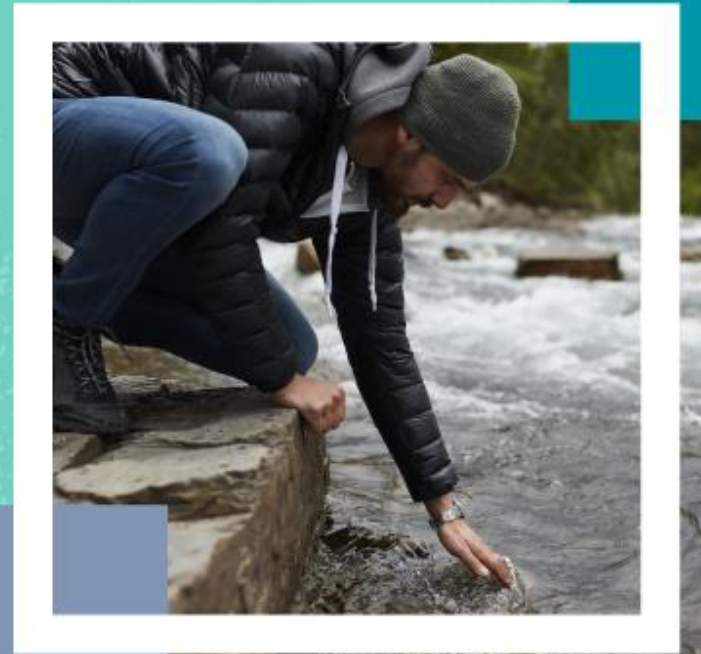


The energy transition in a changing world

SSE ESG Investor Roundtable

September 2026



ESG investor roundtable

Setting the scene

Introduction

Sustainability in a changing energy system

Building a resilient energy future

Delivering a transition that works for all

20 – 30 mins

Michael Livingston

Dame Angela Strank

Martin Pibworth

Rhian Kelly

Roundtable discussion

30 – 60 mins

A focused conversation on the energy transition

Sustainability in a changing energy system

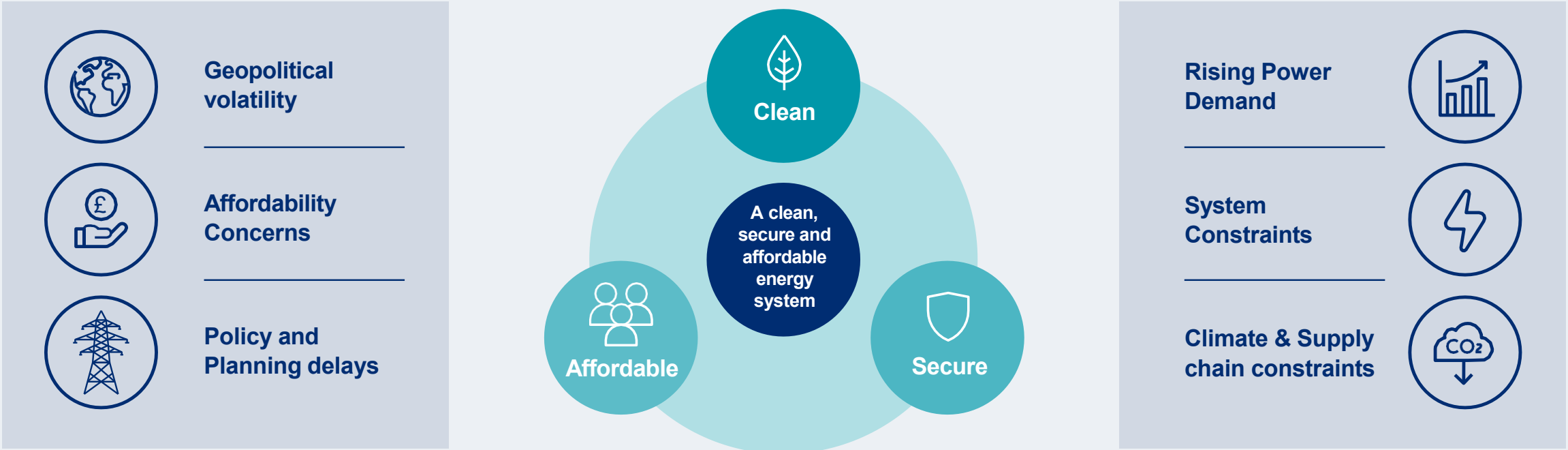
Dame Angela Strank

Non-Executive Director and Chair of the Safety, Sustainability, Health and Environment Advisory Committee



Sustainability in a changing energy system

The energy trilemma remains unchanged, but the environment in which we operate continues to evolve



We are investing today to make electricity clean, affordable and available for all



Building a resilient energy future

Martin Pibworth

Chief Executive Officer



Evolving with the energy transition



Building the foundation of the system

Hydro and thermal assets provided secure, reliable power while SSE scaled renewables



Enabling the next phase of transition

Transmission investment is critical to connect growing demand with clean power



Expanding where we create value

Renewables, flexibility and networks provide the next phase of value creation

Significant progress in reducing emissions

Scope 1 GHG intensity
(gCO₂/kWh)



55%

Reduction in Scope 1 & 2 emissions since 2017/18



42%

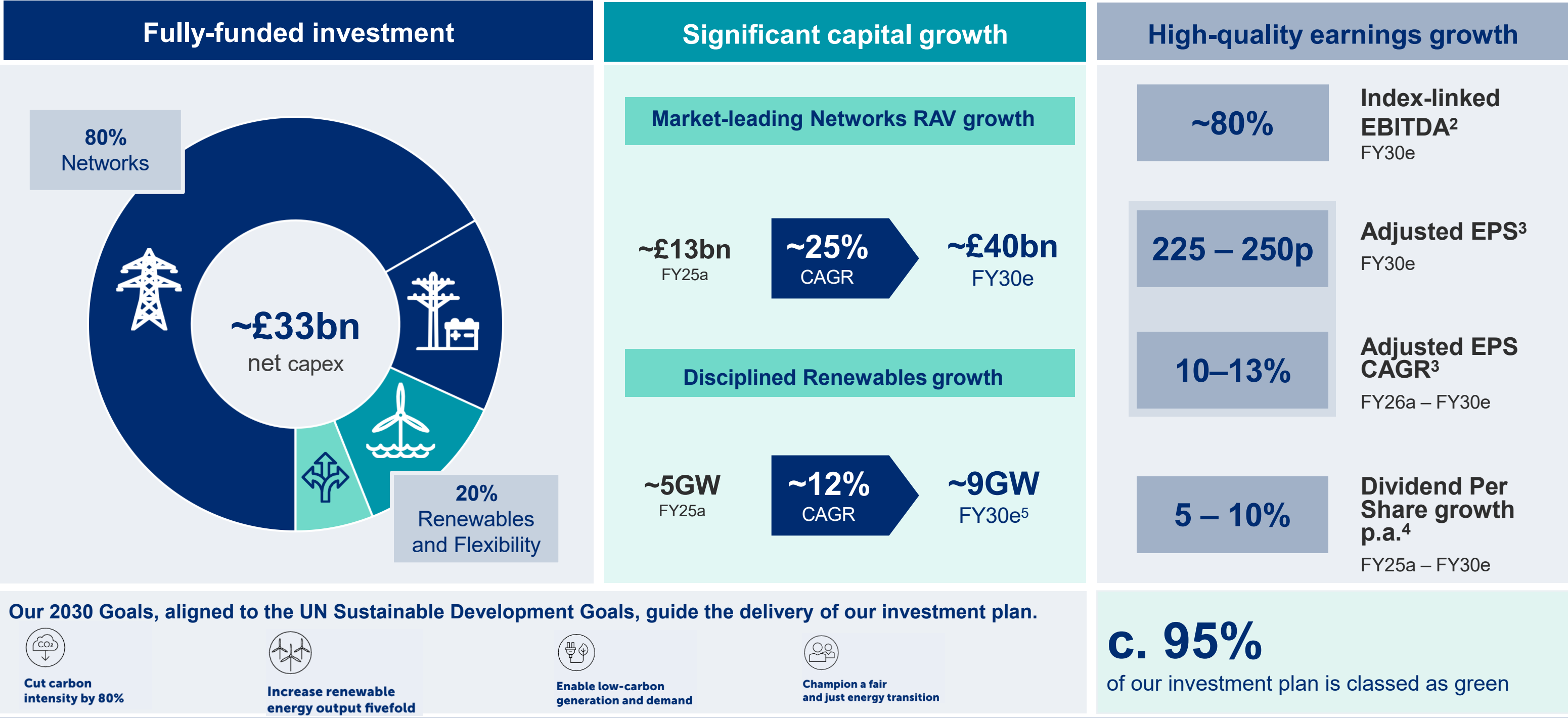
Reduction in total reported GHG emissions since 2017/18



61%

of suppliers by spend with science-based targets set or committed

Our transformational five-year investment plan



¹ Gross of 25% minority interest in SSEN Transmission

² Being adjusted EBITDA which is underpinned by an index-linked revenue stream

³ Adjusted CAGR reflecting a FY26 baseline, reflecting the increased share count from Nov 2025

⁴ Annual Dividend Per Share growth of between 5 – 10% from an unaltered 64.2p FY25 baseline

⁵ Before any asset disposals / capital rotation

The need for energy investment has never been clearer

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British energy price cap to rise 4% as Iran war pushes up costs

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Gas 'Winter panic': EU gas stores at their lowest level in 13 years

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Climate crisis Global heating will hit at least 1.8C, UN warns, and there are 'no good outcomes'

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Countries scale back EU plans to fund cross-country energy grids

UK energy [+ Add to myFT](#)

UK energy costs likely to halve by 2050, says system operator

Modelling by independent body Neso forecasts sharp fall in expenditure from 10% of GDP as shift to renewables continues



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Summer 2026 was UK's hottest on record, Met Office says

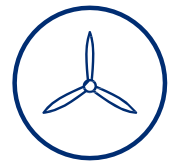
Pathway to lower, more stable bills

Why Is Change Needed?

~70%

Of the increase in domestic energy since 2017 has been driven by commodity prices and inflation.
Reducing exposure to volatile global gas prices is central to affordability

How do we get there?



Homegrown Energy

Lower exposure to global fuel prices



Networks Build-out

Connecting generation and demand



Increased electrification

Lower costs through greater efficiency



Fairer policy costs allocation can accelerate adoption and improve affordability

What would it look like?

~£1,000

Potential annual household saving by 2050

~30%

saving from switching to an EV

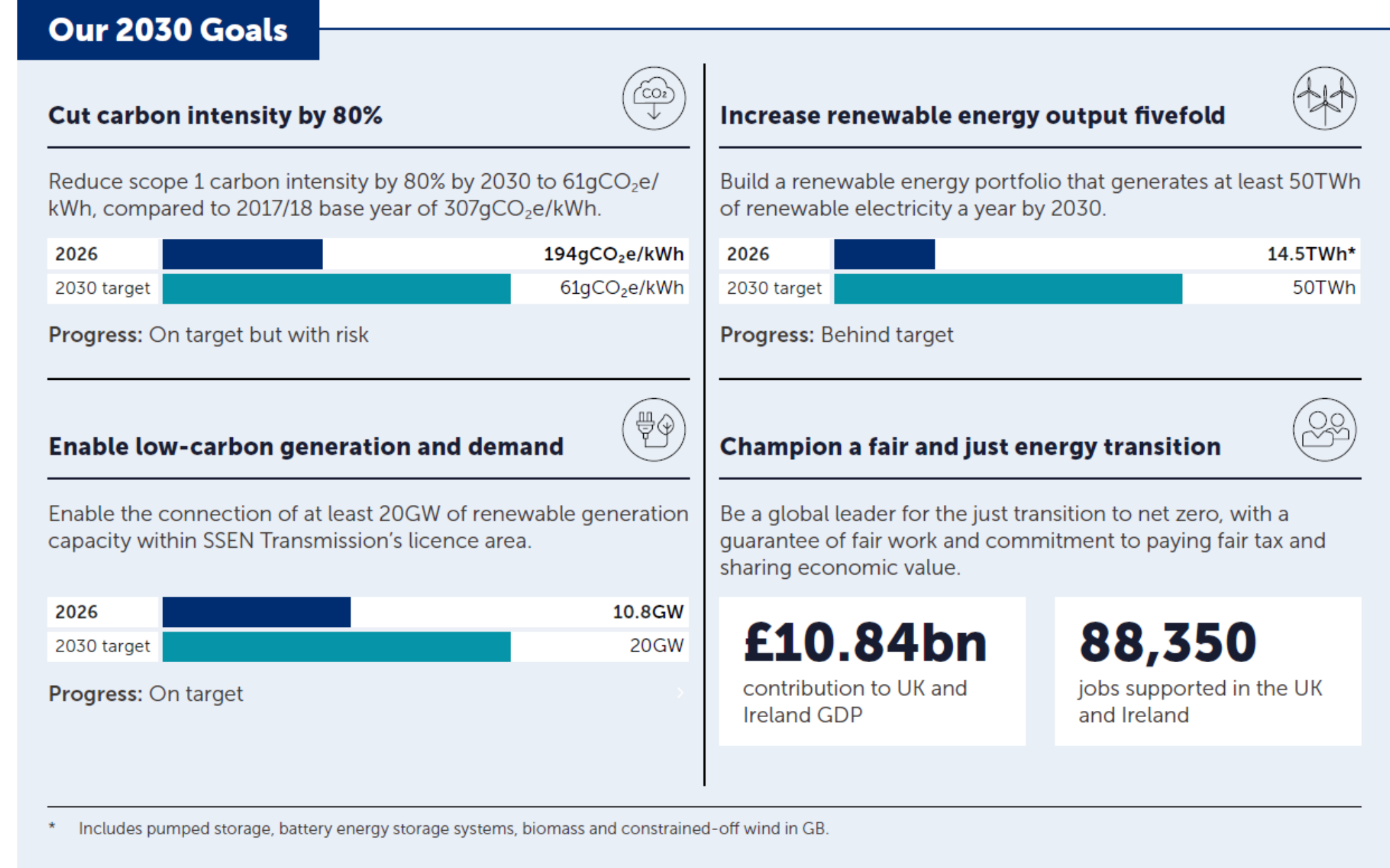
~5%

from usage of heat pump

Investment today can reduce exposure to volatile fuels and deliver lower, more stable energy costs over time



Our 2030 Goals progress in 2025/26



Delivering a transition that works for all

Rhian Kelly

Chief Sustainability Officer



Our Net Zero Transition Plan

	Near term (2025 - 2035)				Long term (2035 - 2050)	
	2025				2035	2050
Targets		Carbon intensity Reduce the carbon intensity of scope 1 GHG emissions by 80% by 2030, from a 2017/18 base year.	Absolute emissions Reduce absolute scope 1 GHG emissions by 72.5% by 2030, from a 2017/18 base year. Reduce absolute scope 2 GHG emissions by 57% 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 67.2% by 2034 from a 2017/18 base year.	
					Scope 1 and 2 Net zero for SSE’s scope 1 and 2 GHG emissions by 2040.	Scope 3 Net zero for all SSE’s remaining scope 3 GHG 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				

Progress against our science-based targets

2025/26 progress

Scopes 1 and 2

Carbon intensity of Scope 1 GHG emissions reduction

194gCO₂e/kWh

Reduce the carbon intensity of scope 1 GHG emissions



Absolute Scope 1 and 2 GHG emissions

4.93MtCO₂e

Reduce absolute scope 1 and 2 GHG emissions



Scope 3

GHG emissions from use of products sold

1.73MtCO₂e

Reduce absolute GHG emissions from use of products sold



Suppliers by spend setting science-based targets

61% of suppliers

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



Addressing interconnected issues

The example of Shetland



Building infrastructure critical to the transition

- Viking Wind Farm (443MW) will generate enough renewable energy to **power around 500,000 homes***.
- Our Shetland Strategy will deliver an integrated transmission solution that supports the growing number of renewable energy projects on the islands.



Increasing resilience on the Shetland Islands

- Our 260km Shetland HVDC Link **connected Shetland to the GB mainland for the first time.**
- This will unlock Shetland's renewable energy potential and enhance energy security and resilience.



Supporting local communities

- Viking Wind Farm has generated **£80m of investment** for Shetland's economy and supported around **400 jobs**.
- Around **£72m of community benefit funding** is provided over the 25-year lifetime of Viking Wind Farm.



Restoring local habitats

Over **260 hectares** of significantly damaged and eroded **peatland habitat will be restored** as part of the Viking Wind Farm project.



* 475,099 homes powered per annum based on annual GB average domestic household consumption base of 3.781MWh published by the Department of Business, Energy and Industrial Strategy (BEIS) as of November 2018, and projected total generation output by Viking Wind Farm of 1,796.35 GWh per annum.

Roundtable: Navigating a shifting landscape



Thank You

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