

UK-listed integrated energy group focused on regulated electricity networks combined with renewable and flexible energy generation technologies



13 – 16% annual Adj. EPS growth expected across the plan, targeting 175 – 200p by FY27¹



Strong and stable balance sheet with >90% of debt book at fixed rates, and well within investment grade credit ratings



4.5GW Renewables operational capacity, with 2.8GW in construction plus a secured development pipeline of c.17GW



£9.6bn GB Transmission and Distribution networks RAV, with double digit annual RAV growth expected to enable net zero

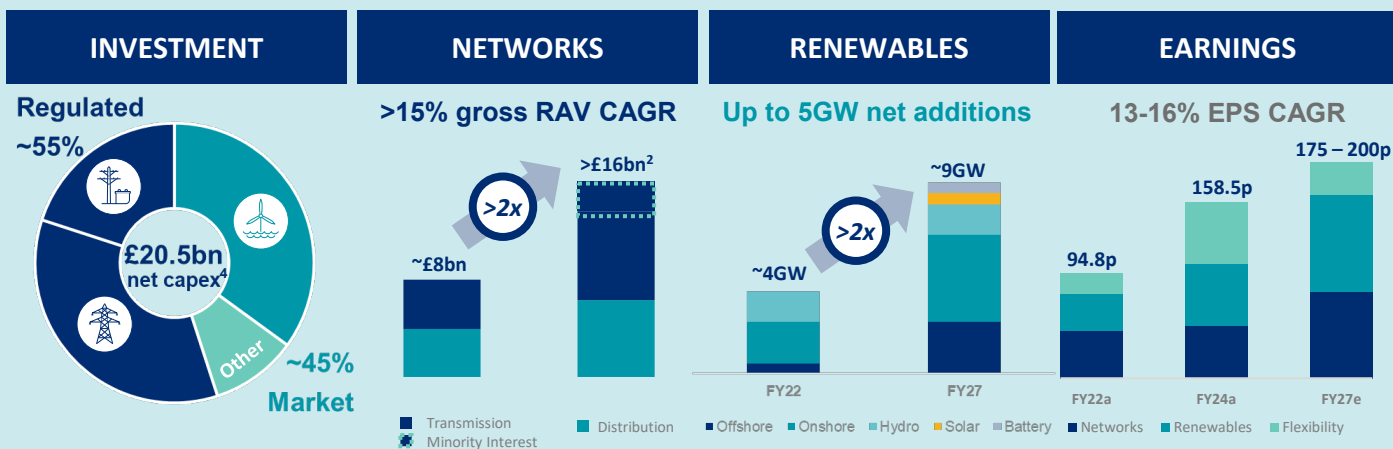


Commitment to 1.5-degree science-based carbon targets and leading Just Transition strategy



Growth enabling dividend plan targeting between 5 – 10% growth p.a. out to FY27³

NET ZERO ACCELERATION PROGRAMME PLUS: 5 YEAR INVESTMENT PLAN TO 2027



MAINTAINING ATTRACTIVE TARGET RETURNS⁵

Common capabilities across the Group drive favourable returns

Offshore wind



At least 11%
Equity returns on Joint Venture projects, excluding developer profits

Electricity networks



7-9%
Return on equity (RoE)⁶

Onshore wind



100-400 bps
Spread to WACC on unlevered projects⁷

Future CCS/Hydrogen



300-500 bps
Spread to WACC on unlevered projects⁷

HIGH VISIBILITY OF EARNINGS

High % indexed revenues



Significant index-linked revenue streams increasing over time

Low % Indexed debt book



Stable ~6-year average debt maturity at c.3.9% average cost

STRONG BALANCE SHEET AND INVESTMENT GRADE CREDIT RATING

Adj. net debt/EBITDA	Ratings agency	Rating	Core metric	Threshold	Outlook
Target: 3.5–4.0x¹⁰	S&P	BBB+	FFO/Net debt	Around 18%	Positive
FY24: 3.0x	Moody's	Baa1	RCF/Net debt	Trending towards low teens	Stable

¹ Subject to market conditions, normal weather and plant availability

² Excludes short term Commercial Paper but includes revolving credit facility in SSEN Transmission

³ From 60p dividend in FY24

⁴ All capex presented on SSE Adjusted investment, capital and acquisitions expenditure basis, which is net of 25% SSEN Transmission from 30 Nov 2022 following minority interest disposal

⁵ All return targets are on a post-tax nominal basis

⁶ Assumes CPIH inflation of 2% p.a. and target gearing ratio of 60%

⁷ Spreads to WACC reflect balance of merchant, technology and construction risk specific to each project, and are on unlevered projects

⁸ Average over five-year plan to 26/27, excludes corporate unallocated and 25% Transmission from 30 Nov 2022 following minority interest disposal

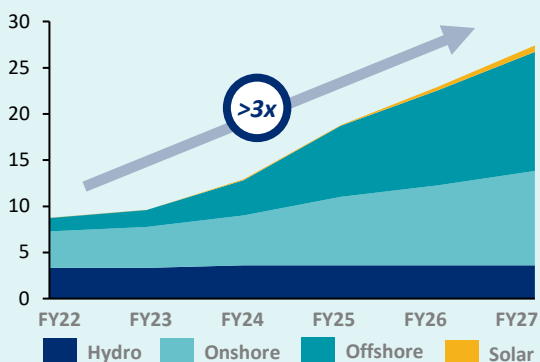
⁹ As at 31 March 2024

¹⁰ Net Debt to EBITDA expected to generally fall within this range over the five years to 26/27, with headroom to go to 4.5x whilst retaining a strong, investment grade rating

WEALTH OF OPPORTUNITIES RIGHT ACROSS THE NET ZERO ELECTRICITY VALUE CHAIN



SSE RENEWABLES – TARGET VOLUMES



Of which...



HIGH-QUALITY ASSETS AND OPTIONS¹¹

-  **4.5 GW Operational**
-  **2.8 GW In Construction**
-  **~17 GW Under Development**
-  **~12 GW Future Prospects**

SSE THERMAL – DELIVERING FLEXIBILITY

Portfolio of **6.2GW flexible thermal capacity** including cleanest and most efficient CCGT in Europe

Locked in **>£1bn capacity market revenues** over the five years across GB and IRE with existing plant

SSE holds around **40% of the UK's conventional underground gas storage capacity**

Value of flexibility increases as market tightens and transitions to intermittent renewables

NETWORKS KEY METRICS¹²

	Transmission	Distribution
RIIO-2 Price Control		
Period	FY21 – FY26	FY23 – FY28
Base totex	£2.1bn	£3.6bn
Potential U/M spend	£3.0bn	£0.7bn
Allowed return (real)	4.76%	5.49%
Notional Gearing	55%	60%

With a further **>£20bn¹³ investment approved** through Uncertainty Mechanisms

BUSINESS GOALS TO 2030

Cut carbon intensity by 80%

Reduce Scope 1 carbon intensity by 80% by 2030, compared to 2017/18 levels, to 61gCO₂e/kWh

Increase renewable energy output fivefold

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

Enable low-carbon generation and demand

Enable at least 20GW renewable generation and facilitate c. 2m EVs and 1m heat pumps

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

EXCELLENCE IN ESG PERFORMANCE

MSCI ESG RATINGS AAA Oct 23	SUSTAINALYTICS #Monocorp company Aug 23	S&P Global
Top 13% utilities	90 th percentile	91 st percentile
MOODY'S Oct 23	Corporate ESG Performance Prime Oct 23	CDP A-List 2022 CLIMATE
Advanced	Top 20% in group	A-list, climate

¹² For further detail, see slide 59, FY24 Results Presentation 22 May 2024

¹³ For further detail, see slide 53, FY24 Results Presentation 22 May 2024

¹⁴ For further detail, see slide 31, FY24 Results Presentation 22 May 2024

This financial report contains forward-looking statements about financial and operational matters. Because they relate to future events and are subject to future circumstances, these forward-looking statements are subject to risks, uncertainties and other factors. As a result, actual financial results, operational performance and other future developments could differ materially from those envisaged by the forward-looking statements. SSE plc gives no express or implied warranty as to the impartiality, accuracy, completeness or correctness of the information, opinions or statements expressed herein. Neither SSE plc nor its affiliates assume liability of any kind for any damage or loss arising from any use of this document or its contents. This document does not constitute an offer or invitation to underwrite, subscribe for, or otherwise acquire or dispose of any SSE shares or other securities and the information contained herein cannot be relied upon as a guide to future performance.

Key Contacts:

SSE Investor Relations Michael Livingston, Director of IR ir@sse.com www.sse.com/investors +44 (0)345 0760 530
 Share Registrar Computershare Investor Services www-uk.computershare.com +44 (0)370 702 0000