good	Included	Included	**Stable** SSE has been a constituent of the FTSE4Good Index Series since 2001 (Jul 2024)
Corporate ESG Performance Prime ISS ESG	B-	B-	**Stable** SSE performs in the top 20% of 130 electric utilities (Jul 2024)
Climate Action 100+	5/11	4/10	**Improved** SSE fully met 5 of 11 criteria in the CA100+ Net Zero Company Benchmark (Oct 2024)
WDI	Included	Included	**Stable** SSE saw a slight decrease in disclosure score in 2024 due to increased data requirements (Sep 2024)

* Lower score indicates better performance.

Managing sustainability-related risks

The execution of SSE's strategy and the creation of value from the opportunities arising from net zero are dependent on the effective identification, understanding and mitigation of the Group's Principal Risks.

Sustainability in the Group Principal Risk context

Whilst all the Group Principal Risks are relevant to the sustainable development of SSE, those with particular significance to social and environmental impacts are outlined below.

SSE's Annual Report 2025, pages 61 to 69, provide detail of the key developments during the year which impact the Group Principal Risks, alongside key mitigations. Additional details around the measures SSE has in place to manage these risks is provided below.

Climate change	Everything SSE does is aimed at supporting the energy transition and achieving clean power. SSE is focused on taking a credible and realistic path to net zero. Its Net Zero Transition Plan sets out the framework through which the company intends to achieve this. It is supported by science-based carbon targets aligned to the ambitions set out in the Paris Agreement and to the power sector's 1.5°C global warming pathway. **See pages 13 to 25**
The risk that SSE's strategy is misaligned to national and international decarbonisation pathways and is insufficiently resilient to a climate-changed world.	

Large capital infrastructure	With sustainability issues increasingly included in regulatory and legislative requirements, SSE aims to work constructively with governments and regulators to help deliver clean power ambitions – whilst ensuring the energy system works in the interest of energy consumers. SSE's activities are influenced by international and national agreements on climate change and it provides transparency around its climate advocacy for stakeholders. **See page 39**
The risk that SSE develops and builds major assets that do not realise intended benefits or meet the quality standards required to support long-term sustainable economic lives within forecast timescales and budgets.	

Political and regulatory change	With sustainability issues increasingly included in regulatory and legislative requirements, SSE aims to work constructively with governments and regulators to help deliver clean power ambitions – whilst ensuring the energy system works in the interest of energy consumers. SSE's activities are influenced by international and national agreements on climate change and it provides transparency around its climate advocacy for stakeholders. **See page 25**
The risk associated with operating in a fast-paced, highly regulated environment which is subject to constantly changing political, regulatory and legislative expectations and interventions.	

Supply chain	SSE relies on high-quality collaboration with supply chain partners to mitigate risks and create resilience to support the achievement of shared sustainability goals. SSE's Sustainable Procurement Plan and Code, alongside its Supplier Relationship Management programme, are core to its approach to managing environmental and social impacts through its supply chain. **See pages 37 to 38**
The risk that SSE is unable to secure a viable, competent and sustainable supply chain to meet the growth required to deliver the strategy and NZAP Plus.	

Energy affordability	SSE is focused on addressing the underlying causes of high energy costs by accelerating the expansion of home-grown clean and reliable energy as a long-term affordability solution. Energy consumers are a key stakeholder considered in SSE's Just Transition Strategy, and the Company has a commitment to consider the impacts to them in the development of its business plans. SSE also works to ensure that the energy it supplies is accessible, striving to offer services that are inclusive to all. **See pages 28 to 32**
The risk that energy customers' ability to meet the costs of providing energy, or their ability to access energy services, is limited, giving rise to negative political or regulatory intervention that has an impact on SSE's regulated networks and energy businesses.	

People and culture	An ethical business culture alongside the talent and skills of SSE's employees, enable it to fulfil its purpose and achieve its strategic goals. The principles of providing a Living Wage and guaranteeing fair work are cornerstones of SSE's approach, alongside ensuring employees are supported with appropriate training, policies and processes, and treated with respect. In this way, SSE can support a just transition and provide attractive employment opportunities with meaningful, long-term careers. **See pages 42 to 55**
The risk that SSE is unable to attract, develop and retain an appropriately skilled, diverse and responsible workforce to deliver strategic objectives, and maintain a healthy business culture which encourages and supports SSE values and doing the right thing.	

Safety and the environment	SSE has an uncompromising commitment to keep people safe and healthy, and to respect the environment in which it operates. SSE's working environment includes challenging geographic locations and adverse weather conditions, which can affect its activities. SSE's Environment Strategy provides a framework for managing and mitigating SSEs environmental impacts and risks, ensuring clear processes and training are in place to support this. **See pages 43 to 45 and 67 to 75**
The risk of harm to people, property or the environment from SSE's operations.	

Sustainability data tables

Important sustainability data is contained throughout this report. These snapshot summaries provide stakeholders with a holistic view of SSE's performance and progress related to each chapter.

The data in this section compliments the information in this report as well as the more detailed data found in SSE's Sustainability Data Tables 2025, available at **sse.com/sustainability.**

Accelerating Climate Action

Category	Description	Unit	2024/25	2023/24	2022/23
Greenhouse gas inventory	Scope 1 GHG emissions	$MtCO_2e$	5.22[a]	4.34[b]	6.08[c]
	Scope 2 GHG emissions [1]	$MtCO_2e$	0.48[a]	0.47[b]	0.44[c]
	Scope 3 GHG emissions [2] (Categories 3, 4, 6, 9, 11 and 15 only)	$MtCO_2e$	4.54[a]	4.46[b]	4.81[c]
	Total reported GHG emissions	$MtCO_2e$	10.24	9.27	11.33[c]
Science-based carbon targets	Scope 1 and 2 GHG emissions	$MtCO_2e$	5.70[a]	4.81	6.52[c]
	Scope 1 GHG emissions intensity of electricity generated	gCO_2e / kWh	218[a]	205[b]	254[c]
	GHG emissions from gas sold (scope 3)	$MtCO_2e$	1.95[a]	2.01[b]	2.16[c]
	Proportion of SSE's suppliers by spend that have set or committed to set science-based targets through the SBTi (target set/ committed to set target)	%	51 (46/5)	51 (42/9)	51 (34/17)
Operational impact	Sulphur hexafluoride (SF_6) – thermal generation and electricity transmission and distribution activities	kg	281[a]	265	424
	Purchased heat from non-renewable sources	GWh	4.88	4.86	3.36
	Purchased electricity from renewable sources	GWh	104.4	97.0	104.8
	Purchased electricity from non-renewable sources	GWh	112.1	105.3	97.9
CDP	SSE's CDP Climate Change Programme	Rating	A-	A	A
Climate adaptation	Overhead line replacement and refurbishment[3]	£m	37.4	34.2	30.2
	Tree cutting [3]	£m	43.6	33.3	21.8
	Flood protection [3]	£m	3.9	5.3	0.2

[a] This data has been extracted from the SSE plc Annual Report 2025 where it is subject to external independent limited assurance by Ernst & Young Global Limited ('EY'). For the results of that assurance, see EY's assurance report and SSE's Sustainability Reporting Criteria 2025 on **sse.com/sustainability**.
[b] This data has been extracted from the SSE plc Annual Report 2024 where it was subject to external independent limited assurance by PricewaterhouseCoopers LLP ('PwC'). For the results of that assurance, see PwC's assurance report and SSE's GHG and Environmental Reporting Criteria 2024 on **sse.com/sustainability.**
[c] This data was previously reported in the SSE plc Sustainability Report 2023 where it was subject to external independent limited assurance by PricewaterhouseCoopers LLP ('PwC'). For the results of that assurance, see PwC's assurance report and SSE's GHG and Water Reporting Criteria 2023 on **sse.com/sustainability.**
[1] SSE scope 2 GHG emissions are calculated using the location-based method described in the Greenhouse Gas Protocol.
[2] SSE scope 3 GHG emissions reported consist of category 11 – use of sold products (gas sold) 1.95$MtCO_2e$[a]; category 15 – investments (joint venture investments); category 3 – fuel- and energy-related activities; category 9 – downstream transportation and distribution; category 4 – upstream transportation and distribution; and category 6 – business travel. Category 1 – purchased goods and services and category 2 – capital goods are excluded as SSE continues to develop and refine its accounting approach to calculate these figures to an acceptable level of accuracy. The upstream emissions associated with gas products sold is also excluded from Category 3.
[3] 2024/25 data may be subject to minor adjustment before final inclusion in the regulatory reporting pack published to Ofgem in July 2025. Some 2023/24 data has been slightly revised after finalisation of data for the July 2024 Ofgem regulatory reporting pack.

Detailed disclosure on the breakdown of SSE's scope 1, 2, and 3 GHG emissions is available in SSE's Sustainability Data Tables 2025 which can be accessed at **sse.com/sustainability.**

Providing affordable and clean energy

Category	Key performance indicator	Unit	2024/25	2023/24	2022/23
Renewable energy	Total renewable generation output (inc. constrained off GB wind)[1]	TWh	13.3	11.2	10.2
	Total renewable generation output (exc. constrained off GB wind) [1]	TWh	10.2	10.0	9,7
	Total renewable generation capacity [1]	MW	4,997	4,472	3,930
	Renewable capacity in construction [2]	GW	2.5	2.8	2.6
Supporting customers: universal access	Networks customers on the Priority Services Register (PSR)	Number	1,026,396	925,349	853,416
	Customer minutes lost – SHEPD/SEPD	Average per customer	69/51	66/58	59/46
	Customer interruptions – SHEPD/SEPD	Per 100 customers	59/42	57/51	60/44
	Renewable generation output – proportion of SSE's total output [3]	%	36.5	39.5	34.5
Energy efficiency	Business Energy smart meter operating volumes (gas and electricity) [4]	Number	192,563	200,323	212,046
	Energy saved as a result of energy efficiency measures targeted to fuel poor households in Ireland [5]	GWh	15.3	8.0	9.6

[1] Includes pumped storage, battery energy storage systems and biomass.
[2] Based on SSE equity stake at 31 March in each financial year.
[3] See SSE's Sustainability Data Tables 2025, available at **sse.com/sustainability**, for a breakdown of output by technology.
[4] At 31 March in each year. Data includes operated AMR, S1 and S2 type Smart Meters that are within the scope of the UK Government's Smart Mandate Programme (Profile Class 01-04 for Electric, and <732MWh/Annum consumption for Gas).
[5] Activity undertaken through the Energy Efficiency Obligation Scheme. Data covers calendar year. The calendar year representing the greatest coverage of the financial year (1 April and 31 March) has been used. For example, financial year 1 April 2024 to 31 March 2025 uses 2024 calendar year data.

Investing in industry, innovation and infrastructure

Category	Key performance indicator	Unit	2024/25	2023/24	2022/23
Enabling the connection of low-carbon technologies	Cumulative total of renewable generation capacity connected within SSEN Transmission's network area	GW	10.9	9.3	9.2
	Pure electric or plug-in hybrid vehicles registered in SSEN Distribution's licence area [1]	Number	c. 336,000	c. 284,000	c. 208,500
	Heat pumps connected to SSEN Distribution's network [2]	Number	c. 56,400	c. 45,300	c. 37,900
	SSEN Distribution's supply points with communicable and smart capability [3]	Number (% of reported customer numbers)	2,506,780 (63)	2,168,760 (55)	1,845,807 (50)
Investing in critical low-carbon infrastructure	Adjusted investment and capital expenditure	£m	2,910.4	2,476.7	2,160.6
	Proportion of adjusted investment and capital expenditure that is taxonomy-eligible aligned	%	89	89	81
	Adjusted operating profit	£m	2,419.2	2,426.4	2,529.2
	Proportion of adjusted operating profit that is taxonomy-eligible aligned	%	89	65	55
	Revenue	£m	10,131.9	10,457.2	12,490.7
	Proportion of revenue that is taxonomy-eligible aligned	%	34	31	26
Promote development	Total procurement expenditure [4]	£bn	c. 5.6	c. 5.5	c. 3.7
	Average time taken to pay suppliers	Days	26	26	28

[1] Estimated using the most up-to-date UK Government vehicle licensing statistics data available at 31 March in each financial year.
[2] Data sourced from the Microgeneration Certification Scheme (MCS), which certifies, quality assures and provides consumer protection for microgeneration installations and installers.
[3] Calculated using the number of smart meters connected to SSEN Distribution's network which are communicable by SSEN as a proportion of SSEN Distribution's reported customer numbers.
[4] Includes procurement expenditure related to SSE's equity share in joint venture projects.

Committed To Decent Work and Economic Growth

Category	Key performance indicator	Unit	2024/25	2023/24	2022/23
Sharing economic value	Contribution to GDP (UK/Ireland) [1]	£bn/€bn	7.88/0.95	5.86/1.04	6.04/0.43
	Jobs supported (UK/Ireland) [1]	Headcount	62,000/5,190	50,380/4,450	39,940/2,430
	Taxes paid (UK/Ireland)	£m/€m	592/75.0	679/68.0	502/53.8
	Value awarded through SSE's community investment funds [2]	£m	16.3	12.1	11.4
	Value awarded through SSE's community investment funds (excluding regulated funds)	£m	13.0[(a)]	11.7	10.1
Workforce development	Investment in training and development [3]	£m	41.0	34.2	25.6
	Average training hours per FTE	Hours	27.5	21.1	19.8
Full, productive and inclusive employment	Employees on permanent contracts	%	95.6	95.3	95.2
	Employee retention/turnover rate [4]	% retention/% turnover	91.1/8.9	91.3/ 8.7	89.5/10.5
	Voluntary turnover rate	% (% of total turnover)	5.1 (57.8)	5.5 (62.5)	7.0 (66.2)
	Lost days due to sickness	Number	66,441	57,973	83,650
	Average lost days per head	Number	4.5	4.2	6.9
	Employee engagement survey score	%	86	85	84
	Median UK gender pay gap [5]	%	11.5	12.0	15.3
	Proportion of employees that are women [6]	%	31.6	31.0	30.0
	Proportion of women in SSE's Leadership Group [7]	%	27.7 [(a)]	26.4	25.2
Reduce the risk of modern slavery	Human rights grievances filed through formal mechanisms	Number	0	0	0
Labour rights	Total recordable injury rate – employees and contractors combined	Per 100,000 hours	0.16	0.20	0.19
	Employees covered by collective bargaining agreements (UK and Ireland) [8]	%	46.4	47.6	50.3
	Speak up (whistleblowing) contacts made	Number	62	73	50

[(a)] This data has been extracted from the SSE plc Annual Report 2025 where it is subject to external independent limited assurance by Ernst & Young Global Limited ('EY'). For the results of that assurance, see EY's assurance report and SSE's Sustainability Reporting Criteria 2025 on **sse.com/sustainability.**
[1] Total direct, indirect and induced Gross Value Added estimated values from PwC UK analysis. Full report available on **sse.com/sustainability.** Values for 2023/24 have been restated to reflect post year-end adjustments to data. Values for previous financial years not adjusted for current prices.
[2] Includes long-term, multi-year funding.
[3] Total internal and external learning and development and pipeline programme investment. 2023/24 and 2022/23 figures have been restated to include investment in leadership and talent development.
[4] Includes voluntary and involuntary turnover, excludes end of fixed term contracts and internal transfers.
[5] Data correct as at 5 April in each year. See SSE's Inclusion and Diversity Report 2025 for more information.
[6] Gender information is captured from legal documentation at employee onboarding and recorded in SSE's HR data system, which maintains a 100% completion rate. In instances where employees transitioned after joining, the gender field on the HR data system is changed, upon receipt of a formal employee request.
[7] Employees in SSE's senior level pay grades.
[8] Includes only collective bargaining arrangements of which SSE is aware – employees may have personal arrangements in place too.

Protecting and restoring the natural environment

Category	Description	Unit	2024/25	2023/24	2022/23
Water use	Total water abstracted	Million m^3	22,795 [(a)]	23,135 [(b)]	23,354 [(c)]
	Total water abstracted (exc. hydro generation)	Million m^3	545	597	731
	Freshwater abstracted (rivers and groundwater) (exc. hydro generation)	Million m^3	6.0	4.5	2.2
	Total water returned	Million m^3	22,793 [(a)]	23,133 [(b)]	23,353 [(c)]
	Total water consumed	Million m^3	2.37 [(a)]	2.4 [(b)]	1.4 [(c)]
Environmental Management	SSE operations covered by ISO14001 by reported revenue [1]	0%	100	100	100
	Number of major incidents	Number	0	0	1
	Number of serious incidents	Number	27	40	31
	Number of minor incidents	Number	88	103	77
	Environmental prosecutions and civil penalties	Number	0	0	0
	Permit/Licence breach [2]	Number	9	19	9
Solid operational waste [3]	Total solid operational waste [3]	Tonnes	7,642	6,117	5,713
	Of which hazardous waste	Tonnes	391	255	198
	Breakdown of solid operational waste [3]				
	Sent to landfill	Tonnes	96	198	275
	Processed as energy from waste	Tonnes	1,913	1,710	1,506
	Sent for recycling / re-use	Tonnes	5,456	4,000	3,637
	Composted/sent to anaerobic digestion	Tonnes	88	102	176
	Treated	Tonnes	89	107	119
Other waste [4]	Ash and gypsum waste disposed	Tonnes	11,911	9,991	7,790
Air Emissions	Sulphur dioxide (SO_2) – thermal generation	Tonnes	303 [(a)]	440	1,336
	Nitrogen oxides (NO_x) – thermal generation	Tonnes	3,299 [(a)]	3,646	3,870

[(a)] This data has been extracted from the SSE plc Annual Report 2025 where it is subject to external independent limited assurance by Ernst & Young Global Limited ('EY'). For the results of that assurance, see EY's assurance report and SSE's Sustainability Reporting Criteria 2025 on **sse.com/sustainability.**
[(b)] This data has been extracted from the SSE plc Annual Report 2024 where it was subject to external independent limited assurance by PricewaterhouseCoopers LLP ('PwC'). For the results of that assurance, see PwC's assurance report and SSE's GHG and Environmental Reporting Criteria 2024 on **sse.com/sustainability.**
[(c)] This data was previously reported in the SSE plc Sustainability Report 2023 where it was subject to external independent limited assurance by PricewaterhouseCoopers LLP ('PwC'). For the results of that assurance, see PwC's assurance report and SSE's GHG and Water Reporting Criteria 2023 on **sse.com/sustainability.**
[1] SSE plc is certified to ISO14001. In addition, its individual Business Units have their own ISO140001 certifications. SSE's ISO14001 certificates can be found at sse.com/sustainability.
[2] This data is included within the Serious/Minor incidents.
[3] SSE's solid operational waste excludes: (1) waste arising from SGN activities at its two main logistic locations in the UK, as SSE no longer has any ownership in SGN. (2) Waste arising from capital projects and minor work contracts (such as earth works and project waste streams) on SSE sites. (3) Specialist waste outputs from SSE power stations including ash, slag, sludge, specialist chemicals as well as tankered liquid waste such as oils and contaminated water.
[4] Reporting ash and gypsum waste is required by the environmental regulator in relevant jurisdictions.

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.

The 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
13. 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
12. 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

SSE's transition pathway 'levers'

The table on this page provides detailed descriptions of SSE's transition pathway 'levers'.
It is designed to supplement the information in Figure 4 on page 15.

	Lever	Description
1	Load factors	As markets continue to transition towards increased intermittent renewable generation over the next decade, and low-carbon flexible options such as carbon capture and storage, hydrogen and pumped hydro storage begin to be deployed, reduced running hours are expected from existing thermal plant. A flexible response, and a strategic reserve will be required from these assets, to respond to system needs and weather patterns, however this is expected to be for shorter periods of time, therefore reducing the emissions impact.
2	Coal closure	SSE closed its final coal-fired power station in 2020, four years ahead of the UK Government's decision to ban coal-fired power generation from October 2024. The closure of Fiddler's Ferry in 2020 followed the closure of SSE's Ferrybridge coal-fired power station in 2016.
3	Electrical losses	Emissions arising from technical and non-technical distribution losses are falling, mainly as a result of the lower-carbon intensity of the average unit of electricity on the power system. Further reductions will be achieved by installing lower loss assets, optimising network configuration, and tackling electricity theft.
4	Other reductions	SSE has achieved emissions reductions arising from other, less material sources of scope 1 and 2 emissions. Further reductions will be achieved by electrifying SSE's fleet of operational vehicles, reducing SF_6 leakage rates at the same time as deploying alternative insulation and interruption gases (IIGs) with lower global warming potentials and improving energy efficiency in its operational and non-operational buildings.
5	Portfolio change	Under the guidance from the GHG Protocol, SSE follows the 'operational control' method for carbon accounting. Changes to the operational structure of its joint venture power stations therefore impacts on SSE's greenhouse gas inventory. For example, in 2021 SSE's Power Purchase Agreement with Seabank Power Station ended. For the duration of the Power Purchase Agreement, SSE reported 100% of Seabank's GHG emissions in its scope 1 inventory. SSE now reports 50% of Seabank's GHG emissions in its scope 3 inventory, recognising its 50% ownership share.
6	Hydrogen Blending	Blending low-carbon hydrogen into existing power stations is an iterative step towards decarbonisation of power generation, displacing higher-carbon gas with a lower-carbon fuel. New and efficient stations like Keadby 2 can take a blend of low-carbon hydrogen when the fuel and supporting infrastructure is available.
7	New CCS	New flexible power stations, using technologies like hydrogen and carbon capture and storage (CCS), are expected to replace existing high-carbon flexible power stations. Power stations with CCS will be capable of capturing at least 90% of CO_2 emissions associated with power generation, however there are residual emissions that will slightly increase SSE's scope 1 inventory. SSE is leading a project to increase capture rates to between 95% and 99%, limiting the residual emissions from these new assets.
8	Plant end-of-life	It is expected that SSE's older unabated gas-fired power stations will reach the end of their economic and engineering design life between 2030 and 2040, or reach the end of their life as a result of policy decisions.
9	Neutralisation	SSE will remove and store any residual greenhouse emissions. These are defined as emissions that remain after all action has been taken to remove them from SSE's direct and indirect activities because they are too difficult or expensive to abate. Both engineered and nature-based carbon removal solutions verified against the best available science and independent frameworks will be considered in 2040.

Tracking progress to a just transition

This table outlines the basket of KPIs which SSE uses to track progress against its Just Transition Strategy. Performance is provided for the last two financial years.

	KPI	Unit	2024/25	2023/24
	PILLAR 1: Principles for good, green jobs			
1.	Monitor trends in employee satisfaction across a range of measures through the Great Place to Work Survey including, wellbeing, reward, safety, and inclusion[1]	%	Sustainable engagement index: 86 Work-life balance: 88 Reward: 67 Safety: 93 Inclusion and Diversity: 90	Sustainable engagement index: 85 Work-life balance: 87 Reward:64 Safety: 92 Inclusion and Diversity: 89
2.	Monitor annual increase in total SSE employee headcount[2]	Number	989	1,711
3.	Employee diversity profile and 2030 targets: Gender[3] (33%), ethnicity (15%), disability (8%), and LGBTQIA+ (8%)	%	Gender: 31.6 Ethnicity: 11.2 Disability: 14.5 LGBTQIA+: 4.3*	Gender: 31 Ethnicity: 10.1 Disability: 11.6 LGBTQIA+: 4.1
	PILLAR 2: Principles for consumer fairness			
4.	Transmission and Distribution only: achieve the advanced stage of the Accountability Stakeholder Engagement Maturity Ladder (AA1000SES)[4]	Rating	Transmission: Advanced rating Distribution: Advanced rating*	Transmission: Advanced rating Distribution: Advanced rating
5.	Distribution only: onboard 100% of local authorities who express an interest in Local Energy Net Zero Accelerator (LENZA) tool, supporting them to develop and deliver effective whole system and net zero initiatives	%	100	41
6.	Transmission only[5]: Capital investment in the north of Scotland transmission system, and energy[6] entering the system	£m/TWh	953.5/19.0	595.6/17.1
	PILLAR 3: Principles for building and operating assets			
7.	Monitor trends by spend in % of tier 1 suppliers categorised as medium low/ medium high/ high risk for human rights[7]	%	Medium low: 26.4 Medium high: 13.2 High: 0.0	Medium: 55.6 High: 0.72 Very high: 0.32
8.	Monitor trends in total supply chain spend	£bn	5.6	5.5
	PILLAR 4: Principles for people in high carbon roles			
9.	Monitor trends in the proportion of new recruits who have transitioned from high- to low-carbon roles	%	34	35
	PILLAR 5: Principles for supporting communities			
10.	Invest at least £10m per year into local and regional projects through community investment activities	£m	16.3	12.1m

1 Metrics for work-life balance, reward, safety and inclusion and diversity are based on scores for specific survey questions which do not change from year to year: Work-life balance: I am able to balance my work and my personal responsibilities; Reward: Regarding my total compensation (fixed pay, bonus/incentive, benefits), I think I am paid fairly for the work I do; Safety: My manager sets the right example when it comes to safety, health and environment (SHE); Inclusion and Diversity: I can be myself at work without worrying about how I will be accepted by colleagues.
2 Headcount data includes a small number of employees outside of the UK and Ireland. Data excludes contingent and agency workers. It also excludes employee data for Enerveo Limited, which remains under strategic review with the Infrastructure Solutions component of Enerveo being held for sale during 2024/25.
3 Gender information is captured from legal documentation at employee onboarding and recorded in SSE's HR data system, which maintains a 100% completion rate. In instances where employees transitioned after joining, the gender field on the HR data system is changed, upon receipt of a formal employee request.
4 Most recent ratings results are from May 2024 for SSEN Distribution and from May 2025 for SSEN Transmission.
5 KPI previously stated as 'Cost to consumers of KWh transported'. Given the complexity of the GB energy system, it is challenging to identify a direct measure of the consumer cost of the transition. These data are the key components involved for electricity transmission, recognising network investment enables renewable energy growth. We continue to explore how to improve transparency on this measure.
6 As methodology used for reporting electrical losses.
7 2024/25 is SSE's first full financial year of using the Ecovadis platform as an independent tool to assess suppliers' human rights and labour risks. The risk ratings for this KPI have been revised to align with Ecovadis' methodology, therefore, the 2024/25 figures are not directly comparable with those reported in 2023/24.

SASB Standards Disclosure

			SSE disclosure 2024/25
IF-EU-110a.1	(1) Gross global Scope 1 emissions, percentage covered under (2) emissions-limiting regulations, and (3) emissions-reporting regulations	tCO_2e, %	SSE's generation activities in the UK are subject to the UK ETS and the carbon price support and in Ireland they are subject to the EU ETS. SSE is required to report its GHG emissions and energy consumption in the UK through the Companies (Directors' Report) and Limited Liability Partnerships (Energy and Carbon Report) Regulations 2018 and the Streamlined Energy and Carbon Reporting (SECR) requirements. Information disclosed in SSE's Sustainability Data Tables 2025, alongside pages 59 and 79 of SSE's Annual Report 2025 represent SSE's disclosure against these requirements.
IF-EU-110a.2	Greenhouse gas (GHG) emissions associated with power deliveries	tCO_2e, %	As of January 2020, SSE Energy Services, the retail division of the SSE Group, was sold to OVO Energy. This ended the direct supply of electricity from SSE to household customers in Great Britain. SSEN maintains responsibility for the distribution of electricity across central southern England and the north of Scotland, as well as the electricity transmission network in the north of Scotland. Details of the emissions associated with the losses within the networks are disclosed in SSE' Sustainability Data Tables 2025.
IF-EU-110a.3	Discussion of long-term and short-term strategy or plan to manage Scope 1 emissions, emissions reduction targets, and an analysis of performance against those targets	N/A	Two of SSE's science-based carbon targets cover SSE's scope 1 GHG emissions. Discussion on trends and progress against these targets can be found on pages 18 to 21 of the Sustainability Report 2025 and page 47 of SSE's Annual Report 2025.
IF-EU-110a.4	(1) Number of customers served in markets subject to renewable portfolio standards (RPS) and (2) percentage fulfilment of RPS target by market	#, %	SSE's customer facing businesses only serve customers in the GB market and the island of Ireland Single Electricity Market. Both these energy markets have mature carbon reduction and renewable support frameworks. In Ireland, there are government targets on particular forms of renewable energy and, in the UK, renewable targets support statutory carbon budgets. Neither market requires generators to secure a proportion of their portfolio of energy generation from renewable sources.
IF-EU-120a.1	Air emissions of the following pollutants: (1) NOX (excluding N2O), (2) SOX, (3) particulate matter (PM10), (4) lead (Pb), and (5) mercury (Hg); percentage of each in or near areas of dense population	t, %	SSE discloses NO_x, SO_x, PM10 and Mercury air emissions on page 73 of this report, on page 59 of the Annual Report 2025 and in its Sustainability Data Tables 2025. Data from other air emissions is reported to the relevant environmental regulator. SSE's 2024/25 performance for PM10 and Mercury saw none of SSE's thermal generation plant emitting above de-minimum threshold of 10 tonnes and 1kg respectively. Therefore, emissions were considered immaterial in terms of impact. SSE will continue to monitor emissions from its thermal fleet and if thresholds are reached in future, will report accordingly.
IF-EU-140a.1	(1) Total water withdrawn, (2) total water consumed, percentage of each in regions with High or Extremely High Baseline Water Stress	thousand m^3, %	SSE depends on water in various ways across its operations, from use in electricity generation to an amenity in its buildings. SSE provides information on its water management approach and its operations in relation to water stressed areas on page 73 of this report and page 59 of the Annual Report 2025, alongside a detailed breakdown of water use data in its Sustainability Data Tables 2025.
IF-EU-140a.2	Number of incidents of non-compliance associated with water quantity and/or quality permits, standards, and regulations	#	In 2024/25, SSE had two minor permit breaches in relation to water quantity and/or quality permits. Immediate action to rectify the non-compliance was undertaken and the environmental regulator notified in each case. Investigations were completed following these events and actions taken to prevent reoccurrence.
IF-EU-140a.3	Description of water management risks and discussion of strategies and practices to mitigate those risks	N/A	Detailed description of the strategies and practices SSE has in place to mitigate water management risks is provided in SSE's CDP Water Programme response.
IF-EU-150a.1	Amount of coal combustion residuals (CCR) generated, percentage recycled	t, %	N/A - SSE closed its last remaining coal-fired power plant in March 2020.
IF-EU-150a.2	Total number of coal combustion residual (CCR) impoundments, broken down by hazard potential classification and structural integrity assessment	#	N/A - SSE closed its last remaining coal-fired power plant in March 2020.
IF-EU-240a.1	Average retail electric rate for (1) residential, (2) commercial, and (3) industrial customers	Rate	SEE Airtricity offers a range of plans to suit domestic customer needs. Domestic electricity tariffs and estimated annual bills, based on Commission for the Regulation of Utilities (CRU) approved annual consumption figures, for different plans are available on **sseairtricity.com.** For commercial reasons SSE does not publicly disclose non domestic electricity tariffs.
IF-EU-240a.2	Typical monthly electric bill for residential customers for (1) 500 kWh and (2) 1,000 kWh of electricity delivered per month	£	SSE Airtricity offers a range of plans to suit domestic customer needs. Domestic electricity tariffs and estimated annual bills, based on Commission for the Regulation of Utilities (CRU) approved annual consumption figures, for different plans are available on **sseairtricity.com.**
IF-EU-240a.3	Number of residential customer electric disconnections for non-payment, percentage reconnected within 30 days	#	SSE Airtricity is signatory to Electricity Association of Ireland's (EAI) Energy Engage Code, that commits not to disconnect an engaging customer and to work with customers to find solutions. SSE Airtricity undertakes coordinated campaigns to support customers reaching out to avail of existing support mechanisms. SSE Airtricity's Code of Practice on Disconnections is available on **sseairtricity.com** and disconnection is always a last resort.
IF-EU-240a.4	Discussion of impact of external factors on customer affordability of electricity, including the economic conditions of the service territory	N/A	Detail on the ways that SSE's customer facing businesses, such as SSE Airtricity and SSEN Distribution, support customers with the cost of energy can be found on pages 31 and 32 of the Sustainability Report 2025.
IF-EU-320a.1	(1) Total recordable incident rate (TRIR), (2) fatality rate, and (3) near miss frequency rate (NMFR)	Rate	Detail on SSE's safety performance can be found on pages 43 to 44 of the Sustainability Report 2025, page 54 of the Annual report 2025 and in SSE's Sustainability Data Tables 2025.
IF-EU-420a.1	Percentage of electric utility revenues from rate structures that (1) are decoupled and (2) contain a lost revenue adjustment mechanism (LRAM)	%	N/A in the UK and Irish electricity systems.
IF-EU-420a.2	Percentage of electric load served by smart grid technology	%, by MWh	With the smart meter roll out continuing in Great Britain, there are now around 2.5 million smart meters connected to SSEN Distribution's network that can 'communicate' to SSEN's system. This means that 63% of all SSEN's supply points have communicable and smart capability. This calculation is made by taking the number of vommunicable smart meters as a proportion of SSEN Distribution's reported customer numbers.
IF-EU-420a.3	Customer electricity savings from efficiency measures, by market	MWh	See pages 31 to 32 of the Sustainability Report 2025 for details of SSE's fuel poverty and energy efficiency support.
IF-EU-540a.1	Total number of nuclear power units, broken down by U.S. Nuclear Regulatory Commission (NRC) Action Matrix Column	#	N/A - SSE does not operate nuclear generation.
IF-EU-540a.2	Description of efforts to manage nuclear safety and emergency preparedness	N/A	N/A - SSE does not operate nuclear generation.
IF-EU-550a.1	Number of incidents of non-compliance with physical and/or cybersecurity standards or regulations	#	SSE has robust processes and practices in place to manage cybersecurity and its datacentres are certified to ISO27001 for information security. SSE also has a suite of mandatory ethics and compliance training modules which all employees are required to complete, which includes Cyber Security eLearning module. SSE discloses the number of material or regulatory reportable incidents caused by cyber security breaches of SSE systems in its Sustainability Data Tables 2025.
IF-EU-550a.2	(1) System Average Interruption Duration Index (SAIDI), (2) System Average Interruption Frequency Index (SAIFI), and (3) Customer Average Interruption Duration Index (CAIDI), inclusive of major event days	Minutes, #	A comparable indicator for GB is the Customer Interruptions and Customer Minutes Lost on SSE's electricity distribution network. See SSE's Sustainability Data Tables 2025 and page 83 of SSE's Sustainability Report 2025.
Table 2. Activity Metrics			
IF-EU-000.A	Number of: (1) residential, (2) commercial, and (3) industrial customers served	#	See SSE's Sustainability Data Tables 2025 for SSE's domestic and business customer supply accounts.
IF-EU-000.B	Total electricity delivered to: (1) residential, (2) commercial, (3) industrial, (4) all other retail customers, and (5) wholesale customers	MWh	See page 41 of SSE's Annual Report 2025 for volume of electricity sold to customers by business and domestic supply businesses, and page 37 for the electricity distributed to customers by SSEN Distribution.
IF-EU-000.C	Length of transmission and distribution lines	Km	SSEN owns, operates and maintains around 130,000km of electricity distribution overhead lines and underground cables, and around 5,000km of electricity transmission overhead lines and underground cables.
IF-EU-000.D	Total electricity generated, percentage by major energy source, percentage in regulated markets	MWh, %	See SSE's Sustainability Data Tables 2025 for a breakdown of generation by technology. SSE has generation activities in the UK and Ireland which are both regulated markets.
IF-EU-000.E	Total wholesale electricity purchased	MWh	See pages 40 of SSE's Annual Report 2025 where the total volume of electricity sold by SSE Business Energy and SSE Airtricity is described. Because both these businesses act independently from SSE's generation businesses in the market, the volume of electricity sold to customers represents the net amount of electricity purchased by SSE throughout 2024/25.

SSE's Sustainability Data Tables and its suite of corporate reporting can all be found on **sse.com/sustainability.**

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Published: June 2025