

Group Environment Policy

Policy statement

SSE commits to protecting the environment, preventing pollution and operating in a sustainable way.

Policy purpose

The purpose of the policy is to identify and mitigate material impacts, manage environmental risks and engage positively with key stakeholders to improve the environmental impact of SSE's business activities.

This policy is owned by the Director of Human Resources and is one of a suite of group-level policies that promote a healthy business culture, guide decisions and actions as expected by the company's stakeholders, and make SSE a responsible company that people want to invest in, buy from, work for and partner with.



John Stewart
Director of Human Resources



Alistair Phillips-Davies
Chief Executive Officer



POLICY PRINCIPLES

The following principles highlight how we expect the policy statement to be achieved, and should be used to guide behaviours, decision making and action:

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| Environment Protection | <ul style="list-style-type: none"> • In order to protect the environment and operate in sustainable way, we design, construct, operate and decommission our assets, and conduct our operational activities in compliance with all relevant legal and regulatory obligations. We seek to go above and beyond this and meet additional relevant voluntary standards that the company subscribes to wherever possible bring about positive environmental outcomes. In applying these standards we will recognise that we are subject to external circumstances beyond our control. |
| Materiality | <ul style="list-style-type: none"> • We prioritise those areas where our lifecycle impacts are greatest, and we expect to achieve the greatest improvements. |
| Life Cycle Assessment | <ul style="list-style-type: none"> • Our asset management decisions are based on an understanding of the lifecycle impacts of our assets and activities, and seek to minimise those impacts over the lifecycle, based on materiality. |
| Resource Efficiency | <ul style="list-style-type: none"> • We commit to decreasing the impact of our resource consumption by: <ul style="list-style-type: none"> ○ Minimising resource use and waste production. ○ Engaging with the circular economy, by using reprocessed materials and ensuring our waste can readily be reused or recycled so far as is practical. ○ Selecting materials that have sustainable lifecycle impacts. |
| Biodiversity | <ul style="list-style-type: none"> • We commit to manage, protect and enhance Biodiversity by: <ul style="list-style-type: none"> ○ Working towards Biodiversity Net Gain for new major projects after 2025. We recognise that some habitat types will prove problematic to replace. ○ Assessing and mitigating impacts of major projects on Biodiversity. ○ Monitoring the impacts on Biodiversity of operational assets located in sensitive environments, and to take measures to reduce those impacts where practical. |

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| | <ul style="list-style-type: none"> ○ Collaborating with relevant organisations that promote Biodiversity. |
| <p>Process</p> | <ul style="list-style-type: none"> ● To meet these environmental standards SSE shall: <ul style="list-style-type: none"> ○ Identify material impacts, set challenging targets to continuously improve performance and measure and report progress publicly. ○ Manage environmental risks by applying and continually improving the Safety, Health and Environment (SHE) Management System and drive towards best practice standards, supported by assurance and audit processes. ○ Engage positively with key stakeholders on environmental issues and take responsibility within the wider community for improving the environmental impact of our business. ○ Collaborate, invest in and develop new technologies to be more environmentally sustainable. ○ Work with supply partners to improve their environmental performance. ○ Integrate environmental improvements into our everyday decision making. |