Climate Policy Engagement Review

2025/26

Contents

About this report

Shareholders, customers, and broader stakeholders are interested in the openness of an organisation regarding its policies and support for climate change advocacy, not just directly, but also through the trade associations it is associated with. SSE's stakeholders want to establish whether our strategy and guiding principles in addressing climate change are aligned with those of the trade associations of which we are members.

Providing this evidence demonstrates SSE's commitment to actively managing our indirect influence on climate policy and assures stakeholders that we maintain integrity in our approach to addressing climate change.

This report builds upon SSE's previous reviews of our trade associations' climate related advocacy activities. This 2025/26 review evaluates the alignment of these associations with SSE's net zero principles and the goals of the Paris Agreement. In line with best practice and increasing stakeholder interest, this report also summarises our direct climate-related advocacy for this financial year.

SSE welcomes and encourages feedback on the result and the approach it has taken for this review. Feedback and comments can be provided by emailing sustainability@sse.com.

About SSE

SSE plc is a leading UK-listed energy company that invests in, develops, builds and operates electricity infrastructure and businesses needed for a clean, secure and affordable energy system. 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 products and services for businesses and other customers.

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

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

Introduction

The role of responsible climate advocacy

Responsible climate advocacy is increasingly important as governments, regulators and industry seek to accelerate the energy transition. The Global Standard on Responsible Climate Lobbying sets a clear expectation: that all lobbying efforts, whether conducted directly or through intermediaries such as trade associations, must actively support the achievement of the Paris Agreement goals, including limiting global temperature rise to 1.5°C above pre-industrial levels and ensuring that greenhouse gas emissions peak and decline as soon as possible.

Transparent and credible advocacy plays an important role in shaping the policy frameworks needed to deliver the transition and meet stakeholder expectations. SSE seeks to ensure that our direct and indirect advocacy activities align with the goals of the Paris Agreement and our net zero commitments, supported by ongoing engagement with trade associations and this annual review process.

The purpose of this 2025/26 review is to **assess whether our indirect climate advocacy through our trade associations is aligned with the 1.5°C goal of the Paris Agreement**. The review assesses the climate policy positions of our key trade associations, new memberships and presents an alignment assessment for each association. It also presents a summary of our direct climate advocacy activities.

A more challenging context for the energy transition

The transition to a cleaner energy system is becoming ever more important but also increasingly complex. While the long-term direction towards net zero remains clear and geopolitical events and market shocks over the past year have given added impetus to the transition, external factors, such as political consensus, policy and market conditions are shaping the pace of the transition.

Recent scientific assessments have also indicated that 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. The World Meteorological Organization states there is now a 70% probability that the global average temperature for the period 2025 to 2029 will exceed 1.5°C. Therefore, responsible and consistent engagement with policymakers and industry stakeholders is essential to help create the conditions needed to accelerate the transition to net zero.

SSE's approach to advocacy and the transition to net zero

SSE's strategy is tackling climate change head-on by building the energy assets and grid infrastructure needed for the clean energy transition. Our £33bn five-year investment plan is focused on building a cleaner, more secure and more affordable energy system, with around 80% directed towards electricity networks that enable the connection and distribution of low-carbon power. Through this investment, we are helping to unlock electrification across the wider economy and support the long-term decarbonisation of energy systems.

SSE identifies climate change as a principal risk, and we continue to make the case for investment in clean energy and the benefits it brings to the economy and society. Our Political and Regulatory Engagement Policy sets out how we advocate for the goals of the Paris Agreement: **"SSE will only undertake advocacy activity that is in line with the goals of the Paris Agreement and its own net zero strategy, both aligned to limiting global temperature rises to 1.5°C."**

Through this report, we aim to demonstrate how our advocacy activities support climate goals, provide transparency on engagement with policymakers directly and indirectly through trade associations, and contribute positively to the clean energy transition.

SSE's direct climate policy engagement

Governing political & regulatory engagement

Responsibility for SSE's political advocacy lies at the highest levels of the organisation, with the Board approving our Political and Regulatory Engagement Policy and overseeing corresponding advocacy priorities. The Board monitors supporting engagement activity, including dialogue with regulators, to ensure that strategic, financial, investment and operating frameworks align to the external landscape.

The Group Executive Committee (GEC) is responsible for discharging strategic, political and regulatory engagement activities and the communication of our advocacy priorities, working closely with management across SSE's Business Units in doing so.

Supporting the Board and GEC, SSE has dedicated Public Affairs, Policy, Regulation, Legal and Compliance departments which lead constructive engagement with regulators, politicians, officials, and other stakeholders on a regular basis. These teams provide advice, guidance and assurance to each of our Business Units regarding the interpretation of political, regulatory and legislative change.

The Group Corporate Affairs, Regulation and Strategy teams oversee our core advocacy priorities. These Group advocacy priorities are focused on cross cutting policy issues as well as policy issues which are specific to our Business Units and are aligned to delivering investment in clean power infrastructure. There is regular engagement with the Board and GEC on political and regulatory developments which may impact SSE's operations or strategy. This is in addition to regular updates on advocacy priorities and policy outcomes resulting from advocacy activity, provided by the Group Public Affairs team.

Government and regulators are identified as one of SSE's six key stakeholder groups, and updates on engagement activities and priorities are provided in our Annual Report each year.

Ensuring SSE's political & regulatory engagement is Paris-aligned

To ensure that our approach to regulatory and political engagement is transparent and has integrity, we have a publicly available Group Political and Regulatory Engagement Policy. The policy holds SSE to the highest standards of probity and respect in our dealings with regulators, non-departmental public bodies and the institutions of government, recognising their key role in the sector in which we operate. This gives SSE's stakeholders confidence in our approach to regulatory and political engagement.

Within this policy, **SSE commits to only conduct lobbying and advocacy activity that is in line with the goals of the Paris Agreement and our own net zero strategy, both aligned to limiting global temperature rises to 1.5ºC.** This commitment includes our direct advocacy activities and advocacy that is conducted through our trade association memberships and industry representative bodies. This policy is applicable to all jurisdictions in which we operate, subject to legal or regulatory requirements of the relevant international domain, and relevant local policies and supporting procedures.

SSE's Climate Advocacy Statement

SSE advocates for fair, just and accelerated actions to achieve net zero through working with policy makers, trade associations and other key stakeholders.

SSE commits to conduct its policy advocacy activity in line with the goals of the Paris Agreement and its own net zero strategy, both aligned to limiting global temperature rise to 1.5ºC.

SSE's approach to climate advocacy and its policies apply to all jurisdictions in which it operates.

Policy positions & advocacy priorities

SSE engages with legislators to influence market design in support of our role in the energy transition. Energy affordability is a key driver of transitioning to a cleaner, homegrown energy system. SSE's direct engagement with government and regulators this year has allowed constructive dialogue on market design, energy affordability and the delivery of the UK Government's Clean Power 2030 Action Plan.

We are committed to a strategy that is aligned to the clean energy mission, but mindful of the cost of the transition to the billpayer. Building homegrown electricity infrastructure and then using more of that electricity to power homes, businesses and industry will drive down energy bills while ensuring consumers are protected from price spikes caused by global events. Within this context, we will continue to advocate for the buildout of renewable capacity and speeding up consenting times for grid upgrades.

Our principal advocacy priorities in 2025/26 focused on supporting the delivery of the UK Government's Clean Power 2030 Action Plan, engaging with the UK Government on the potential impacts of zonal pricing and collaborating with the UK Government on Ofgem's RIIO-T3 Final Determination.

Our long-term strategy remains closely aligned with the direction established by the UK Government and its Clean Power 2030 Action Plan, and as set out in our Net Zero Transition Plan, SSE seeks to be a constructive partner with governments and will advocate for the following key developments in climate-related energy policy:

• **Decarbonisation of flexible power generation:** SSE will advocate for policies that support carbon capture and storage (CCS) and hydrogen fired power generation. We recognise that supportive government policy and constructive engagement is essential to deliver CCS and hydrogen projects and to maintain system flexibility and resilience.

In the UK, further detail is pending on the mechanisms to procure new-build dispatchable capacity, including the Hydrogen to Power Business Model, any adaptations to the Capacity Market and further allocation of Dispatchable Power Agreements for CCS projects. These options could support investment in SSE Thermal's flexible generation pipeline, including Keadby Next Generation and Ferrybridge Next Generation, Keadby CCS and Peterhead CCS.

However, during 2025, SSE reviewed our hydrogen development strategy and, in response to material policy delays to the roll-out of low-carbon hydrogen, took the decision to pause its standalone hydrogen production projects.

• **Accelerating offshore wind deployment:** SSE will promote policies that drive progress in establishing offshore wind as the backbone of the UK's energy system and will support ambitious capacity targets in the upcoming Contracts for Difference (CfD) auctions rounds. We welcome the steps taken over the year by the UK Government to accelerate the energy transition, including the announcement of the intention to run CfD Allocation Round 8 in the second half of 2026.

• **Strategic network expansion:** SSE will advocate for strategic network planning to support investment in the expansion of the grid in order to connect new sources of clean power and support electrification of the wider economy. Ofgem's strategic approach to regulation has provided welcome visibility on investment to 2030 via the ASTI and LOTI programmes. In March 2026, SSEN Transmission confirmed its acceptance of Ofgem's Final Determination for the RIIO-T3 period, which commenced on 1 April 2026, recognising it as an investable and deliverable settlement overall. RIIO-T3 plan is centred on the delivery of 11 major projects across the price control period, from 2026 to 2031. Attention will now turn to working towards submission of the RIIO-ED3 plan later in 2026.

• **Responsible, phased reduction of unabated gas generation:** SSE will engage policymakers to progress the reduction of unabated thermal generation output in a measured and controlled way at an industry level in order to ensure security of supply as the energy system decarbonises. This year SSE's Board supported proposals to develop options to extend the life of existing Combined Cycle Gas Turbines in Great Britain and enable disciplined participation in Capacity Market auctions. We recognise existing assets have a role to play in backing up a renewables-led system, in light of policy delays on low-carbon alternatives, but we expect unabated gas generation to be running for fewer hours over time in the transition to clean power.

• **Advancing pumped storage hydro:** SSE will continue to support policy makers to deliver a practical and workable mechanism that will enable the deployment of long-duration electricity storage projects. Evolution in fair market design will also enable us to continue investing in the UK's energy future. For example, we are keen to progress with our pumped storage project at Coire Glas in Scotland if viable to do so. The project progressed to the Project Assessment stage of Ofgem's Cap and Floor scheme for long-duration electricity storage, under the new long duration energy storage cap and floor mechanism. In June 2026, Coire Glas was included as one of 16 Long Duration Electricity Storage (LDES) projects named in Ofgem's 'Minded-to-Decision' list for receipt of cap and floor investment support. We will now assess the outcome of the LDES project assessment and will engage fully with Ofgem to resolve identified issues before the project can progress.

• **Pathway for decarbonised heat:** SSE will champion the development of investable policy frameworks that enable a cost-effective transition to low-carbon heating technologies. We continue to advocate for supportive policy, funding, and innovation to break down the barriers to heat decarbonisation. Last year we responded to Northern Ireland's Draft Climate Action Plan urging prioritisation of electrification of domestic heat.

Direct climate advocacy during 2025/26

Over the past year, SSE has continued to engage the UK and Irish Governments and regulators to support the delivery of clean power systems.

We contributed to numerous government consultations and responded to calls for evidence and parliamentary enquiries while also liaising with UK and Irish governments to support growth, deliver energy security and meet climate goals whilst mindful of the affordability challenge. SSE also co-hosted the Business of Leading the Energy Transition summit in London, bringing together senior representatives from government, finance and industry to discuss practical actions required to accelerate delivery of clean energy infrastructure. The event focused on overcoming investment barriers, enabling decarbonisation and supporting delivery of the UK's clean energy ambitions. Meanwhile, on the global stage, we attended conferences such as COP30 and New York Climate Week helping to drive widespread climate action.

Our presence at COP30 included many panel discussions, roundtables, bilateral meetings and other events. Described as the 'implementation COP', the energy transition was at the heart of this event. SSE's COP30 engagement included co-chairing the Utilities for Net Zero Alliance (UNEZA) with UAE utility TAQA. UNEZA brings together more than 70 utilities and partners to advance cleaner energy, with members focusing on reliable, resilient and flexible grid infrastructure as a key enabler of clean power and wider decarbonisation. At COP30, UNEZA launched “delivery mechanisms” to accelerate grid investment and address capital flow constraints. SSE also worked with the COP Presidency and Green Grids Initiative to develop principles to help green finance providers, including multilateral development banks, lend to grid projects in developing countries.

SSE also played an active role in shaping the policy framework ahead of Allocation Round 7 (AR7) of the UK's Contracts for Difference (CfD) scheme, advocating for an auction design that would sustain investment in large-scale offshore wind, particularly addressing structural barriers facing Scottish projects. The improved policy environment helped AR7 deliver a record amount of renewable capacity and support the UK's 2030 clean power goals.

SSE played a leading role in the Review of Electricity Market Arrangements (REMA), advocating for Reformed National Pricing, with reforms to strengthen locational signals. We opposed a proposal for Locational Marginal Pricing (LMP) or zonal pricing on the basis that it would increase uncertainty, push up the cost of infrastructure delivery for consumers and delay the transition to a clean power system. We welcomed the government's decisions to instead adopt Reformed National Pricing (RNP) which provides greater stability for low-carbon investment.

SSE has also advocated for the Scottish Cluster through the Comprehensive Spending Review, which marks progress in enabling CCS. For SSE, this supports development of the Peterhead Carbon Capture Power Station, which is designed to enable emissions abatement and reflects the importance of policy as a key enabler in reducing our emissions.

Furthermore, SSE engaged with policy makers and regulators regarding the development of Ofgem's LDES cap and floor framework, advocating for investment in LDES technologies, specifically pumped storage hydro. LDES is integral to reduce curtailment of renewables generation, maintaining system resilience and transitioning our energy systems away from fossil fuels.

SSE's indirect climate policy engagement

Climate advocacy through trade associations

Being a member of trade associations is an important way in which SSE advocates for accelerated progress towards net zero. Trade associations act as a representative body for industries, by putting forward the collective view and position of its members to government, regulators, and the media. They also provide their members with products and services, including training and educational materials, technical advice, and the opportunity to shape standards and guidance for their industry. Participation in these associations allows us to collaborate with our industry peers and provides a means to engage with key policy makers and other stakeholders.

As well as holding regular membership for these trade associations, we are often represented on the boards and committees of key trade associations.

SSE does not contract organisations to undertake lobbying activity for the purposes of influencing public decision making and we regularly review our trade association memberships to ensure that they are still relevant for SSE's business activities.

We seek to ensure that the trade associations of which we are a member also undertake advocacy that aligns with the goals of the Paris Agreement and our own net zero ambitions. We work closely with these trade associations, engaging with them on a continuous basis, and as a result, they are usually well aligned.

Defining climate change standards for alignment

To assess the alignment of trade associations with the Paris Agreement and our net zero strategy, we have established five key principles to reach net zero. These principles were drawn from SSE's Climate Change Policy, which aligns with the goals of the Paris Agreement, and further public statements of principle. SSE, itself, upholds these measures and advocates for others to embed them too. All trade associations included in the scope of the review were assessed against these five key principles. See Appendix A for the full scope and methodology of this review.

1. Acknowledges the serious threat of climate change

SSE recognises the serious threat that climate change poses to the natural world and, therefore, to people and the economy. Physical impacts, such as increased extreme weather, could have an adverse impact on SSE's operations and interrupt the supply of energy to its customers. SSE expects the organisations it is a member of to recognise the serious threat that a climate changed world presents.

2. Supports the goals of the Paris Agreement

SSE welcomed the landmark agreement in 2015, which aims to combat climate change and to accelerate the actions and investments needed for a sustainable low carbon future. SSE supports the overarching aims of the agreement and specifically calls on its trade associations to endorse Article 2.1a to hold the increase in the global average temperature to well below 2°C above pre-industrial levels and pursuing efforts to limit the temperature increase to 1.5°C above pre-industrial levels and Article 4.1 which aims to reach global peaking of greenhouse gas emissions as soon as possible.

3. Supports a strong carbon price

SSE has long advocated for robust carbon pricing, believing it is one of the most effective tools to support the decarbonisation of the UK and Irish economies. SSE has publicly urged the UK Government to commit to a carbon pricing trajectory that will incentivise negative emissions. Given the critical importance that a price on carbon makes to enabling climate action, SSE expects relevant trade associations to advocate for a strong carbon price.

4. Promotes innovation

The scale of SSE's investment in net zero requires continuous innovation, and its approach is to partner with others to develop the technologies, experience and skills that it needs to accelerate projects in support of net zero. SSE is involved in a number of key innovation projects that are helping to trial new technologies and demonstrate their potential business applicability, including smart grid demonstrations and zero-carbon clusters. Trade associations play a very important role in fostering innovative practices at an industry level and, as a result, SSE expects its trade associations to play an active role.

5. Seeks a just transition to net zero

SSE is actively seeking to manage the social impacts of the transition to net zero. In November 2020, SSE published its Just Transition Strategy – 20 principles to support the transition to net zero in a way that is fair to working people, communities, and consumers. The 20 principles sit under five pillars: good green jobs, consumer fairness, building and operating new assets, looking after people in high-carbon jobs and supporting communities. 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 and informed by the views of the people who will be most affected. This is an area of significant importance to SSE, and it believes trade associations provide an excellent framework from which industries can collaborate to bring about fair social outcomes for consumers, working people and communities.

Defining principal trade associations

SSE identifies principal trade associations as outlined in our Political Engagement Statement. In 2025/26, the SSE Group was a member of 12 principal trade associations in our home markets of the UK and Ireland.

The SSE Group is a member of eight principal trade associations in Great Britain: Energy Networks Association, Energy UK, RenewableUK, the Confederation of British Industry, Scottish Renewables, the Carbon Capture and Storage Association, Hydrogen UK and Solar Energy UK. We have representatives on the Boards or Executive Committees of each of these organisations to support good and transparent conduct by these trade associations. Each of these organisations has established committees to oversee their advocacy activities, and we are also represented on each of these committees.

In Ireland, we are a member of four principal trade associations: Electricity Association of Ireland, Wind Energy Ireland, Irish Business and Employers' Confederation and RenewableNI. Our employees participate with each of these organisations at either a Board or committee level, thereby ensuring that we have oversight of the advocacy activities of these associations.

SSE’s current Political Engagement Statement can be accessed through our Group Political and Regulatory Engagement Policy, available at **sse.com/sustainability**.

Framework for addressing misalignment

SSE is committed to ensuring that our climate policy engagement is aligned with the goal of limiting global temperature rise to 1.5°C above pre-industrial levels, in accordance with the objectives of the Paris Agreement.

To support this commitment, we have implemented a framework to identify, assess, and address any misalignments between our own climate ambitions and the policy positions of the trade associations to which we belong. This process includes an annual review of each association’s climate-related advocacy, public statements, and lobbying activities.

Where misalignments are identified, we engage proactively with the relevant associations to advocate for policy positions that are consistent with the Paris Agreement. Continuous policy improvement is important and maintaining membership of trade associations, even if certain positions are misaligned, can provide an opportunity to constructively influence their policy positions and drive meaningful climate action. In circumstances of misalignment, the engagement process is as follows:

- **Sharing SSE’s own climate policy principles** - Clearly set out SSE’s expectations for policy alignment with the goals of the Paris Agreement and our net zero principles.
- **Understand the root cause of any misalignment** - Initiate dialogue with the trade association to clarify its positions on SSE’s net zero principles.
- **Requesting any non-public evidence that may demonstrate alignment** - Ask the trade association to provide any internal papers, presentations or meeting minutes which can better demonstrate alignment with our net zero principles.

If such evidence cannot be provided, further steps will be taken:

- **Develop specific recommendations for addressing policy misalignment** - Work collaboratively with the trade association to develop transparent policy positions that are aligned with goals of the Paris Agreement and our net zero principles.
- **Develop plan to implement recommendations** - Collaborate with the trade association to develop appropriate plan for implementing agreed recommendations and supporting progress towards alignment with the goals of the Paris Agreement and our net zero principles

- **Regular monitoring** - SSE employees responsible for maintaining the relationship with the misaligned trade association will regularly monitor whether the trade association's policy positions evolve to align with the goals of the Paris Agreement and our net zero principles.

If the trade association is unable to provide evidence of demonstrable change in their policy engagement in support of the Paris Agreement, the matter will be escalated. Continued misalignment would result in noncompliance with the expectations set out in SSE's Group Political and Regulatory Engagement Policy. As the named owner of SSE's Group Political and Regulatory Engagement Policy, evidence of misalignment will be escalated to the Managing Director of Regulation and Policy, with continued membership of the misaligned trade association assessed on a case-by-case basis.

Actions taken as a result of previous review

Following its previous assessment, we undertook targeted improvements to our climate policy engagement review, strengthening our alignment with the Global Standard on Responsible Corporate Climate Lobbying and reinforcing our commitment to responsible climate advocacy. In the 2025/26 review, SSE:

- Updated our scoping assessment to consider not only membership fees, but also the sector and country focus of each trade association. This enables a more targeted review of associations with the greatest potential to influence climate policy in our key markets and ensures that all principal trade associations are consistently included in the annual review. Details of the updated scoping assessment are provided in Appendix A.
- Strengthened our framework for addressing misalignment supporting alignment with the Global Standard on Responsible Corporate Climate Lobbying and providing a clear escalation mechanism where potential misalignment is identified.

As a result of the revised scoping assessment, three trade associations previously assessed in 2024/25 are no longer within the scope of the review, primarily because the sectors they represent are not considered core to SSE's activities. Two of these associations, the Association for Decentralised Energy and the Association of University Directors of Estates, were assessed as aligned with SSE's net zero principles in previous years and were therefore considered to present a low risk of holding positions contrary to those principles this year. Charge UK, a trade association focused on electric vehicles, of which SSE is a member through its joint venture, Source, was previously assessed as partially aligned due to limited public evidence of support for SSE's five net zero principles. However, given its focus on decarbonising transport, the risk of misalignment was also considered low.

In addition, following the updated scoping assessment, the British Chambers of Commerce, the International Hydropower Association, and UK Emissions Trading Group were included in the review for the first time.

Finally, we considered whether to incorporate the climate policy engagement review within our mainstream reporting. However, we concluded that the level of detail required to align, on a best endeavours basis, with the Global Standard on Responsible Corporate Climate Lobbying would be more effectively provided through this dedicated report.

Summary of findings from 2025/26 review

Principal trade associations

The 2025/26 review assesses the alignment between SSE's principal trade associations and our net zero principles. Full details of the associations assessed, and membership costs are provided in the appendices, with principal trade association results summarised in Table 1.

Table 1: Alignment of principal trade associations to SSE's individual principles to reach net zero.

Trade Association	Acknowledges the serious threat of climate change	Supports the goals of the Paris Agreement	Supports a strong carbon price	Promotes innovation	Seeks a just transition to net zero
Carbon Capture and Storage Association	🟢	🟢	🟢	🟢	🟢
Confederation of British Industry	🟢	🟢	🟢	🟢	🟢
Electricity Association of Ireland	🟢	🟢	🟢	🟢	🟢
Energy Networks Association	🟢	🟢	🟢	🟢	🟢
Energy UK	🟢	🟢	🟢	🟢	🟢
Hydrogen UK	🟢	🟢	🟢	🟢	🟢
Irish Business and Employer Confederation	🟢	🟢	🟢	🟢	🟢
RenewableNI	🟢	🟢	🟢	🟢	🟢
RenewableUK	🟢	🟢	🟢	🟢	🟢
Scottish Renewables	🟢	🟢	🟢	🟢	🟢
Solar Energy UK	🟢	🟢	🟢	🟢	🟢
Wind Energy Ireland	🟢	🟢	🟡	🟢	🟢

🟢 Aligned 🟡 Partially aligned 🔴 Misaligned

During 2025/26, we were members of twelve principal trade associations, and all associations were assessed as being aligned overall with our five principles to reach net zero.

Consistently strong alignment with our net zero principles were identified across the principal trade associations assessed. Associations recognised climate change as a significant risk requiring urgent action, with many underscoring the economic consequences of inaction on climate change and highlighting the need for climate adaptation and resilience.

All principal trade associations supported net zero pathways consistent with the goals of the Paris Agreement. While the Paris Agreement is not always referenced explicitly in public-facing materials, associations commonly express support for its key objective through advocating for net zero. Additionally, principal trade associations continued to advocate for decarbonisation as a means of improving energy security, supporting economic growth and reducing exposure to fossil fuel price volatility.

The assessment also found broad alignment with our expectations regarding the promotion of innovation and investment in technologies required to deliver the energy transition. Associations further emphasised the need for skills development and workforce capability to support innovation and enable the successful deployment of low-carbon technologies.

Similarly, principal trade associations generally recognised the importance of ensuring the energy transition is delivered in a fair and inclusive manner, with consideration given to consumers, communities, workers and wider economic opportunities. While the principles of a just transition are widely acknowledged, the extent to which they were explicitly addressed varied across trade association publications. Some associations could strengthen their alignment by publishing clearer or more detailed policy positions on delivering a just transition.

The majority of principal trade associations demonstrated support for a strong carbon price, with many explicitly advocating for the linkage of the UK Emissions Trading System (ETS) with the EU ETS. This position reflects a shared recognition that robust and stable carbon pricing is an important mechanism to incentivise decarbonisation and unlock low-carbon investment.

As in previous reviews, Wind Energy Ireland did not explicitly advocate for a strong carbon price and was therefore assessed as only partially aligned against this individual principle. However, it demonstrated broader support for emissions reduction and low-carbon generation and remained aligned overall with SSE's net zero principles.

Overall, the review did not identify any principal trade association advocating positions that were materially misaligned with SSE's net zero principles or the objectives of the Paris Agreement.

Other trade associations

A further seven trade associations were considered within scope of this review. Table 2 below provides a summary of the results for the other trade associations detailed assessments.

Overall, the review did not identify any additional trade association advocating positions that were materially misaligned with SSE's net zero principles or the objectives of the Paris Agreement. The six trade associations assessed as aligned generally demonstrated strong support for climate action, the goals of the Paris Agreement and the deployment of innovative low-carbon technologies. Associations representing renewable energy sectors and international emissions trading markets showed particularly strong alignment with SSE's net zero principles, recognising the need for rapid decarbonisation and the role of clean energy and carbon markets in delivering net zero.

The UK Emissions Trading Group (UK ETG) was assessed as partially aligned due to limited publicly available evidence demonstrating support across all five of SSE's net zero principles. While it showed clear support for emissions trading, decarbonisation and carbon pricing, its positions on the goals of the Paris Agreement and a just transition were less explicit than those of other associations assessed.

Table 2: Alignment of all other trade associations to SSE's individual principles to reach net zero.

Trade Association	Acknowledges the serious threat of climate change	Supports the goals of the Paris Agreement	Supports a strong carbon price	Promotes innovation	Seeks a just transition to net zero
British Chambers of Commerce	● Aligned	● Aligned	● Aligned	● Aligned	● Aligned
Global Wind Energy Council	● Aligned	● Aligned	● Aligned	● Aligned	● Aligned
International Emissions Trading Association	● Aligned	● Aligned	● Aligned	● Aligned	● Aligned
International Hydro Association	● Aligned	● Aligned	● Partially aligned	● Aligned	● Aligned
NedZero	● Aligned	● Aligned	● Aligned	● Aligned	● Aligned
UK Emissions Trading Group	● Aligned	● Partially aligned	● Aligned	● Aligned	● Partially aligned
Wind Europe	● Aligned	● Aligned	● Aligned	● Aligned	● Aligned

● **Aligned** ● **Partially aligned** ● **Misaligned**

Conclusion and next steps

The climate policy landscape became more complex during 2025/26, with political consensus on climate action continuing to fragment, increased scrutiny of the 1.5°C goal achievability, and a growing emphasis on energy security, affordability and competitiveness. Against this backdrop, transparent and responsible climate advocacy remains essential to support effective policymaking and the transition to a low-carbon economy.

SSE's direct and indirect climate advocacy continues to align with our net zero commitments and the goals of the Paris Agreement. Through investment in clean energy infrastructure, emissions reduction and engagement with policymakers, regulators and industry bodies, we continue to support the transition to a cleaner, more secure and more affordable energy system.

This review found that all twelve of SSE's principal trade associations remain broadly aligned with our five net zero principles. No association was identified as advocating for positions that conflict with our climate ambitions or the objectives of the Paris Agreement. While some organisations could strengthen their public positions on issues such as carbon pricing and a just transition, no material decline in alignment was identified.

The review also reinforces the value of continued engagement. We believe constructive participation in trade associations is effective in advancing climate policy alignment and supporting practical decarbonisation solutions across the energy sector.

This year, we further strengthened transparency by providing a more detailed account of our direct climate advocacy activities, trade association alignment assessments and policy for advocacy misalignment. In addition, the trade association assessment framework has also been strengthened. These improvements seek to provide further clarity on SSE's climate advocacy and our approach to maintaining alignment with our net zero commitments.

Looking ahead, climate advocacy will remain an important part of our Net Zero Transition Plan, to support the delivery of clean power, network expansion, offshore wind, long-duration energy storage and the decarbonisation of flexible generation.

During 2026/27, we will:

- Continue to review our trade association alignment and publish an update on our climate advocacy annually.
- Apply our misalignment framework where policy differences are identified.
- Engage constructively with trade associations to support continued alignment with the Paris Agreement.
- Enhance transparency on direct and indirect climate advocacy.
- Support policies that accelerate clean power infrastructure and the wider energy transition.

SSE remains committed to ensuring our advocacy activities, both direct and through trade associations, support an orderly, fair and accelerated transition to a net zero energy system.

Appendix A: Scope & methodology for trade association review

Scope

Representatives from Sustainability, Policy and Regulation, together with relevant Business Units, provided details of trade association memberships held between 1 April 2025 and 31 March 2026. These memberships were screened to determine whether they fell within the scope of the review.

Our objective is to focus detailed assessment on trade associations that are most relevant to our operations, and which have the greatest potential to influence climate-related policy outcomes. To support this, each organisation was assessed against a scoping matrix covering membership cost, geographic relevance and sector relevance. Associations meeting the inclusion threshold, were subject to detailed climate advocacy assessment.

Associations where assigned a score out of five for each of the following categories:

a) **Membership cost**: Our annual membership cost.
b) **Geography:** Both our operations in the given market and the potential for advocacy in the market to influence global climate policy.
c) **Sector:** How the sector contributes to our strategy.

Score	1	2	3	4	5
Membership cost	**Very Low:** < £10,000	**Low:** £10,000 - £29,999	**Medium:** £30,000 - £49,999	**High:** £50,000 - £99,999	**Very High:** > £100,00
Geography	**Emerging Markets:** Japan, Netherlands, Poland	**Smaller Markets:** France, Greece, Italy, Spain	**Devolved Markets:** England, Northern Ireland, Scotland	**National & Regional Markets:** United Kingdom, Republic of Ireland, European	**Global Markets:** Worldwide
Sectors	**Business & Industry Support:** Chambers of Commerce, Engineering, Land Use, Other	**Customer Solutions:** Heat Networks, EV Charging, Energy Sales	**Emerging Technologies:** Solar, Batteries, Hydrogen, Carbon Capture	**Generation Projects:** Offshore Wind, Onshore Wind, Hydropower, Thermal	**Electricity System:** Electricity Networks, Energy Market Design

The scores for each of the three categories were added to obtain a total score out of 15. All associations scoring 9 or above were included within the scope of this review.

We were members of 78 trade associations during 2025/26. Appendix B lists these associations, indicating whether each was included in or excluded from the review and, where included its alignment status.

Following the assessment of trade associations using the scoping matrix, 19 trade associations were identified, and detailed climate advocacy assessments where then carried out for these trade associations.

Methodology

For the trade associations considered within scope for this review, we applied a bespoke methodology to assess our associations' positions on climate change. The detail of this methodology is provided below.

Determining key principles on climate change

To assess the alignment of trade associations with the goals of the Paris Agreement and SSE's net zero strategy, we established five key principles to reach net zero. These principles were drawn from SSE's Climate Change Policy, which aligns with the goals of the Paris Agreement, and further public statements of principle. All trade associations included in the scope of the review were assessed against these five key principles.

Data collection and analysis

All data collection was carried out by our core project team using desk-based research methods. We accessed open-source information available through publicly accessible websites, official publications, organisational policies, and media statements made by spokespersons. Where possible, we attempted to find data sources which were published within the 2025/26 financial year. However, sources produced prior to 1st April 2025 were also considered for this assessment. We maintained all collected data in a centrally stored database, which was subsequently used to support the data analysis phase of the review.

During the research phase, we utilised primary data sources and applied informed subjective judgement to assess each trade association's alignment with our five key principles for achieving net zero. To substantiate their judgement, each researcher provided direct evidence and a link to the source text where alignment was deemed to be achieved. The links were then peer reviewed.

Scoring methodology

Once the data was collected and validated, we applied a weighted scoring framework to the information gathered. A higher weighting was placed on trade associations' support for the goals of the Paris Agreement. Each trade association needed to show explicit support for the goals of the Paris Agreement and meet at least two of our key principles on the acknowledgement of the threat of climate change, support of a carbon price, embrace innovation and seek a just transition to be considered as aligned to our climate strategy and ambitions. Trade associations were categorised into one of the following classifications based on their weighted scoring:

Aligned

Trade associations were deemed aligned overall with our key principles on climate change if they:

- Support the goals of the Paris Agreement; and met two of the following criteria
- Acknowledge the serious threat of climate change;
- Support a strong carbon price;
- Seek a just transition to net zero; or
- Promote innovation.

Partially aligned

Trade associations were deemed to be partially aligned with our key principles on climate change if they:

- Did not explicitly support the goals of the Paris Agreement; and/or
- Did not meet the threshold to be considered aligned to SSE's principles on climate change but did not hold opposing positions.

Misalignment

Trade associations were deemed to be misaligned if they were found to be advocating in contradiction to any of our five key principles on climate change.

Appendix B: SSE's trade association memberships

Trade Association	Alignment Status	Scope
British Chambers of Commerce	Aligned	Included
Carbon Capture and Storage Association	Aligned	Included
Confederation of British Industry	Aligned	Included
Electricity Association of Ireland	Aligned	Included
Energy Networks Association	Aligned	Included
Energy UK	Aligned	Included
Global Wind Energy Council	Aligned	Included
Hydrogen UK	Aligned	Included
International Emissions Trading Association	Aligned	Included
International Hydropower Association	Aligned	Included
Irish Business and Employers Confederation	Aligned	Included
NedZero	Aligned	Included
RenewableNI	Aligned	Included
RenewableUK	Aligned	Included
Scottish Renewables	Aligned	Included
Solar Energy UK	Aligned	Included
UK Emissions Trading Group	Partially Aligned	Included
Wind Energy Ireland	Aligned	Included
WindEurope	Aligned	Included

Trade association	Alignment Status	Scope
Aberdeen and Grampian Chamber of Commerce	n/a	Excluded
Amorce	n/a	Excluded
Arklow & District Chamber of Commerce	n/a	Excluded
Asociación de energías renovables	n/a	Excluded
Asociación de Energías Renovables de Andalucía	n/a	Excluded
Asociación de Promotores de Energía Eólica de Castilla y León	n/a	Excluded
Asociación Empresarial Eólica (AEE)	n/a	Excluded
Association for Decentralised Energy (ADE)	n/a	Excluded
Association of Scottish Visitor Attractions (ASVA)	n/a	Excluded
Associazione Nazionale Energia del Vento (ANEV)	n/a	Excluded
British Controls Industry Association	n/a	Excluded
British Electrotechnical and Allied Manufacturers' Association	n/a	Excluded
British Irish Chamber of Commerce	n/a	Excluded
British Ports Association	n/a	Excluded
Caithness Chamber of Commerce	n/a	Excluded
Chambers Ireland	n/a	Excluded
Charge UK	n/a	Excluded
Cluster de la Energía de Aragón	n/a	Excluded
Community Energy England	n/a	Excluded
Community Energy Scotland	n/a	Excluded
Cumann Trachtala Corcaighe (The Cork Chamber of Commerce)	n/a	Excluded
Decarb Scotland	n/a	Excluded
Dublin Chamber of Commerce	n/a	Excluded
Electricity Storage Network (Regen)	n/a	Excluded
Ellinikos Syndesmos ESIAPE	n/a	Excluded
Energie Nederland	n/a	Excluded
Energy Networks Association	n/a	Excluded
Energy Storage Ireland	n/a	Excluded
Fédération Française des Producteurs Agrivoltaïques	n/a	Excluded

France Renouvelables	n/a	Excluded
Heat Networks Industry Council	n/a	Excluded
Hellenic Wind Energy Association	n/a	Excluded
Hydrogen Ireland	n/a	Excluded
Industrial & Commercial Shippers & Suppliers	n/a	Excluded
Inverness Chamber of Commerce	n/a	Excluded
Irish Solar Energy Association	n/a	Excluded
Japanese Wind Power Association	n/a	Excluded
Letterkenny Chamber of Commerce & Industry	n/a	Excluded
Limerick Chamber	n/a	Excluded
Marine Renewables Industry Association Ireland	n/a	Excluded
Midlothian and East Lothian Chamber of Commerce	n/a	Excluded
Moray Chamber of Commerce	n/a	Excluded
National Farmers' Union of Scotland	n/a	Excluded
NedZero	n/a	Excluded
Northern Ireland Chamber of Co	n/a	Excluded
Polish Renewable Energy Association	n/a	Excluded
Polish Solar Association	n/a	Excluded
Polish Wind Energy Association	n/a	Excluded
Prosper	n/a	Excluded
Regen	n/a	Excluded
Renewable Energy Association for Sustainable Power Supply	n/a	Excluded
Scottish Chambers of Commerce Ltd	n/a	Excluded
Scottish Hydrogen and Fuel Cell Association	n/a	Excluded
Scottish Land & Estates	n/a	Excluded
Spanish Storage association	n/a	Excluded
Syndicat des Energies Renouvelables	n/a	Excluded
UK District Energy Association	n/a	Excluded
UK 100	n/a	Excluded
Underground Energy Storage Operators	n/a	Excluded

Unión Española Fotovoltaica	n/a	Excluded
West Highland Chamber of Commerce	n/a	Excluded
Wicklow Town & District Chamber of Commerce	n/a	Excluded

Appendix C: Trade association membership costs

Membership cost (£)	Trade association
> 500,000	Energy Networks Association
250,000 - < 500,000	Energy UK.
100,000 - < 250,000	Irish Business and Employers Confederation.
50,000 - < 100,000	British Chambers of Commerce; NedZero; RenewableUK.
30,000 - < 50,000	Electricity Association of Ireland; Global Wind Energy Council; Scottish Renewables; Solar Energy UK.
15,000 - < 30,000	Carbon Capture and Storage Association; Confederation of British Industry; Hydrogen UK; International Emissions Trading Association; Wind Energy Ireland; WindEurope.
10,000 - < 15,000	RenewableNI.
< 10,000	International Hydropower Association; UK Emissions Trading Group.