

Sir John Manzoni

**SSE plc**  
Inveralmond House  
200 Dunkeld Road  
Perth  
PH1 3AQ

Telephone: 01738 455150

28 July 2020

Dear John

The Board of SSE plc ('the Company') offers you the position of non-Executive Director. I am writing to set out the terms of your appointment. It is agreed that this is a contract for services and is not a contract of employment.

By accepting this appointment, you confirm that you are not subject to any restrictions that prevent you from being a Director. Please also see contents of Listing Rule 9.6.13 attached in Appendix 1 and forward any relevant information in respect of this rule to the Company Secretary.

#### **1. Appointment**

Your appointment as non-Executive Director will be for an initial term of three years commencing on 1 September, unless otherwise terminated earlier by and at the discretion of either party upon one month's written notice. Continuation of your contract of appointment is contingent on satisfactory performance and re-election by shareholders at forthcoming AGMs. Non-Executive Directors are typically expected to serve two three-year terms, although the Board may invite you to serve for an additional period.

It is expected that you will become Chair of the Company with effect from 1 April 2021. Your appointment under this letter shall terminate automatically on the date you become Chair of the Company.

Your appointment will be subject to the Articles of Association of the Company. If, in accordance with the requirements or provisions of the Articles, your appointment should come to an end for any reason before the end of the period referred to in this clause, it is understood that you would not have any claim for loss of office.

#### **2. Time Commitment**

Overall, we anticipate a time commitment on average of up to one and a half days per month after the induction phase outlined in paragraph 7. This will typically include attendance at: (normally) 6 Board meetings per annum; Board Dinners; Board Committee meetings; the AGM; other general meetings of shareholders; and separate meetings of non-Executive Directors where required. In each month where

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there is not a Board meeting, there is a Board conference call to update the Directors on the general business of the SSE Group.

There may also be an occasional Board away day, and you will be expected to undertake separately at least one site visit per year. In addition, you will be expected to devote appropriate preparation time ahead of each meeting. You may also be expected to become a member of one or more Committees of the Board.

By accepting this appointment, you have confirmed that you are able to allocate sufficient time to meet the expectations of your role. The agreement of the Board should be sought before accepting additional commitments that might affect the time you are able to devote to your role as a non-Executive Director of the Company.

### **3. Role**

Non-Executive Directors have the same general legal responsibilities to the Company as any other Director and the duties normally required of a non-Executive Director are outlined in **Schedule 1** of this letter. You will have regard to relevant obligations under prevailing law and regulation, including the Companies Act 2006, the UK Corporate Governance Code and associated guidance, the Market Abuse Regulations and the UK Listing Authority's Listing, Prospectus Regulation and Disclosure and Transparency Rules. You should also have regard to the Guidance on Board Effectiveness, issued by the Financial Reporting Council in July 2018, an extract of which is included in **Schedule 2** of this letter.

### **4. Fees**

You will be paid a fee of £71,966 gross per annum (this is SSE's 2020/21 non-Executive Director fee) which will be paid monthly in arrears (less any deductions the Company is required to make by law), and which will be subject to review by the Board during the continuance of your appointment. The Company will reimburse you for all reasonable and properly documented expenses you incur in performing the duties of your office.

Non-Executive Directors are not entitled to participate in the Company's bonus or share option schemes.

On termination of your appointment, you shall only be entitled to such fees as may have accrued to the date of termination, together with reimbursement in the normal way of any expenses properly incurred before that date.

### **5. Outside interests**

It is accepted and acknowledged that you have business interests other than those of the Company and have declared any conflicts or potential conflicts that are apparent at present. In the event that you become aware of any other conflicts or potential conflicts of interest, these should be disclosed to the Chairman and Company Secretary as soon as apparent. In accordance with the normal procedure, the Board will then need to consider your position and decide whether to approve any conflict and, if so, on what basis.

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You will not, without the prior written consent of the Company, during the period of your appointment, be engaged in or concerned with any business which conflicts with any business carried out by the Company.

The Board has determined that you are independent according to the provisions of the UK Corporate Governance Code.

#### **6. Confidentiality and Share Transactions**

All information acquired during your appointment is confidential to the Company and should not be released, either during your appointment or following termination (by whatever means), to third parties without prior clearance from the Chairman.

Your attention is also drawn to the requirements under both legislation and regulation as to the disclosure of price sensitive information. You should avoid making any statements that might risk a breach of these requirements without prior clearance from the Chairman or Company Secretary.

During the appointment, you will comply with the rules adopted by the Company governing dealings by the Directors in the shares of the Company. You will receive a copy of these rules from the Company Secretary. The Board has adopted a policy on Directors' shareholdings, which provides that each non-Executive Director should own at least 2,000 shares in the Company.

#### **7. Induction**

Immediately after appointment, the Company will provide a comprehensive, formal and tailored induction. It will also arrange for site visits and meetings with management and the Company's auditors. As a member of the Board, you will receive weekly Company updates, regular broker reports and views of major shareholders.

#### **8. Review Process**

The performance of individual Directors and the whole Board and its Committees will be evaluated annually. If, in the interim, there are any matters which cause you concern about your role you should discuss them with the Chairman as soon as is appropriate.

#### **9. Insurance**

The Company has Directors' and Officers' Liability Insurance and it is intended to maintain such cover for the full term of your appointment. The current indemnity limit is £130m and details are available from the Company Secretary.

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**10. Independent professional advice**

Occasions may arise when you consider that you need professional advice in the furtherance of your duties as a Director. Circumstances may occur when it will be appropriate for you to seek advice from independent advisors at the Company's expense. The Company will reimburse the full cost of expenditure incurred in accordance with the policy, which is available from the Company Secretary

**11. Data Protection**

The Company will collect and process information relating to you in accordance with the GDPR and the privacy notice a copy of which can be found at <https://www.sse.com/privacy-notice>.

Would you please sign and return the enclosed copy of this letter to acknowledge your acceptance of the provisions in this letter.

Yours sincerely



**Sally Fairbairn**  
Company Secretary and Director of Investor Relations

I have received the letter which this is a duplicate and confirm my acceptance of the provisions set out in it.

Signature 

Date 29 July 2020