

Our strategy continued

SSE's Net Zero Acceleration Programme

A combination of confidence derived from strong delivery in 2021/22, rising inflation, higher commodity price expectations and the value-creation potential of flexible generation assets has led to an upgrading of SSE's adjusted EPS CAGR forecast to 2026.

A fully-funded plan to 2026

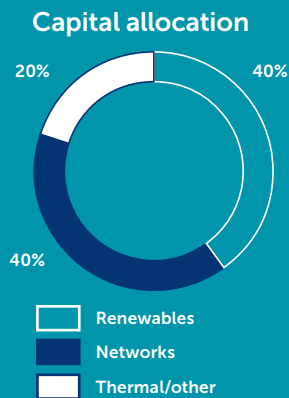
In November 2021, SSE announced its Net Zero Acceleration Programme to add impetus to decarbonisation of the energy system and consolidate its standing as a national clean energy champion in both the UK and Ireland.

Central to the Net Zero Acceleration Programme are a fully-funded £12.5bn capital expenditure plan to 2026 focused on low-carbon electricity assets and infrastructure, and ambitious 2031 targets aligned to a 1.5°C global warming pathway.

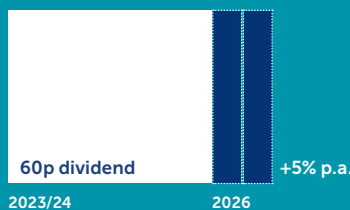
Events in the months since November 2021 have underscored SSE's belief that its net zero focused strategy, delivered by a balanced mix of market-based and economically-regulated businesses, offers the optimal route to sustainable growth for the Group and value creation for all stakeholders.

Planned investment
£12.5bn

7-10%
Adjusted EPS CAGR growth projected by March 2026 from 2020/21 baseline of 87.5p



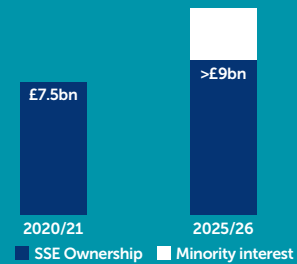
+5%
Rebased dividend at 60p from 2023/24 to grow at least 5% p.a. to March 2026



A growth-focused dividend policy

SSE's Net Zero Acceleration Programme called for a dividend plan aligned to an ambitious new growth profile. Accordingly, after meeting its existing commitment to target RPI increases to 2022/23, it will rebase the dividend to 60p in 2023/24 before targeting at least 5% increases in 2024/25 and 2025/26.

>10%
Networks RAV growth of +10% gross CAGR



+100%
renewables capacity growth, delivering 4GW addition to 8GW net





Ambitions to 2031 and beyond

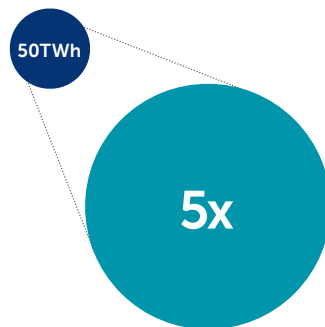
In support of SSE's acceleration to net zero, ambitious business growth targets have been set for renewables and networks (see right) and medium- and long-term climate goals have been revised (see below) to align to the power sector's global warming criteria of...

1.5°C

More on pages 18 to 19

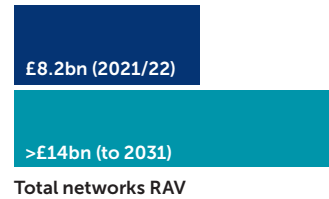
5x

increase in renewables output to 50Twh p.a. plus maintaining a 15GW pipeline with 1GW net additions annually



>£14bn

Total networks RAV by 2031



A net zero roadmap to 2050

Short-term investment cycle

- Fully-funded £12.5bn capex to 2026 at the heart of SSE's Net Zero Acceleration Programme.
- Growth-focused plan will account for around 20% of the UK's revised 50GW offshore wind target and 20% of UK electricity networks investment.

5-YEAR

Medium-term targets

New, interim science-based climate goals to 2030:

- Cut carbon intensity by 80%;
- Increase renewable energy output fivefold;
- Enable low-carbon generation and demand;
- Champion a fair and just energy transition.

10-YEAR

Long-term transition plan

Commitment to achieving net zero greenhouse gas (GHG) emissions across all SSE operations by 2050 at the latest, covering scope 1, 2 and 3 GHG emissions.

30-YEAR