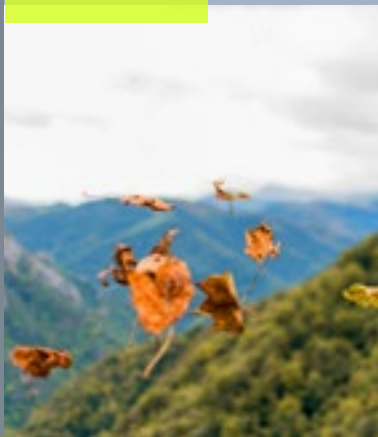


# Annual Sustainability Report

2025/26



# A year in highlights 2025/26



## Climate

- **31% reduction** in Scope 1 and 2 emissions against 2018/19 baseline while significantly increasing operational delivery (against our **33% target**)



## Nature

- **Overall biodiversity net gain of 19%** across all eligible projects gaining consents (**10% target**)



## Communities

- **97% AccountAbility rating** against AA1000 Stakeholder Engagement Standard
- **Nearly £3m awarded to 30 projects** through Community Benefit Funds



## Procurement

- **82% of suppliers by spend** with science-based target against our goal of **67%**



# Foreword: Delivering a Stronger, More Resilient Network for the Future

**This has been another important year for SSEN Transmission. As the scale of our work continues to grow, so too does our responsibility to deliver it well - for the country's clean energy future, for communities across the north of Scotland, and for the natural environment.**

**Our role is clear. We are building the electricity transmission network needed to deliver a secure, clean and affordable energy future for Scotland and the UK. But how we deliver that network matters just as much as what we deliver. Sustainability is not separate from our growth plans; it is a key part of the way we plan, build, operate and maintain our network every day.**

Over the past year, we have made great progress. Our network continued to support the UK's clean power transition, maintaining a high share of low-carbon electricity. We reduced our operational carbon emissions by 31% against our 2018/19 baseline and continued to outperform our science-based targets on transmission losses and supplier engagement. While we narrowly missed our target to reduce operational emissions by 33% compared to our baseline, we are proud of our progress and we will apply the lessons learned in RIIO-T2 to the years ahead.

We've made real progress beyond carbon, too. All eligible projects that gained consent this year achieved at least a 10% net gain in biodiversity, and in many cases went further. We continued to strengthen partnerships focused on nature restoration and worked with contractors and communities on practical environmental improvements, from native woodland plantings to local clean-up activities.

Our communities remain central to how we deliver. Our teams held more than 110 stakeholder engagement events and meetings, giving people opportunities to understand our proposals, raise concerns and help shape how projects are developed and delivered. We also awarded nearly £3m through our Community Benefit Funds, supporting projects that reflect local priorities - from fuel poverty and education to wellbeing, skills and community development. Alongside this, our housing strategy is helping deliver the positive legacy we are committed to leaving for the communities and economies of the north of Scotland.

None of this progress happens without our people, our partners and our supply chain. During a period of rapid growth, our colleagues have continued to deliver with commitment and care. We have made progress on inclusion, engagement, wellbeing and early careers, while also strengthening the skills pipeline needed for the future. Our supply chain is playing an increasingly important role, not only in helping us deliver major

infrastructure, but in improving carbon and waste performance and delivering social value across our projects.

As we close RIIO-T2 and move into RIIO-T3, our challenge is to build on what has been achieved, while being proactive about where we need to improve. That means streamlined data collection and analysis, and a continued focus on embedding sustainability into decisions from the outset.

The years ahead will be critical. We will need to deliver at pace and at scale, but we must continue to do so responsibly, transparently and in partnership with others. Our focus remains on delivering a network for net zero, and playing a key role in a just energy transition that delivers transformative lasting benefits for local communities, our economy and nature.



**Rob McDonald**  
Managing Director  
SSEN Transmission



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# Overview

## About us

SSEN Transmission is responsible for high-voltage electricity transmission in the north of Scotland. Our business is responsible for the development, maintenance and operation of 132kV, 220kV, 275kV and 400kV electricity transmission assets.

Our network extends over more than a quarter of the UK's landmass, taking on some of the most challenging terrain in the country to deliver a safe and reliable supply of electricity to our communities. The network consists of underground and subsea cables, overhead lines on wooden poles and steel towers, and electricity substations.

The transmission network in Scotland has a strategic role to play in the UK's transition to net zero. We are a major exporter of renewable energy, with around two-thirds of power generated in our network area being transported to the south of the UK. Our network will continue to play a crucial role in decarbonising the UK's electricity network over the coming years. To support this growth, we are rapidly growing our network with **a projected investment programme of over £29bn by March 2031**. On completion of our investment programme, our network will have the capability to meet 20% of the GB demand for clean power. Research published in September 2023 shows that our network will play a pivotal role in enabling one seventh of all the decarbonisation efforts needed to reach net zero across the UK by 2050.

To deliver a network for net zero, we are committed to investing in the skills and talent in the north of Scotland. Over the next decade, **our investments will enable up to 50,000 jobs, up to 24,000 of which will be in Scotland**. We will be placing multi-million-pound contracts with supply chain partners, stimulating local businesses, and investing in community funds – **adding £15bn of value to the UK economy, half of which will be in Scotland**.

## About this report

This report provides a comprehensive update on our progress against the sustainability commitments outlined in our RIIO-T2 Sustainability Action Plan. This report details our performance for financial year 2025/26 (1 April 2025 – 31 March 2026), which is the fifth and final year of our RIIO-T2 regulatory framework for 2021-2026.

This report has been prepared by Scottish Hydro Electric Transmission plc (SHE Transmission), operating as SSEN Transmission, in accordance with Special Licence Condition 9.1 (Annual Environment Report) of SSEN Transmission's licence. SSEN Transmission encompasses the licensed entity Scottish Hydro Electric Transmission plc, registered in Scotland No. SC213461.

## About our shareholders

SSE, the UK and Ireland's clean energy champion, holds a 75% stake in SSEN Transmission. SSE's purpose is to provide the energy needed today while building a better world of energy for tomorrow. SSE aims to be a leading energy company in a net zero world. In order to create value for shareholders and society in a sustainable way, it aims to achieve this by developing, building, operating and investing in the electricity infrastructure and businesses needed in the transition to net zero. We are proud to be a part of SSE plc and continuously work to promote our collective business values. As part of SSE plc, we are a real Living Wage employer, are Fair Tax Mark certified and ensure our compliance with the organisation-wide Human Rights and Modern Slavery Statement.

Ontario Teachers' Pension Plan (OTPP) acquired a 25% minority stake in SSEN Transmission in 2022/23. The organisation is a leading Canadian pension plan investing globally for 346,000 active and retired teachers, with over \$279.4bn<sup>1</sup> in net assets as of December 2025. OTPP is committed to reducing carbon emissions through ambitious targets and creating a positive impact in a net zero world.



# Our approach

## Sustainability strategy

Our [Sustainability Strategy](#), published in 2024 and based on our double materiality assessment<sup>1</sup>, guides our sustainability actions and supports SSEN Transmission's enterprise strategy to Deliver a Network for Net Zero.

This Strategy focuses on our most material impact areas (climate, nature, and communities) and on how we deliver against them (through procurement, our people, and our systems, processes and performance management). In doing so, it demonstrates world-leading ambition whilst recognising the urgency of delivery. It aims to:

- **Build** on strong foundations, evolving our ambition on climate change, nature, and communities;
- **Power** sustainability leadership through a focus on procurement, people, and performance; and
- **Connect** to global sustainability ambition, best practice standards, and the latest science.



### People

- Grow skilled workforce
- Drive inclusion & wellbeing



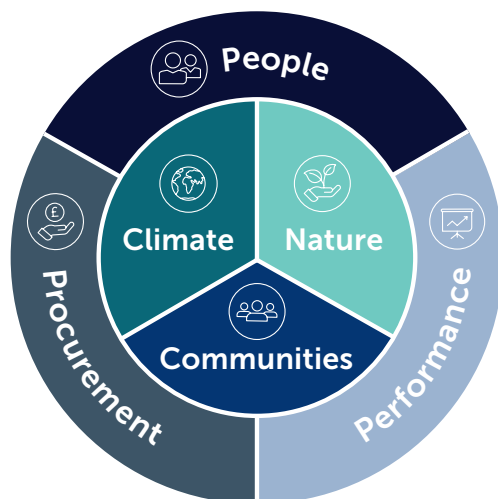
### Procurement

- Partner for excellence
- Procure responsible



### Performance

- Improve data & processes
- World-leading sustainability



### Climate

- Reduce emissions
- Build resilience



### Nature

- Protect nature
- Restore nature



### Communities

- Minimise impacts
- Share benefits

Also in 2024, we published our [Sustainability Action Plan](#) as part of our RIIO-T3 business plan, which built on these six focus areas and their twelve aims, providing detail on our targets and the actions we will take to achieve them.

## Green finance

Our **£29bn investment growth plan** will be partially funded by an associated increase in both debt and shareholder equity and is an attractive investment opportunity for sustainability-linked financiers. This funding continues to support us in delivering crucial national energy infrastructure upgrades, connecting increasing volumes of renewable energy to the UK grid, reducing electricity system constraints and ensuring homegrown clean energy gets to where it's needed across the UK.

As part of the increased debt financing, we now have the following sustainability-backed funding in place:

- A £1.5bn Revolving Credit Facility, co-ordinated by MUFG. The effective interest rate payable on this facility is adjusted depending on performance against agreed sustainability-related metrics.
- In December 2025, we secured a £1bn facility of which £800m is guaranteed by the UK's National Wealth Fund. Term Loans against this facility will be classified as green loans, with proceeds to be allocated to our Skye, Orkney, Argyll and Eastern Green Link 2 (EGL2) projects.
- Also in December 2025, a £500m facility was agreed, backed by the Swedish Export Credit Agency (EKN). Term Loans will be classified as green loans, with proceeds allocated to the EGL2 project.
- 5 Green Bonds outstanding with a total value of £2.8bn.

As we continue to invest in the UK's energy transition, we expect both public green bond issuance and export credit agency-backed bank facilities to remain a key, cost-effective component of our capital strategy— ensuring good value for consumers as we deliver the UK's long-term infrastructure ambitions supported by the global businesses that help deliver them.

## Delivering our RIIO-T2 commitments

Using the Red-Amber-Green (RAG) status, criteria below, we have monitored our annual performance throughout RIIO-T2.

| RAG Status                                                                                                                                        | Key |
|---------------------------------------------------------------------------------------------------------------------------------------------------|-----|
| Green: Progress is firmly on track, aligning with implementation milestones or has been completed (dependent on milestone)                        |     |
| Amber: Progress is at risk/delayed; when reported, it was expected to be achievable before the end of the RIIO-T2                                 |     |
| Red: Progress is at significant risk, and it is highly likely that milestones will be missed or have already been missed (dependent on milestone) |     |

At the end of 2025/26, we achieved seven out of nine sustainability commitments defined in our RIIO-T2 business plan. The table below reflects outcomes of this defined set of targets, as required by Ofgem. More information on our performance against each action can be found in respective areas of the report, alongside rich performance data additional to our regulatory reporting requirements.

### Progress against RIIO-T2 Sustainability Business Plan Commitments

| Area        | Action                                                                                                                                                 | Milestone | Intended benefit/outcome                                                                                                                                              | UN SDGs                                                                               | 21/22 | 22/23 | 23/24 | 24/25 | 25/26 |
|-------------|--------------------------------------------------------------------------------------------------------------------------------------------------------|-----------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------|-------|-------|-------|-------|-------|
| Climate     | Achieve the capacity to transport enough renewable energy through our network to power 10 million homes by 2025/26                                     | 2025/26   | Contribution to meeting net zero targets in Scotland and the UK, enabling one sixth of all the decarbonisation efforts needed to reach net zero across the UK by 2050 |    |       |       |       |       |       |
|             | Achieve a 33% reduction in Scope 1 and 2 greenhouse gas emissions by 2025/26, from a 2018/19 baseline                                                  | 2025/26   | Reduction in our contribution to climate change                                                                                                                       |    |       |       |       |       |       |
|             | Achieve a maximum Insulation and Interruption Gas leakage rate of 0.15% of installed volumes by 2025/26                                                | 2025/26   | Reduction in our contribution to climate change                                                                                                                       |    |       |       |       |       |       |
| Communities | Complete detailed VISTA project designs and prepare Ofgem applications for selected projects by 2023/24                                                | 2025/26   | Improvements related to the visual impacts of Scottish transmission infrastructure.                                                                                   |   |       |       |       |       |       |
| People      | Achieve a more representative workforce that reflects the local communities we serve by developing improved diversity and inclusion metrics by 2023/24 | 2023/24   | A more representative workforce that reflects the local communities we serve                                                                                          |  |       |       |       |       |       |
|             | Achieve a more inclusive working environment by 2023/24                                                                                                | 2023/24   | A more inclusive working environment                                                                                                                                  |  |       |       |       |       |       |
| Procurement | Achieve zero waste to landfill (excluding compliance waste) by 2025/26                                                                                 | 2025/26   | Alignment with circular economy principles and minimisation of waste, in support of sustainable resource use                                                          |  |       |       |       |       |       |
|             | Achieve a recycling, recovery and re-use rate of >70% across our waste streams by 2025/26                                                              | 2025/26   | Alignment with circular economy principles and minimisation of waste, in support of sustainable resource use                                                          |  |       |       |       |       |       |
|             | Achieve a 25% representation of approved suppliers based in the north of Scotland                                                                      | 2025/26   | Support the economy of the north of Scotland                                                                                                                          |  |       |       |       |       |       |

## Sustainability governance

### Our structure

Since publishing our Sustainability Strategy and Action Plan in 2024, we have strengthened our Sustainability Governance framework. Guided by our Action Plan (2024-2031), we produced an internal Annual Sustainability Action Plan (ASAP) to drive action for 2025/26.

To deliver on this ASAP, we established Delivery Groups (DGs) for focus areas, led by senior Sponsors, chaired by an appointed leader and supported by subject matter experts from the business. DGs report to the Sustainability Steering Group, consisting of senior leadership Sponsors, other leaders and SSE's Chief Sustainability Officer. Additionally, progress against the ASAP is reported quarterly to the Transmission Executive Committee (TEC).

### Our projects

This year, we updated our Large Capital Projects Governance Framework to reflect the accelerating pace and scale of investment, establishing a more efficient approach to assuring project development and delivery. We replaced the Sustainability Assessment and Action Plan with a new Sustainability Plan requirement, introducing a more consistent way of managing sustainability across the project portfolio at each gate. This is particularly important given the rapid growth in our Regulatory Asset Value - **from around £3.6bn at the start of RIIO-T2 to over £9bn by the period close and forecast to reach £29bn by 2030.**

The Sustainability Plan sets out minimum standards for large capital projects, helping our project teams identify the most material sustainability areas, manage risks, and streamline consideration of associated costs. It also supports more consistent day to day decision making, with sustainability considerations embedded across every stage of project delivery.

Throughout 2026/27, we will continue developing a digital tool to track and monitor sustainability performance across our projects. This will support us to identify and implement sustainability measures within our projects, quantify and report their impacts, and demonstrate delivery against the Sustainability Plan requirements across the portfolio.

## SSEN Transmission and the Just Transition

As we rapidly deliver new and improved infrastructure to enable clean energy connections and strengthen energy security, we are equally focused on ensuring the transition to net zero is fair, inclusive and shaped by the communities we serve.

Our approach is guided by [SSE's Just Transition Strategy](#) and underpinned by our Sustainability Strategy and governance.

### Just Transition pillars and accomplishments

| What we focus on              | What it means to us                                                                    | What we accomplished in 2025/26                                                                                                                                                                                                                                                                                                                                                                 |
|-------------------------------|----------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Place-based growth            | The transition to net zero must support local communities, economies and environments. | <ul style="list-style-type: none"> <li>Delivery of our Housing Strategy saw agreements secured for delivery of nearly 100 homes in the Western Isles, 47 in Angus, and 293 in Aberdeenshire, the Highlands and Moray.</li> <li>Began work with contractors on project-specific Social Value Plans, as required by our 2024/25 implementation of the Sustainability Works Information</li> </ul> |
| Opportunity for all           | We support people from all backgrounds to participate in the clean energy economy.     | <ul style="list-style-type: none"> <li>Developed our Just Transition People Plan, published in 2026</li> <li>Continued strong delivery of our early careers programme, now with over 330 employees in earn-as-you-learn roles</li> </ul>                                                                                                                                                        |
| Partnerships with communities | Strong, trusted relationships with local communities are central to our work.          | <ul style="list-style-type: none"> <li>Delivered £3m in regional and local community benefit funds</li> <li>240 volunteering days spent supporting over 80 local organisations – a 71% increase in the number of volunteering days used versus 2024/25.</li> </ul>                                                                                                                              |
| Net positive for nature       | We are committed to leaving Scotland's natural environment better than we found it.    | <ul style="list-style-type: none"> <li>Achieved at least 10% BNG on all eligible consents</li> <li>Continued partnerships with RSPB and Scotland: The Big Picture to support delivery of nature restoration in our license area</li> </ul>                                                                                                                                                      |

# Climate

We're actively reducing our emissions whilst building a resilient network for a climate-changed world.



## RIIO-T2 Climate recap

Over RIIO-T2, our network played a pivotal role in supporting the UK's transition to net zero. We achieved our ambition to transport enough renewable electricity to power 10 million homes in 2023/24, two years ahead of our target, and continued to grow our capacity beyond that goal. We maintained world leading performance on SF<sub>6</sub> leakage, and made significant progress on carbon emissions - cutting operational emissions by 31% and exceeding our Scope 3 targets - while expanding the network required to support wider decarbonisation. Although we did not cut emissions by as much as we targeted, this progress is significant, particularly in the context of significant network growth.

In 2025/26, we continued to make strides in supporting decarbonisation across the north of Scotland and the wider UK. Throughout the year, we have continued to transport enough renewable electricity to power 12.7 million homes.

We have continued to deliver infrastructure in the north of Scotland to expand and upgrade the network, supporting the transition to net zero. Despite the incredible growth in delivery and the fourfold increase in staff over RIIO-T2, we managed to achieve a 31% reduction in our Scope 1 and 2 emissions against our 2018/19 baseline. This year, we continued to perform well on insulation and interruption gases (IIGs), achieving an industry-leading leakage rate of 0.10%, less than half the rate at the start of RIIO-T2. We have achieved and exceeded both of our Scope 3 SBTi targets early. On supply chain engagement, our target to ensure 67% of our suppliers (by spend) have their own SBTi targets by 25/26 was achieved in the 2023/24 financial year – two years early. We have continued to surpass our target with 82% of suppliers by spend committed to SBTi by 2025/26. Our target to reduce the carbon intensity of electricity losses from our system by 50% by 2029/30 was achieved in 2023/24. We have also surpassed this in subsequent years with a losses intensity of 72% in 2025/26.

We recognise we did not meet our interim target of a 33% reduction in Scope 1 and 2 emissions by 2025/26, falling short by 2%. However, we have reduced emissions by 31% from our baseline, which is more than halfway towards our longer-term

**2025/26**

### Our Indicators

- **Transmitting enough renewable electricity to power 12.7 million homes**
- **89% renewable share of generation**
- **8.8 out of 10 Quality of Connections score**
- **31% reduction in Scope 1 and 2 emissions against 2018/19 baseline (against our 33% target)**
- **Industry-leading insulation and interruption gas leakage rate of 0.10% (0.15% target)**

### Our Actions

- **Widespread engagement with industry bodies and regulators**
- **Continued substation flood risk mitigation and safety works**

SBTi target of a 46% reduction by 2029/30. In the years since this target was set, we have grown much more than was anticipated in 2020. We have gained a better understanding of our emissions portfolio as well as future infrastructure delivery plans. These lessons learned have enabled us identify key IIG containing assets which should be the focus of proactive management and agree funding to replace these in RIIO-T3 alongside plans to improve energy monitoring and management at substations and to address emissions from travel in operations.

We have achieved both of our Scope 3 SBTi validated targets, however, in line with our increased infrastructure delivery, our Scope 3 emissions footprint has also grown, primarily due to an increase in capital goods needed to build the expanded and upgraded network. This is something we continue to work with contractors on and monitor through our embodied carbon assessments. Throughout RIIO-T2, we have implemented carbon management processes aligned with [PAS 2080 Carbon Management in Buildings and Infrastructure](#), demonstrating our commitment to aligning with global best practice in the carbon space.

We continued work to increase resilience and adaptation of our business in the face of climate change. This included cross-industry engagement and specific projects on flood mitigation.

## Connecting clean power - our role in supporting the UK's Net Zero Transition

Our business plays a critical role in the UK's net zero transition. By connecting the north of Scotland's renewable energy capacity to the rest of the country, our electricity transmission network has the capacity to enable one-seventh of the decarbonisation necessary for the UK to achieve net zero by 2050.

Our RIIO-T2 target to transport enough renewable energy to power 10 million homes was achieved in 2023/24 – two years early. At the end of 2025/26, our transmission, distribution and storage connections transmitted enough renewable energy to power 12.7 million homes, displacing 6.08 million tCO<sub>2</sub>e over the course of the financial year. In contrast, our business emitted 865,421 tCO<sub>2</sub>e in Scope 1, 2 and 3.

In 2025/26 we issued 91 new connections offers to electricity generation developers in the north of Scotland and all offers were made on time. Due to the Connections Reform Pause Window, there was a period where no new applications were being accepted, thus the number of new applications is lower than previous years. Despite fewer applications, 90% of connections offers were accepted. The higher rate of acceptance this year may be due to the significant focus on acceptances during the connections reform period.

We connected 0.13 GW of new renewables, achieving an 89% share of low carbon electricity on the network. SSEN Transmission currently has 10.8 GW of low carbon generation connected to the network.

The Quality of Connections (QoC) survey captures valuable feedback at key stages of the connections process and is essential for assessing customer satisfaction. Insights gathered throughout the year are used to identify opportunities for improvement and drive service enhancements, helping to deliver a better overall customer experience. In 2025/26 we achieved an overall QoC score of 8.8 out of 10, an improvement on the previous year and outperforming Ofgem's baseline score of 7.7.

See Connections Table in Appendix 2 for full data.



### Progress against RIIO-T2 Sustainability Business Plan Commitments (Climate)

| Sustainability outcome                                                                                             | 2021/22 | 2022/23 | 2023/24 | 2024/25 | 2025/26 |
|--------------------------------------------------------------------------------------------------------------------|---------|---------|---------|---------|---------|
| Achieve the capacity to transport enough renewable energy through our network to power 10 million homes by 2025/26 |         |         |         |         |         |
| Achieve a 33% reduction in Scope 1 and 2 greenhouse gas emissions by 2025/26, from a 2018/19 baseline              |         |         |         |         |         |
| Target a maximum Insulation and Interruption Gas leakage rate of 0.15% of installed volumes by 2025/26             |         |         |         |         |         |

## Ambitious science-based targets

In July 2020, SSEN Transmission became the first electricity transmission network operator globally to have its greenhouse gas (GHG) reduction targets validated by the Science Based Targets Initiative (SBTi). Science-based targets (SBTs) are based on a trajectory aligned with the Paris climate agreement goal of limiting global average temperature rise to below 1.5°C above pre-industrial levels. We have set the following stretching targets:

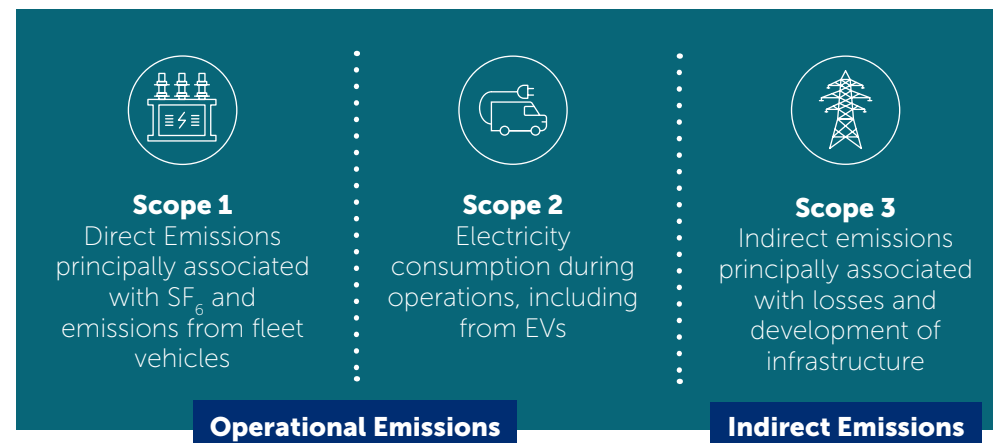
- Reduce absolute Scope 1 and 2 GHG emissions 46% by 2029/30 from a 2018/19 base year (33% by end of 2025/26)
- Reduce Scope 3 transmission losses emissions GHG intensity by 50% over the same period
- Reduce Scope 3 emissions by ensuring that two thirds (67%) of our suppliers by spend will have an SBT by 2024/25

By the end of 2025/26, we achieved a 31% reduction in Scope 1 and 2 emissions against our 2018/19 baseline, missing our target by 2%. For more information on the components of this reduction, see section on operational emissions.

We have achieved both of our Scope 3 SBTs for the third year in a row. We have achieved our transmission losses target by continuing to connect renewables to

our network, with a 72% reduction in our transmission losses GHG intensity vs our 18/19 base year. We have also achieved our supplier engagement target as 82% of our suppliers by spend have now set a SBT.

*Our Science Based Targets cover all scopes including:*



### Science-based targets commitments and progress<sup>1</sup>

| Commitments                                                                                                       | Unit                                         | 2021/22       | 2022/23       | 2023/24       | 2024/25       | 2025/26       |
|-------------------------------------------------------------------------------------------------------------------|----------------------------------------------|---------------|---------------|---------------|---------------|---------------|
| Reduce absolute scope 1 and 2 GHG emissions 46% by 2029/30 from a 2018/19 base year (33% by end of 2025/26)       | % change against base year                   | 13% reduction | 12% increase  | 7% reduction  | 26% reduction | 31% reduction |
| Reduce scope 3 transmission losses emissions GHG intensity by 50% over the same period                            | % change against base year                   | 42% reduction | 38% reduction | 65% reduction | 69% reduction | 72% reduction |
| Reduce indirect emissions by ensuring that two thirds (67%) of our suppliers by spend will have an SBT by 2024/25 | % of suppliers by spend that have set an SBT | 43%           | 47%           | 70%           | 74%           | 82%           |

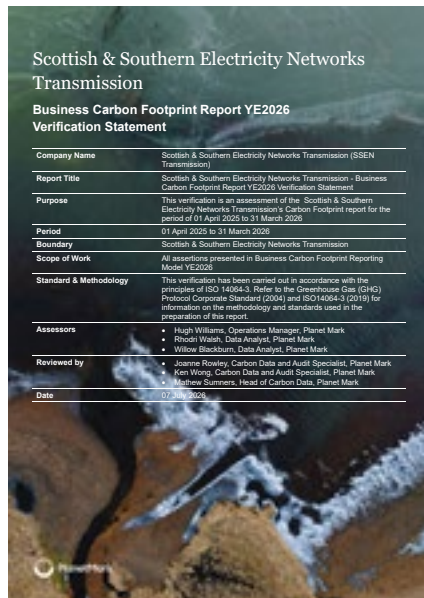
As we set our SBTs in 2020, we are due to submit a review of these to the SBTi in 2026 to comply with their rules and maintain validation. We anticipate re-validation by early 2027.

## Tackling our operational emissions

As we continue expanding our network to enable the UK's net zero transition, decarbonising our own operations remains a core focus. In 2025/26, our total Scope 1 and 2 emissions amounted to 6,732 tCO<sub>2</sub>e. This is a 31% absolute emissions reduction against our 2018/19 base year and a 6% year on year reduction against our 2024/25 total emissions. This reduction can largely be attributed to a decrease in our substation emissions as the grid continues to decarbonise. Over the past year our IIG emissions have decreased to an industry-leading leakage rate of 0.10%. Emissions from transportation have increased slightly due to increased travel from our operational vehicles in a growing network. This is balanced by a reduction in company vehicle mileage.

All operational emissions sources are covered in more detail below. For the fourth year running, Planet Mark has provided an independent verification of our Scope 1, 2 and 3 business carbon footprint in accordance with ISO14064-3:2019, the international standard for GHG reporting.

See the Scope 1 and 2 emissions table in Appendix 2 for full data.

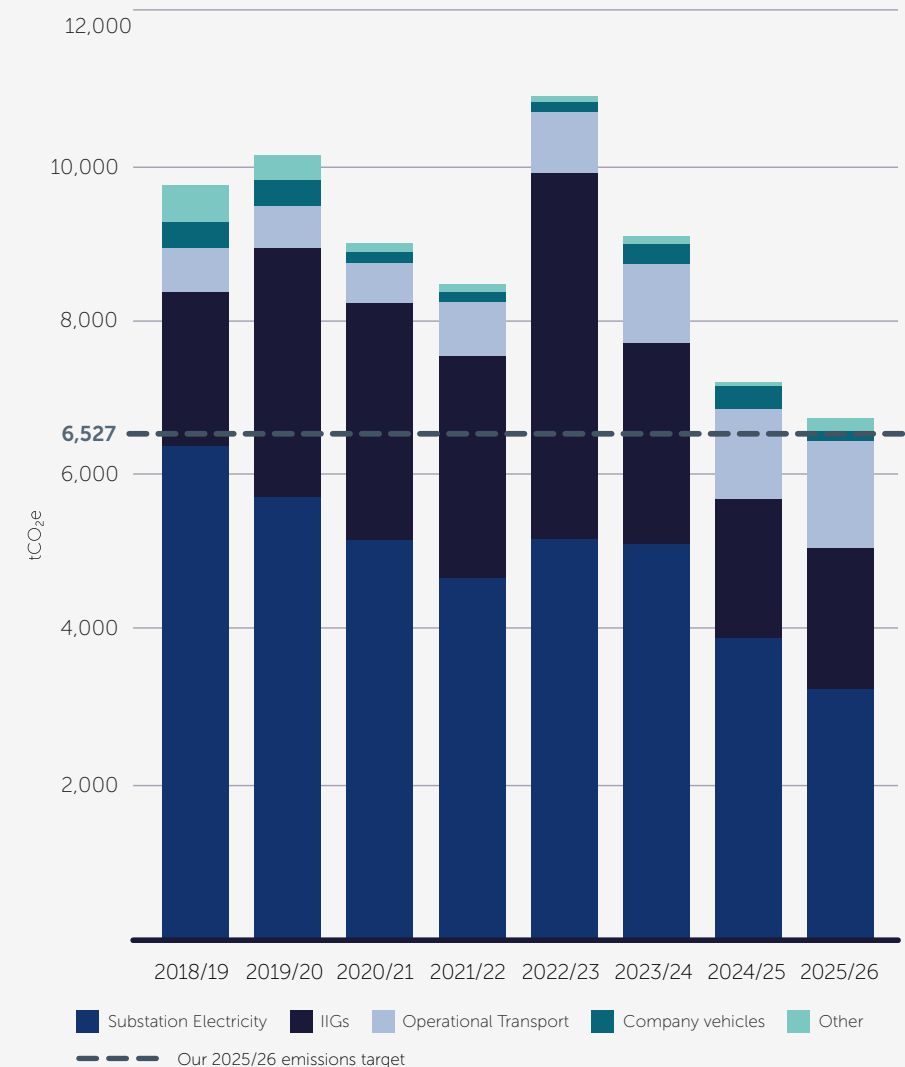


Read the verification report here



## Scope 1 and 2 performance

### 2025/26 Business Carbon Footprint (Scopes 1 and 2)



<sup>1</sup> Scope 1 & 2 emissions target has been recalculated following a DESNZ update to the UK electricity emission factor methodology. This more accurately reflects the carbon intensity of the UK grid that our network helps enable. We have restated figures given substation electricity emissions represent a significant portion of our Scope 1 & 2 footprint, and to maintain a consistent time series for tracking progress against our SBT

## Insulation and Interruption Gases

IIGs are essential for safe, resilient network operation. The most common IIG, sulphur hexafluoride (SF<sub>6</sub>), is a potent GHG, 24,300 times more impactful than CO<sub>2</sub>. When leaks occur, they have a significant impact on our carbon footprint and we are committed to managing this proactively. In 2025/26, despite doubling the amount of SF<sub>6</sub> on our network since 2018, we achieved an industry-leading leakage rate of 0.10%, a 0.01% decrease from 2024/25.

Our IIG inventory remained fairly static in 2025/26, only adding 84kg of SF<sub>6</sub>. Around 14% of our IIG inventory now consists of SF<sub>6</sub> alternatives which are much less harmful to the environment than conventional SF<sub>6</sub>. Our total IIG emissions were 1,810 tCO<sub>2</sub>e from leakage of 79kg of IIGs: 74kg of SF<sub>6</sub> and 4kg of SF<sub>6</sub> alternatives corresponding to approximately 27% of our Scope 1 and 2 footprint.

We continue to rigorously monitor and manage SF<sub>6</sub> leakage and interventions. Our

Operations and Maintenance teams undertake proactive repair work and tackle the root causes of leaks, such as corrosion in the flanges on our outdoor gas-insulated busbars.

To improve consistency of reporting between Transmission Operators (TOs) and to ensure alignment between this report and our regulatory reporting pack, we have not reported the emissions reductions associated with specific interventions here. Our SF<sub>6</sub> emissions are falling because of business-as-usual activities rather than separately funded interventions.

In order to increase the transparency of our IIG reporting, we have included figures on our IIG inventory in this sustainability report. We have also reported on SF<sub>6</sub> leaks occurring during construction and installation, while assets are still under our contractors' operational control (see Scope 3 table in Appendix 2).

### IIGS

| Metric                                        | Unit               | 2018/19 base year | RIIO-T2 Period |                   |         |         |         | RIIO-T3 Period |
|-----------------------------------------------|--------------------|-------------------|----------------|-------------------|---------|---------|---------|----------------|
|                                               |                    |                   | 2021/22        | 2022/23           | 2023/24 | 2024/25 | 2025/26 | 2026/27        |
| Inventory – SF <sub>6</sub> <sup>1</sup>      | kg                 | 37,988            | 52,013         | 60,973            | 61,127  | 69,547  | 74,614  | 74,698         |
| Inventory – C <sub>4</sub> -FN-based gases    | kg                 | 0                 | 0              | 4,588             | 4,599   | 6,317   | 6,317   | 6,317          |
| Inventory – Natural origin gases <sup>2</sup> | kg                 | 0                 | 6              | 35                | 79      | 3,502   | 5,659   | 5,659          |
| Leakage – SF <sub>6</sub>                     | kg gas             | 81.9              | 118.2          | 194.2             | 106     | 74      | 74      | n/a            |
| Leakage – SF <sub>6</sub>                     | tCO <sub>2</sub> e | 1,990             | 2,871          | 4,719             | 2,575   | 1,786   | 1,808   | n/a            |
| Leakage rate – SF <sub>6</sub>                | %                  | 0.22              | 0.23           | 0.32 <sup>3</sup> | 0.17    | 0.11    | 0.10    | n/a            |

As part of our network upgrade and expansion we have been, and will continue to, increase the amount of equipment on our network which would traditionally have contained SF<sub>6</sub>. Due to rapid network expansion in the past five years, the amount of IIGs on our network has increased significantly, with SF<sub>6</sub> still prevailing over that time due to limited availability of alternative IIGs. The alternatives to SF<sub>6</sub> from 2022 have made up an increasing proportion on new assets as they have become available and we expect this trend to continue in RIIO-T3. During RIIO-T2 innovation has been a strong feature and we have supported manufacturers in the development and testing of SF<sub>6</sub>-free technologies, contributed to international technical papers, engaged in research projects with universities and others, and played a key role in high-profile pilot projects.

Transitioning away from SF<sub>6</sub> remains a strategic priority for SSEN Transmission. Across

the sector, SF<sub>6</sub>-free technologies continue to mature at different rates depending on voltage level, plant type, and manufacturer readiness. At lower voltages, commercially established solutions are already widely available. At higher voltages SF<sub>6</sub>-free alternative are available for some applications, however, these solutions are not yet universal across all plant types or network applications, and careful assessment of technical performance, operability, and integration requirements remains essential. Some technical applications continue to present challenges. During RIIO-T3 we will continue to monitor and assess SF<sub>6</sub>-free solutions for both AC and HVDC applications, applying a consistent, technology-agnostic approach aligned with our environmental objectives. When acquiring new assets, our default position is to avoid installing SF<sub>6</sub> wherever technically and commercially viable alternatives exist; where unavoidable, SF<sub>6</sub> will be used only as a last resort and limited to the minimum necessary.

## Substation electricity use

Our substations consume electricity to power communication and control equipment as well as to provide heating and lighting for staff on site.

Emissions from this consumption were 3,258 tCO<sub>2</sub>e in 2025/26, corresponding to approximately 48% of our Scope 1 and 2 footprint. Emissions per substation have declined over time, mainly due to reductions in the UK grid emissions factor and

from switching our substations supplied by DNOs to tariffs backed by Renewable Energy Certificates.

Consumption was similar to that of 2024/25; the 17% reduction in emissions since 2024/25 is a result of an equivalent reduction in the UK grid emissions factor.

Substation electricity use<sup>1</sup>

| Metric                                  | Unit               | 2018/19 base year | RIIO-T2 Period |         |         |         |         |
|-----------------------------------------|--------------------|-------------------|----------------|---------|---------|---------|---------|
|                                         |                    |                   | 2021/22        | 2022/23 | 2023/24 | 2024/25 | 2025/26 |
| Emissions per substation (market-based) | tCO <sub>2</sub> e | 51.6              | 36.4           | 39.9    | 39.2    | 29.5    | 24.3    |
| Change against baseline                 | %                  | 0                 | -30            | -23     | -24     | -43     | -53     |



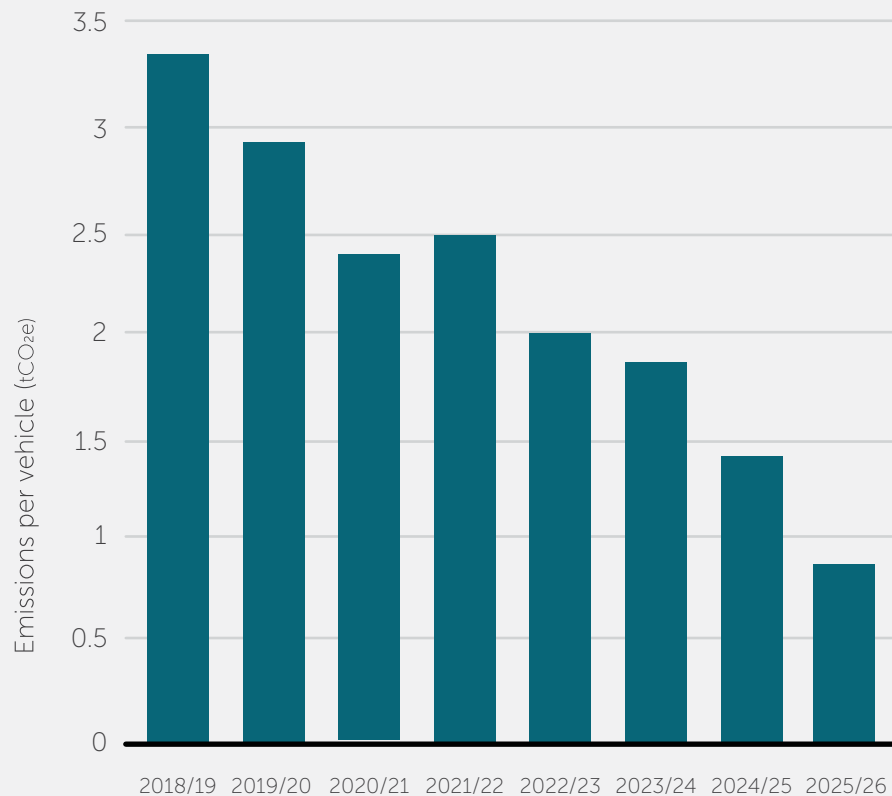
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<sup>1</sup> Scope 2 emissions have been recalculated following a DESNZ update to the UK electricity emission factor methodology. This more accurately reflects the carbon intensity of the UK grid that our network helps enable. We have restated figures given substation electricity emissions represent a significant portion of our Scope 1 & 2 footprint, and to maintain a consistent time series for tracking progress against our SBT.

## Transport

Transport emissions were 1,500 tCO<sub>2</sub>e in 2025/26, corresponding to approximately 22% of our total Scope 1 and 2 footprint. Transport emissions come from fuel used in vehicles we own or operate. Emissions rose 3% versus 2024/25, driven by a 19% increase in emissions from fleet fuel usage but offset by a 56% decrease in emissions from company car mileage. Our operational vehicles emissions rose as fleet fuel usage continues to increase with headcount and network growth. Our company vehicle mileage emissions decreased due to lower mileage and a slight increase in company car mileage undertaken in EVs, now up to 58% of miles travelled.

### Average emissions per vehicle



Emissions per vehicle have been recalculated and restated based on corrected data for vehicle numbers.

In the absence of complete mileage data, we track emissions per vehicle as our progress indicator. These continue to fall and are now down 71% compared to the baseline. This is because the number of vehicles increased by 62% year-on-year, which is faster than the increase in emissions. This clearly demonstrates the positive impact of shifting to EVs for company cars.

Transport emissions will remain challenging for us to reduce as we continue to grow to deliver the infrastructure upgrades required and whilst EV alternatives for some of our fleet types such as large vans and 4x4s are not yet widely available on the market. We aim to manage these emissions through a combination of conversion of our fleet to EVs, where feasible, and through the use of the most efficient vehicles and good journey planning where there is no current alternative to internal combustion engine (ICE) vehicles. We are working with our SSE Group to monitor the availability of EV alternatives to ICE vehicles and trial any which come to market to enable practical deployment. We enacted an EV charging infrastructure programme at our sites in RIIO-T2 and will continue in RIIO-T3. In 2025/26, we successfully installed two new EV chargers at our sites in Kintore and Loch Buidhe and have an additional 11 installations in progress. The continued introduction of chargers in RIIO-T3 will ensure that as EVs become more widely available we have the infrastructure ready to support their deployment.

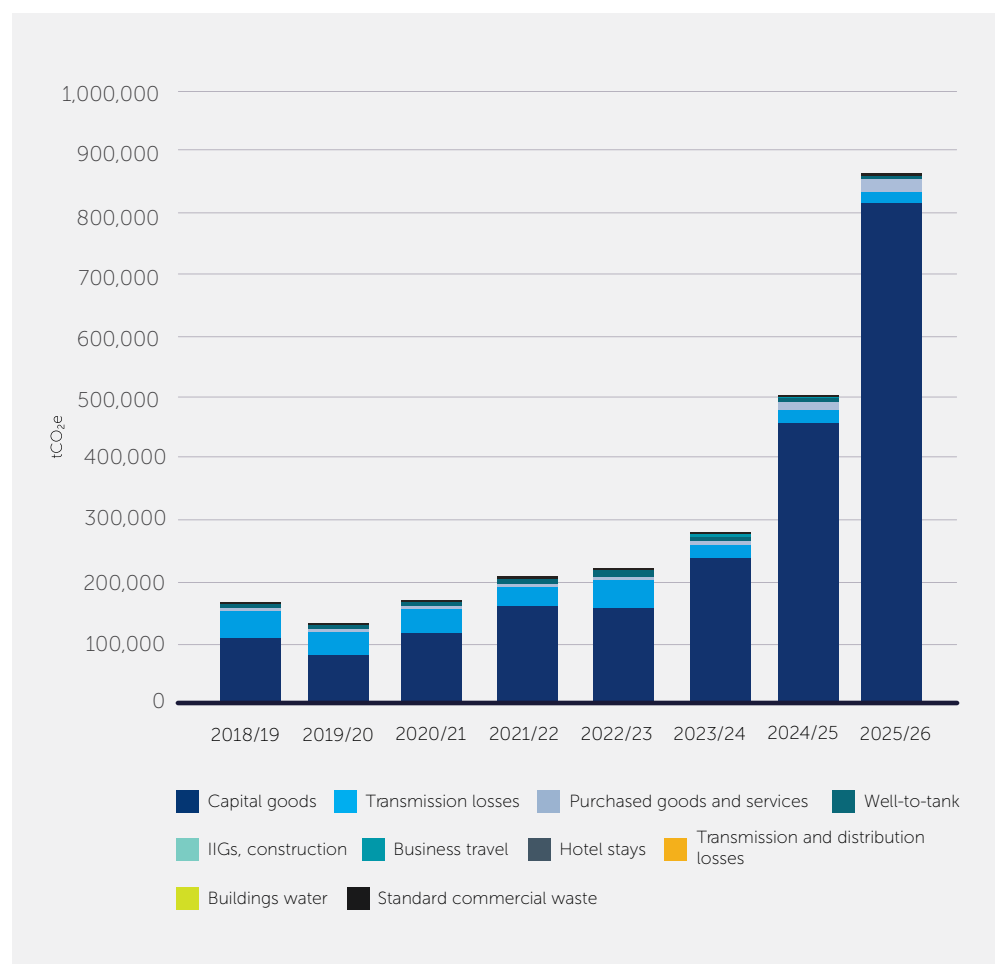


## Tackling our indirect emissions

### Scope 3

Scope 3 GHG emissions are indirect emissions that occur in our value chain, for which we share responsibility with others. Our largest category of Scope 3 emissions is capital goods, accounting for over 95% of our total Scope 3 emissions in 2025/26. Our other relevant categories are transmission losses, purchased goods and services, well-to-tank and business travel.

#### 2025/26 Scope 3 emissions



In 2025/26, our total Scope 3 emissions amounted to 858,689 tCO<sub>2</sub>e. This is more than 4 times higher than our 18/19 base year (420% increase) and a 73% increase compared to 2024/25. This is entirely associated with emissions from our capital goods and purchased goods and services which are increasing due to the significant network growth and investment we are delivering. As we expand the network to connect more renewables, we are using more materials and equipment.

Since 2018/19, our capital goods spend has increased 434% while the electricity on our network has decarbonised 72% over the same time period. As a result, capital goods have grown from 68% to 95% of our Scope 3 footprint and transmission losses have fallen from 26% to 2%. We currently use a spend based methodology for calculating most of our Scope 3 emissions, this means trends in our capital goods spend are the primary driver of our Scope 3 emissions. As we expand the network to connect more renewables, we are using more materials and equipment. Our key focus for Scope 3 emissions reduction is on embodied carbon within our capital goods. Please see section below on Embodied Carbon for more information.

### Reporting Improvements

In line with our commitment to ongoing Scope 3 reporting improvements, we have continued using the methodological improvements we implemented in 2023/24. These improvements were made following recommendations from our 2022/23 Planet Mark ISO14064-1 verification process and focused on our capital goods and purchased goods and services methodologies, given their materiality. We have split out purchased goods and services and capital goods and have applied Department for Environment, Food and Rural Affairs (DEFRA)-published emissions factors to convert our spend into GHG emissions. These emissions factors include GHGs emitted by our supply chain outside the UK and are therefore a better measure of our consumption-based footprint. We will continue to develop methodologies during RIIO-T3 to improve data quality and completeness.



See the Scope 3 emissions table in Appendix 2 for full data.

## Embodied carbon

In line with Ofgem guidance, embodied carbon is defined as the total GHG emissions associated with the production of infrastructure assets, including emissions from extraction, manufacturing, transport and construction activities.

Embodied carbon makes up the largest part of our Scope 3 emissions and is becoming an increasingly important focus as we deliver new infrastructure to support the net zero transition. While the development of the transmission network is essential to enable decarbonisation, this growth also leads to an increase in embodied carbon emissions. Reducing emissions across capital projects therefore requires robust measurement and management of embodied carbon, alongside other whole life carbon impacts.

Unlike Scope 1 and Scope 2 emissions, embodied carbon emissions typically fall outside our direct control, making them more complex to manage and requiring close collaboration with our supply chain.

To address this, we are implementing carbon management processes aligned with PAS 2080 Carbon Management in Buildings and Infrastructure, throughout RIIO-T2 focusing on:

- Benchmarking
- Target setting
- Monitoring
- Continuous improvement

In 2025/26, we conducted detailed embodied carbon assessments for all RIIO-T2 projects energised during the year.

### Carbon hotspots

Embodied carbon hotspots are primarily driven by the manufacture of electrical equipment and associated supporting civil works. This includes items such as transformers, conductors and cables, where emissions from product manufacture typically dominate total project emissions.

Construction-related activities are also a significant source of embodied carbon, particularly emissions associated with on-site fuel consumption.

Transport emissions are generally less significant for electrical equipment, where manufacturing emissions are the dominant contributor. However, transport can be a more material source of emissions where large quantities of bulk materials are required, for example aggregates used in temporary access tracks or civil works.

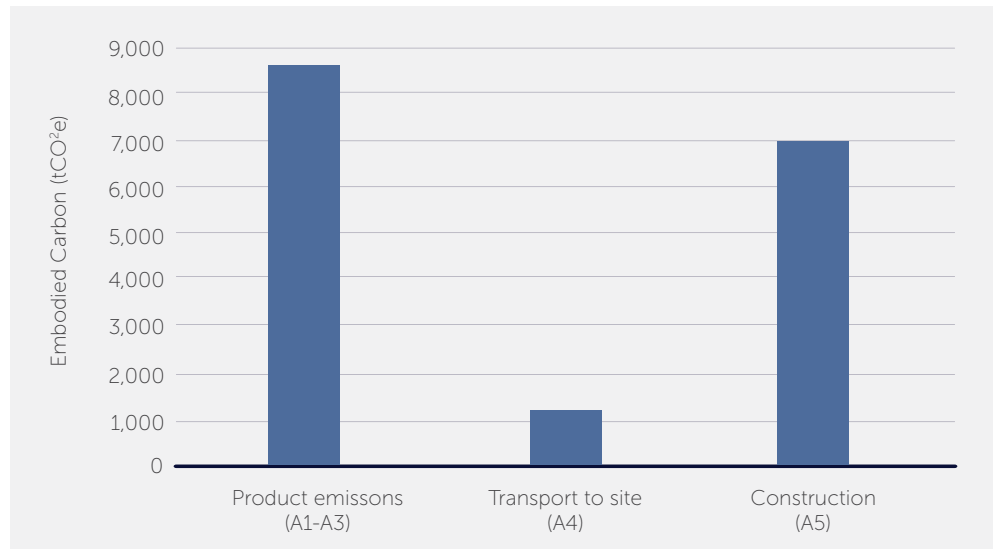
For projects in more remote locations, emissions associated with workforce travel can also be a notable contributor to overall embodied carbon, reflecting increased travel distances and logistical requirements.

These hotspots are consistent with lifecycle stages defined in BS EN 15978 Assessing the environmental performance of buildings, with most emissions arising from the product stage (A1–A3), followed by construction activities (A5). Embodied carbon results are presented using bar charts, illustrating both lifecycle stage contributions and key emissions sources across the portfolio.

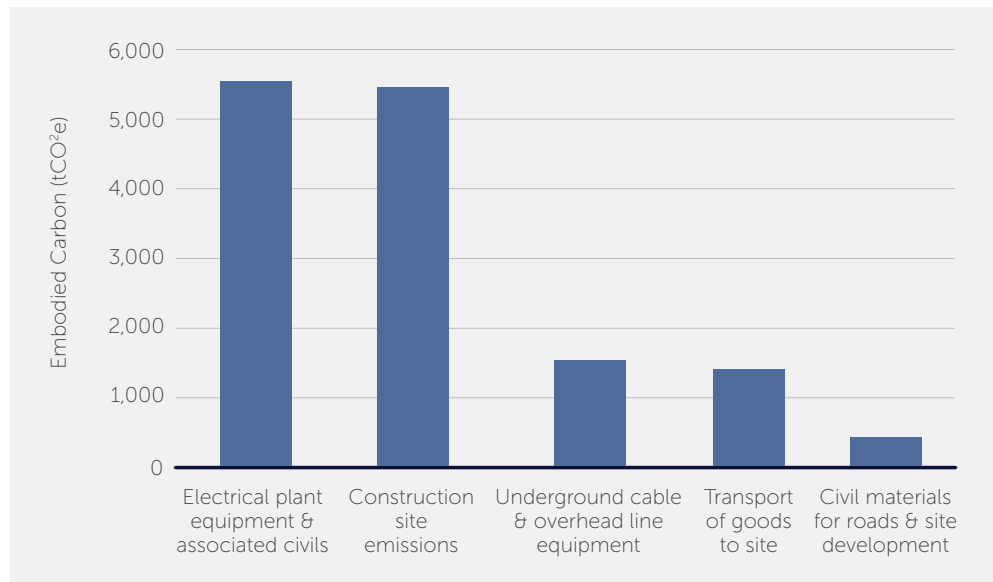
### Embodied carbon by project 2025/26<sup>1</sup>

| Project                                                  | Embodied carbon emissions (tCO <sub>2</sub> e) | Normalised emissions (tCO <sub>2</sub> e/£m) | Key sources of embodied carbon                                                                                                                   |
|----------------------------------------------------------|------------------------------------------------|----------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------|
| Gremista GSP (Load)                                      | 9,963                                          | 93                                           | Employee Travel<br>Transformers (Manufacture)<br>Fuel Consumption (Site)<br>Underground cable and overhead line (Manufacture)<br>Transport Goods |
| East Coast 275kV Upgrade – Tealing PST (ECU2) (Load)     | 4,092                                          | 167                                          | Transformers (Manufacture)                                                                                                                       |
| Tealing Substation SGT3/R3 Works (Non-Load)              | 2,272                                          | 377                                          | Transformers (Manufacture)<br>Fuel Consumption (Site)                                                                                            |
| Peterhead – Inverugie 132kV OHL Refurbishment (Non-Load) | 426                                            | 66                                           | Underground cable and overhead line (Manufacture)                                                                                                |

*Embodied Carbon emissions by lifecycle stages defined in BS EN 15978*



*Embodied Carbon emissions hotspots (all projects)*



See the *Embodied carbon by project* table in Appendix 2 for full data.



## Transmission losses

Transmission losses are the second-largest part of our Scope 3 footprint. We achieved our losses emission target six years early (2023/24), with a 72% reduction in the carbon intensity of these losses (measured in tCO<sub>2</sub>e/GWh) in 2025/26, exceeding our 50% target. This reduction has been enabled through the increasing proportion of renewable energy connected to our network.

This year, we saw an increase in electricity flows exported from the distribution network onto our transmission network, attributable to increased renewable energy generation connected on the distribution network. Our network transmitted 19.335 TWh of electricity, of which 17.064 TWh was transmission connected renewable. Despite increased flows on our network compared to last year, transmission losses have decreased over the same period, dropping from 0.501 TWh to 0.444 TWh. Furthermore, the GHG intensity of the total electricity on our network, and therefore of our losses, reached a new record low of 0.035 kgCO<sub>2</sub>e/kWh.

Emissions from transmission losses are a function of power flows across the UK electricity network and are therefore affected largely by the energy market and the operation of the system. Thus, future changes in the balance between renewable and fossil-fuelled electricity on our network could increase the carbon intensity again. Nevertheless, we have continued to surpass our SBT and, by continuing to connect renewable generators as quickly as possible, we will continue to decarbonise the electricity on our network and on the wider GB network.

We made no changes to our Transmission Losses Strategy in 2025/26.

See the *Transmission losses* table in Appendix 2 for full data

## Case Study: Managing Embodied Carbon Impacts

The development and rollout of modular substations provides a strong example of addressing embodied carbon through early-stage design intervention. The shift from bespoke, site-based construction to standardised, factory-built solutions for 132kV and 33kV customer connections is being enabled through a strategic supplier framework, with multiple installations planned over the coming months and years.

Off-site construction improves material efficiency and reduces waste, while standardised designs enable optimisation of key carbon-intensive components such as concrete, steel and electrical equipment. Modular substations also have a significantly smaller footprint—typically around 60% less than traditional installations—further reducing material requirements and associated embodied carbon. Reduced on-site activity also lowers impacts from temporary works, plant use and diesel consumption.

Critically, the modular approach is developed early in the project lifecycle, before design freeze and contractor mobilisation, when opportunities to influence embodied carbon are greatest. This aligns with PAS 2080 principles by prioritising upstream intervention across the value chain, rather than relying on later-stage mitigation.

Overall, modular substations demonstrate how carbon considerations can be embedded within engineering and procurement decisions at scale. Their repeatable design and growing deployment position them as a scalable, portfolio-wide solution for reducing embodied carbon.



Modular substation

## Increasing resilience against climate change

### Industry collaboration and regulatory monitoring to support climate resilience

During 2025/26, SSEN Transmission engaged in industry led collaboration to support the development and monitoring of climate resilience approaches. This included regular participation in the Energy Networks Association's Climate Change Resilience Working Group (CCRWG), which brings together electricity network operators, regulators and government representatives to co ordinate responses to climate change risks and emerging regulatory expectations.

Through this forum, SSEN Transmission contributed to cross sector discussions on climate risk assessment tools, metrics and scenario planning, including the application of UK Climate Projections (UKCP18), stress testing approaches and the development of common methodologies. This engagement supported alignment across the sector and informed ongoing consideration of longer term climate risks, interdependencies and high impact, low probability events.

In parallel, SSEN Transmission remained sighted on emerging regulatory developments, including DEFRA's evolving approach to the next Adaptation Reporting Power (ARP5) cycle. Early engagement through the CCRWG supported awareness of anticipated future reporting requirements, indicative timelines and the potential role of industry coordinated responses, including consideration of whether externally supported research may be required in future periods.

Building on this sector level engagement, SSEN Transmission also contributed to national climate resilience and adaptation discussions through direct engagement with the Climate Change Committee and industry partners. This included representing SSEN Transmission at the "A Well Adapted Energy Sector: from risk to resilience" workshop, hosted by the Energy Networks Association, which informed the evidence base for the Fourth Climate Change Risk Assessment (CCRA4). Through this forum, SSEN Transmission provided technical insight on the resilience challenges facing the electricity transmission network and contributed operational experience to support wider understanding of climate risks and adaptation priorities for the UK energy system.

In terms of wider infrastructure sector engagement to address interdependency risk, we have continued our commitment to the Climate Ready Infrastructure Scotland (CRIS) Forum which brings together infrastructure owners and operators across the energy, transport, telecoms, water, health, academic and public sectors. We are part funding a Climate-related Risk Interdependencies study CRIS is commissioning

to assess climate-related risk interdependencies between critical infrastructure systems in Scotland. Co-funders of the study include Calmac Ferries, Forestry & Land Scotland, Network Rail, NHS, Scottish Canals, Scottish Government, Scottish Water, SSEN - Distribution, SPEN, Transport Scotland and the Scottish Prison service amongst others.

### Flood Risk Mitigation

SSEN Transmission continues to strengthen the resilience of its substations to the increasing impacts of climate change through a targeted programme of flood mitigation works. Detailed site assessments have confirmed that five of the nine substations reviewed are not subject to significant flood risk within their main operational areas. At these sites, the primary challenge is maintaining safe access during periods of localised or river related flooding. New access routes will be constructed to ensure staff can reach substations safely during extreme weather events and continue to operate and maintain the network. The need for more extensive flood protection has been identified at four substations. At these locations, a range of measures will be implemented to better manage floodwater and protect critical infrastructure. These include improvements to drainage and flood defence arrangements, enhancements to existing barriers and the installation of pumping systems to reduce the risk of water ingress. Together, these interventions will significantly reduce the vulnerability of key assets during severe weather.

In parallel, basement resilience works are being delivered at 55 substations across the network. These works focus on strengthening physical barriers to water ingress and improving monitoring and early warning arrangements. Enhanced sealing will be installed at basement entry points, supported by sensors linked to existing pump systems that provide automatic alerts to operational teams, enabling swift response when flooding risks arise.

This programme of flood mitigation investment enhances the safety of SSEN Transmission's workforce, protects critical assets, and reduces the risk of network disruption during extreme weather. By improving access, reducing damage from flooding and extending asset life, these measures support the long term reliability of the transmission network and align with SSEN Transmission's commitment to deliver a resilient network and reliable energy.

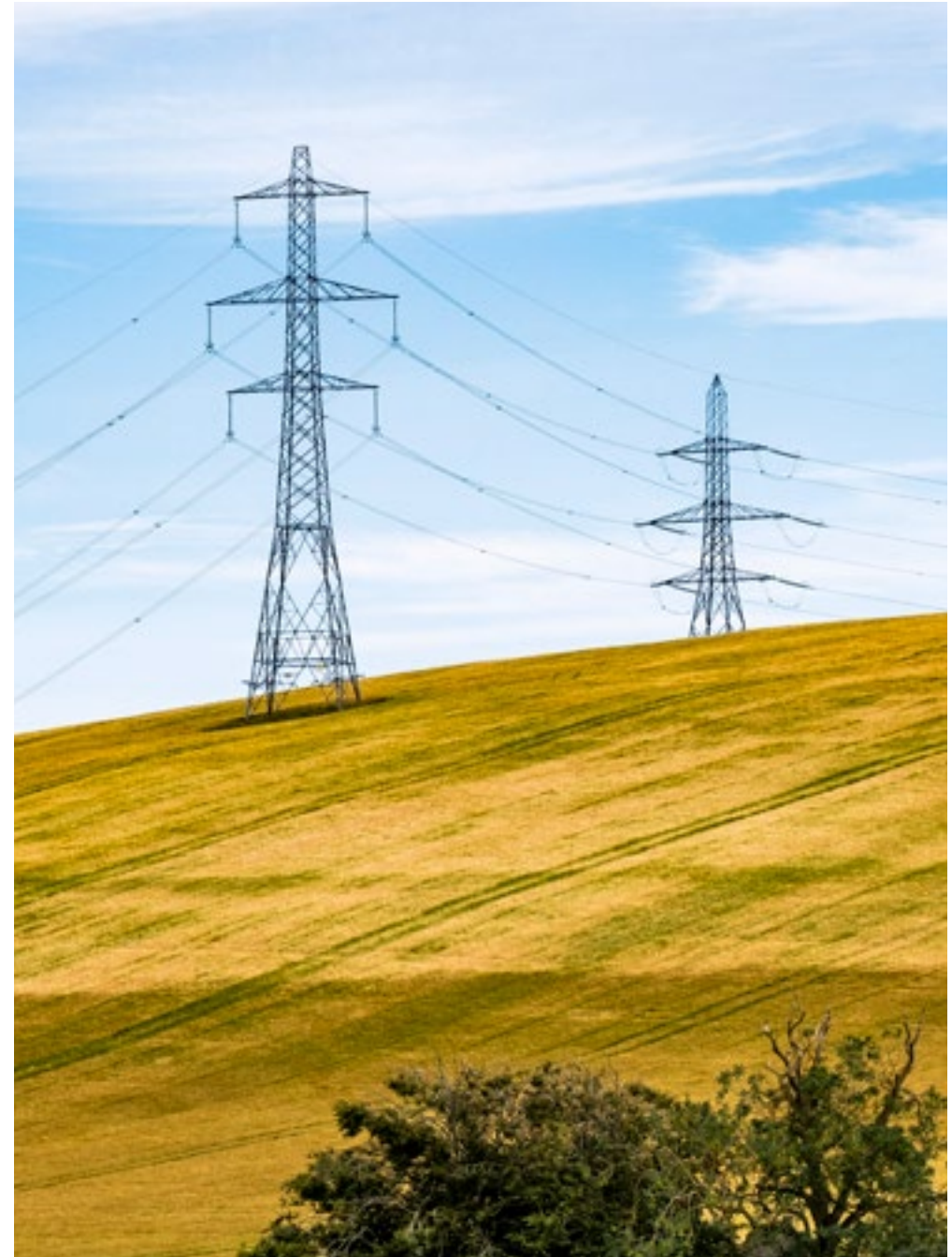
## Looking ahead

We have made significant progress in cutting emissions in RIIO-T2, reducing our business carbon footprint by 31%. While we fell short of our 33% target, we are now two-thirds of the way towards our 2029/30 SBT target to cut Scope 1 and 2 emissions by 46%. We will continue work to decarbonise by implementing our planned actions across SF<sub>6</sub>, substation electricity and transport emissions in RIIO-T3. This includes our SF<sub>6</sub> refurbishment projects and continues to focus on leak detection and resolution. We will also continue to drive delivery of our Transport Emissions Reduction Plan, including transitioning fleet vehicles to EVs, choosing efficient vehicles where EV alternatives are not available and monitoring efficiency. Additionally, we will continue our EV charge point deployment programme on sites to support the transition to an electrified fleet.

As we deliver significant network growth in the RIIO-T3 period, we anticipate significant growth in our Scope 3 emissions. To manage growing emissions, we will deliver a Supply Chain Engagement Plan to encourage suppliers to set and maintain SBTs. We will also develop and review mechanisms to mandate and track SBTs in supplier engagement. We will continue collaboration with our supply chain and other TOs to agree methodology for gathering whole life carbon impacts of electrical equipment and will continue working to align with the PAS 2080 standard for carbon management in buildings and infrastructure.

In 2026/27 we will review existing tools, data and processes SSEN Transmission uses to assess land carbon. We will also work with other GB TOs to discuss and develop a standard methodology to assess land carbon impacts. An agreed methodology will allow us to establish a standardised process, governance and guidance for our project teams to adhere to.

Lastly, we will establish a Climate Adaptation Action Group and monitor delivery of our RIIO-T3 commitments and the impacts of this delivery on climate resilience. We will delve further into climate scenario planning, risk assessment, adaptation pathways, stress-testing and operational integration to ensure our business is best prepared for the climate risks of the future.



# Nature

We're taking a nature positive approach to protect and restore nature.



## RIIO-T2 Nature recap

Over the last five years, our approach to nature became more established within project delivery, shifting from a focus on ensuring 'No Net Loss' at the start of the price control period to delivering BNG on all project gaining consent from May 2023 onwards. Our work broadened through partnerships with organisations such as RSPB Scotland, SCOTLAND: The Big Picture and the Scottish Association for Marine Science, helping connect project delivery with longer term Scottish restoration goals. Additionally, we completed all six VISTA projects, improving the visual amenity of existing electricity infrastructure in some of Scotland's most valued landscapes.

SSEN Transmission has delivered a step change in nature outcomes throughout RIIO-T2, progressing from No Net Loss to consistently achieving a minimum 10% BNG across all consented projects. We have established valuable partnerships with organisations such as the RSPB, Scottish Association for Marine Science (SAMS), and Scotland: The Big Picture, enabling our staff and projects to work with organisations dedicated to making a positive difference for nature in the areas in which we operate. We have moved beyond mitigation and now engage in nature restoration at a national scale, helping to create and maintain ecosystems in the north of Scotland. All this work has been underpinned by improved data management, allowing us to monitor our progress, better understand our impacts and plan for the future.

2025/26 was another successful year for BNG. All 20 consented projects this year achieved at least 10% BNG, with many surpassing the 10% minimum. We remain committed to delivering to 10% BNG on all eligible new infrastructure projects and following the mitigation hierarchy of No Net Loss of woodland cover. Where replanting is necessary, we continue to prioritise native broadleaf planting as this provides higher biodiversity value. We also contributed greatly to local environmental enhancements, taking part in rewilding activities, litter picks and planting.

In partnership with SAMS Enterprise, we published landmark reports identifying the status, challenges and restoration opportunities for seagrass meadows and native

### Our Indicators

- **Overall net biodiversity net gain of 19% across all eligible projects gaining consents (10% target)**
- **Over 42 hectares of native woodland planted**
- **Over 6 tonnes of litter picked**
- **0 'severe' environmental incidents**

### Our Actions

- **One Memorandum of Understanding with the Highland Council to support earlier delivery of offsite biodiversity enhancement**
- **Partnerships with Scottish Association for Marine Science, Scotland: The Big Picture and RSPB Scotland**

2025/26

oyster reefs, helping to shape a more strategic, science led approach to enhancing marine biodiversity.

We have continued to work in collaboration with external organisations, from working with National Grid and Scottish Power on assessing the nature impacts of our supply chains, to agreeing a memorandum of understanding with The Highland Council to enable earlier delivery of offsite nature restoration projects.



## Biodiversity net gain

All eligible projects gaining consent between in 2025/26 achieved a minimum of 10% BNG, measured using the SSEN Transmission Biodiversity Toolkit. Through the combination of on-site and off-site biodiversity enhancement design, SSEN Transmission has designed in 8,311.17 area habitat Biodiversity Units, which exceeds the baseline 10% net gain target of all eligible consents by 684 Biodiversity Units (an additional >9% BNG).

See the *Biodiversity Net Gain* table in Appendix 2 for full data.

### Case Study: Planning for biodiversity

In 2026, SSEN Transmission signed a Memorandum of Understanding (MoU) with The Highland Council which sets out a collaborative and up-front approach to compensatory planting, peatland restoration and biodiversity enhancement across the region. This approach supports the delivery of nature restoration at a strategic scale and pace, delivering habitat improvements, and working alongside local partners. It will ensure our investment programme in critical electricity transmission network upgrades leaves a positive legacy for communities and the natural environment. The MoU will ensure that schemes are technically suitable for delivery and provide a list of suitable sites that can be used to deliver biodiversity enhancement across the region.



# Aligning with the Global Biodiversity Framework (GBF)

The Global Biodiversity Framework (GBF), adopted by 196 countries at the UN Convention on Biological Diversity (COP15) in 2022, sets out a global roadmap to halt and reverse biodiversity loss by 2030 through 23 action-oriented targets. This visual highlights examples of how SSEN Transmission's Sustainability Action Plan targets and activities align with the ambitions of the GBF. The full [GBF report](#) can be found on our website.



## 2 Restore 30% of all Degraded Ecosystems

**SAP Target 9.a - Deliver 10% biodiversity net gain on all projects gaining consent (ongoing)**  
**SAP Target 9.b - Monitor and maintain restoration sites both on SSENT-owned land and on land owned by partners, implementing new data management system by 2026.**

We have a landmark partnership with nature charity SCOTLAND: The Big Picture, becoming the first energy company to support its Northwoods Rewilding Network to drive nature restoration across the north of Scotland and empower landowners to restore ecosystems at scale.<sup>1</sup>



## 3 Conserve 30% of Land, Waters and Seas

**SAP Target 8.a - Follow mitigation hierarchy for irreplaceable habitat (ongoing)**

Our Irreplaceable habitat policy includes avoiding ancient woodland, ancient and veteran trees, and peatland in good or moderate condition wherever possible, as well as designated sites (e.g. Site of Specific Scientific Interest (SSSI), Special Areas of Conservation (SAC) etc.) In circumstances where impacts are unavoidable, our method statements minimise any potential impacts.<sup>2</sup>



## 4 Halt Species Extinction, Protect Genetic Diversity, and Manage Human-Wildlife Conflicts

**SAP Target 10.b - By 2030, deliver large scale oyster restoration in partnership with experts.**

In partnership with SAMS Enterprise, we published a landmark report on restoring Scotland's native oyster reefs, which are important habitats for marine biodiversity and water quality. The report assesses the current state of these ecosystems and identifies opportunities for large-scale restoration.<sup>3</sup>



## 8 Minimize Impacts of Climate Change on Biodiversity and Build Resilience

**SAP Target 10.c - By 2030, deliver large scale seagrass restoration in partnership with experts.**

We have supported seagrass restoration by funding and publishing research with partners like SAMS Enterprise to understand the condition of UK seagrass meadows and identify how to restore them at scale - helping enhance carbon absorption and supporting climate adaptation by reducing coastal erosion while improving marine biodiversity.<sup>3</sup>



## 15 Reduce Businesses' Negative Impacts on Biodiversity

### Businesses Assess, Disclose and Reduce Biodiversity-Related Risks and Negative Impacts

**SAP Target 7.a - By 2026, work with other TOs to assess impacts of materials and construction methods on nature, including cumulative impacts.**

**SAP Target 26.e - By 2026, develop nature reporting in line with global best practice**

We are supporting the wider SSE Group in exploring alignment with the Taskforce on Nature-related Financial Disclosures (TNFD), helping to improve understanding and assessment of nature-related risks and opportunities.



## 20 Strengthen Capacity-Building, Technology Transfer, and Scientific and Technical Cooperation for Biodiversity

**SAP Target 10.a - Collaborate with other TOs and experts across the UK to lead on the development and adoption of an agreed methodology for measuring Net Gain in the marine (MNG) environment by 2027.**

SSEN Transmission has partnered with the Orkney Skate Trust, providing funding and sharing marine survey data to support research into seabed habitats and marine biodiversity as part of the route section for the proposed Orkney transmission connection. Following initial support in 2022, the partnership has expanded into a five-year funding programme, helping to improve understanding of the marine environment and identify opportunities to preserve and enhance marine wildlife.<sup>4</sup>

<sup>1</sup> [Powering nature restoration: SSEN Transmission launch landmark partnership with Scottish nature charity - SSEN Transmission](#)

<sup>2</sup> [SSEN Transmission: why nature restoration matters - SSEN Transmission](#)

<sup>3</sup> [SSEN Transmission and SAMS Enterprise Publish Landmark Marine Restoration Reports - SSEN Transmission](#)

<sup>4</sup> [Delivering a positive environmental legacy](#)

## Local environmental enhancements

Over the last year, we supported the planting of over 42 hectares (ha) of native woodland at Malling near Aberfoyle. Additionally, volunteers from our projects teamed up with contractors, local communities, NGOs and local planning authorities to carry out beach cleans which collected more than 6 tonnes of litter from our coastline.

We also continued our partnership work with SCOTLAND: The Big Picture, to develop project opportunities throughout their Northwoods network which announced its 100th member this year.

In 2026, we also launched a new partnership with RSPB Scotland which will fund a role with the charity to develop opportunities on RSPB reserves that would benefit from funding through our nature and BNG commitments.

### Local environment enhancements 2025/26<sup>1</sup>

| Project name               | Location                        | Description of local improvement                                                                                                                                                                                                                                                                  | Environmental benefit           | Timescales                  |
|----------------------------|---------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------|-----------------------------|
| Greens                     | Cuminestown                     | Provided litter picking equipment and helped volunteers in a litter picking event                                                                                                                                                                                                                 | Pollution mitigation            | May-25                      |
| Crossaig                   | Dalintober Harbour, Campbeltown | Nine volunteers from the Crossaig project team, along with Contractor volunteers from BAM and the Kintyre Coastal Network removed 185kg of litter from the shoreline at Dalintober Harbour                                                                                                        | Pollution mitigation            | Jul-25                      |
| EGL2                       | Sandford Bay/Fraisthorpe        | More than 50 volunteers from SSENT, National Grid and contract partners for EGL2 carried out a simultaneous beach clean at either end of the project (Sandford Bay in Aberdeenshire and Fraisthorpe in East Riding of Yorkshire) to remove more than 5 tonnes of litter in total from the beaches | Pollution mitigation            | Aug-25                      |
| East Coast 400kV and ASTIs | Brechin                         | 10 volunteers from SSENT and Balfour Beatty planted over 600 plants into pollinator-friendly flower beds, alongside charity, LPA and local primary school pupil volunteers                                                                                                                        | More native species;            | Completed Early Spring 2025 |
| Alyth substation           | Bamff Wildland                  | Volunteers from the sustainability team helped to remove old defunct deer fencing, and invasive rhododendron bushes at the Bamff Wildland project                                                                                                                                                 | More native species             | Oct-25                      |
| Orkney Link                | Birsay Beach                    | 31 volunteers from the Orkney Link project took part in a beach clean, collecting approximately 1 tonne of litter from the beach                                                                                                                                                                  | Pollution mitigation            | Oct-25                      |
| Malling                    | Near Aberfoyle                  | 42.78 ha of native broadleaves planting                                                                                                                                                                                                                                                           | More native species;<br>Climate | Completed Winter 25/26      |

<sup>1</sup>Local environmental enhancements completed in 2025/26 included enhancements on sites not owned by SSEN Transmission

## Environmental incidents

We use EcoOnline, a safety and environment reporting tool for staff and contractors across our active projects and operational sites to record safety or environmental incidents. During 2025/26, we reported 17 environmental incidents to the relevant regulator. Of the 17 incidents reported, six were categorised as 'Serious' in line with our internal severity classification criteria. All other incidents were minor and therefore had minimal impact. During this period, none of our reported incidents were categorised as 'severe'.

There have been no regulatory actions against us in the form of warning letters, formal undertakings, enforcement notices, monetary penalties, or prosecutions.

### Environmental incidents

|                       | Unit   | 2021/22 | 2022/23 | 2023/24 | 2024/25 | 2025/26 |
|-----------------------|--------|---------|---------|---------|---------|---------|
| Reported to regulator | Number | 13      | 12      | 14      | 7       | 17      |

## Oil management

During 2025/26 we added just over 14,889 litres of oil to our transformers. The bulk of this oil went to a supergrid transformer and a phase-shifting transformer at Tealing substation and two grid transformers at Gremista 132kV substation.

This year, oil-filled assets added to the network resulted in the increase of installed oil inventory by just over 283,865 litres. This year's oil top-up is about 370 litres lower than in 2024/25.

### Oil Volumes

|                        | Unit   | 2021/22    | 2022/23    | 2023/24    | 2024/25    | 2025/26    |
|------------------------|--------|------------|------------|------------|------------|------------|
| Operational equipment  | Litres | 10,188,565 | 10,255,581 | 10,479,330 | 10,518,060 | 10,801,926 |
| Cable oil top up       | Litres | 0          | 778        | 0          | 1          | 23         |
| Transformer oil top up | Litres | 6,007      | 2,463      | 6,066      | 15,267     | 14,890     |

## Looking ahead

In 2026/27, we will continue to assess our impacts in multiple areas. We will build on work to better understand our nature-related risks and impacts through our supply chain, working closely with other TOs and supply chain partners. Nature, project engineering and operations colleagues will collaborate to begin the inclusion of natural capital impacts in engineering assessments and embed a Natural Capital Asset Management and Sustainability System for SSEN Transmission-owned land as business as usual. Collaboration between nature and digital staff will also allow us to embed natural capital data points into our sustainability data systems.

We aim to deliver Heads of Terms for at least 20 offsite Nature restoration projects to deliver on planning requirements and complete surveys for at least 35 offsite nature restoration projects, allowing us to define our pipeline of works for 2027/28 and further into RIIO-T3. We will also continue to deliver no net loss of woodland through compensatory planting as well as 10% BNG on all projects gaining consent.

The business will also maintain course on marine habitat monitoring and restoration activities. In 2026/27 we will continue to engage with the Seabed Users Development Group and Scottish and UK governments to promote the creation of a developer-led marine net gain metric that is transparent and deliverable. We will continue to support and review the development of National Marine Plan 2 and regional marine spatial plans. Where relevant, we will also engage with our supply chain partners on marine skills development.



Communities

We're ensuring benefits are shared with communities and any adverse impacts are minimised.

 **RIO-T2 Communities recap**

Over the last five years, the way we engaged with our stakeholders and communities evolved; as projects grew in number and visibility, engagement became more regular and rooted in local needs, giving people more opportunities to raise concerns, shape proposals and stay involved as projects progressed. Steadily increasing AccountAbility scores throughout the period reflected the progress we made in building a more transparent, responsive and collaborative approach to engagement. Additionally, the introduction of Community Benefit Funds in 2024/25 enabled us to support local and regional priorities identified by communities themselves.

2025/26

Our Indicators

- 110+ stakeholder events and meetings
- 97% AccountAbility rating against AA1000 Stakeholder Engagement Standard (Top Advanced Category for fifth consecutive year)
- Nearly £3m awarded to 30 projects through Regional and Local Community Benefit Funds
- Over 600 homes out of 1000 now in contract as part of our sector-leading Housing Strategy

Our Actions

- Consultations for future Local Community Benefit Funds

We have continued to strengthen stakeholder engagement, receiving our highest ever AccountAbility rating of 97% against the AA1000 Stakeholder Engagement Standard. This reflects ongoing efforts to engage effectively with stakeholders, including the introduction of initiatives such as our Community Benefit Funds, Housing Strategy and drafting our new Community Engagement Strategy, all supporting more collaborative and transparent ways of working with our community stakeholders.

Progress against RIO-T2 Sustainability Business Plan Commitments (Communities)

| Sustainability outcome                                                                                  | 2021/22 | 2022/23 | 2023/24 | 2024/25 | 2025/26 |
|---------------------------------------------------------------------------------------------------------|---------|---------|---------|---------|---------|
| Complete detailed VISTA project designs and prepare Ofgem applications for selected projects by 2023/24 |         |         |         |         |         |

Community engagement

Our approach

During 2025/26, our teams continued to engage with communities across the north of Scotland as major infrastructure projects progressed toward construction. This has required high levels of communication, particularly in areas most affected by development.

As a stakeholder-led business, working closely with local communities and wider stakeholders to inform and shape our projects remains extremely important to us. Our varied engagement approaches range from face-to-face events to digital channels, statutory and non-statutory Community Liaison Groups, and one-to-one house visits to meet directly with concerned residents.

This year, our project teams organised 47 consultation events, 26 public meetings and 40 community liaison groups, alongside engagement at school careers events, agricultural shows and community activities. This ongoing engagement has helped us build strong relationships and stay connected with stakeholders throughout early development, pre-planning and consent stages. It has also provided space for communities to raise concerns and provide feedback, which has often led to meaningful changes to our proposals

## Working with stakeholders to deliver a network for net zero

As a stakeholder-led business, we take a strategic approach to engaging with our stakeholders to understand their priorities and values and to gather feedback on our own proposals and commitments. Throughout the past year we have delivered a broad programme of engagement with a wide range of stakeholders, including government, regulators, statutory bodies, communities, generation customers, nature restoration partners, and others within the wider energy sector. This has helped to shape our business priorities and how they are delivered including our Pathway to 2030 projects, Sustainability Strategy and wider Net Zero ambitions.

This year, we delivered over 20 expert speaking engagements at major industry conferences, reinforcing our role as a leader and innovator in the energy transition and sustainable infrastructure delivery. This was complemented by over 20 strategic sponsorships and partnerships to increase our brand presence and work collaboratively on shared ambitions with other organisations. This included engaging at exhibitions and trade events such as All Energy in Glasgow, promoting STEM careers in partnership with Aberdeen Science Centre and holding events at Westminster and the Scottish Parliament to get direct feedback and insights from elected members.

Broader stakeholder engagement included digital events such as a webinar on our Pathway to 2030 legacy commitments, setting out how we are delivering positive impacts in terms of jobs, housing, community benefit and nature restoration. Meet the Contractor events delivered in partnership with our supply chain partners such as the Greens 400kV substation session attended by over 100 people, helped to promote local business and employment opportunities and strengthen relationships with local communities.

Together, Our engagement programme has strengthened relationships and increased understanding of the complex infrastructure we need to develop and build with stakeholders, while also improving visibility of our role in building a resilient and sustainable network. It has also allowed us to build trust and supported collaboration, ensuring that key stakeholders are actively helping to shape the development of the transmission network and the range of extensive benefits this will enable.

## Top AccountAbility rating for fifth consecutive year

This year, we received our highest ever stakeholder engagement rating, confirmed by a comprehensive audit conducted by a leading global consulting and standards firm, AccountAbility. Their AA1000 Healthcheck includes a thorough review of internal and external stakeholder engagement practices and is considered the 'gold standard' in stakeholder engagement accreditation.

We scored 97% on the AccountAbility Stakeholder Engagement Maturity Ladder – up 2% from last year – placing us in the top Advanced category for the fifth consecutive year. This rating confirms we have met our RIIIO-T2 commitment to achieve 'Advanced' status and reflects a consistently high standard of stakeholder engagement, embedded within our strategy, governance and operations.



## Community Benefit Fund

SSEN Transmission offers two types of Community Benefit Funds (CBFs):

- A Regional Fund supporting strategic projects across the north of Scotland with broad community impact
- Local Funds supporting communities closest to new infrastructure

Now in our second year of delivery, we continued to evolve and expand our CBFs, reflecting our commitment to sharing the long-term benefits of infrastructure investment with communities closest to our projects. Developed ahead of UK Government guidance, the approach is aligned with guidance since published.

To understand local priorities and ensure funding decisions reflect community needs, every local fund is developed in partnership with local communities. In 2025/26, we carried out two community benefit consultations for our upcoming local funds - one for the Argyll and Kintyre 275kV Fund and one for the Skye Reinforcement Fund. These included a mix of 16 in-person and online events and saw strong local interest, providing valuable insight to shape how funding is allocated.

During 2025/26, we awarded nearly £3 million to 30 projects across both Regional and Local Funds. Across all funds, independent panels and community input continued to play a central role in allocating the funds, supporting a transparent and community-led approach. The full list of awards is on our website.

## Regional Funds

This year, we awarded more than £2.3 million from our Regional Fund to 14 projects. The Regional Fund supports projects that are expected to make a lasting difference by being impactful, innovative and able to contribute to longer-term outcomes for communities across our licence area. For example, we awarded £169,666 to Changeworks to help tackle fuel poverty and provide households with advice and practical support to keep their homes warm and reduce the cost of energy bills.

### Regional Fund statistics 2025/26



## Case study: investing in people

We awarded £149,180 to For You Training to support young people in the north Highlands, many of whom face barriers to work due to fewer local job opportunities and access to the skills needed for emerging industries. The programme provides tailored training responding to local needs and supporting pathways into employment in sectors such as hospitality, construction, energy and care, including apprenticeships and recognised qualifications.

This work will be strengthened through the development of a Community Innovation Campus in Tain, focused on net zero skills, career development and community wellbeing, with the potential to benefit over 1,700 people and support more than 240 apprentices.

For You Training is among the Highlands-based projects to receive funding through SSEN Transmission's Regional Community Benefit Fund.



## Over £2 million to power community projects across the north of Scotland



TRANSMISSION

Successful recipients from round two of SSEN Transmission's Regional Community Benefit Fund.

### New Start Highland

**£95,327**

Establishing the Highland Hospitality and Cookery School, providing skills, training and qualifications for people facing barriers to work in the hospitality sector.

### Tighean Innse Gall

**£393,883**

Reducing fuel poverty in the Western Isles by researching local housing types and designing practical, tailored energy efficiency solutions for island homes.

### Comann Eachdraidh Eirisgeidh

**£340,895**

Redeveloping the historic former Eriskay school into a sustainable heritage centre and community hub – offering training and wellbeing programmes for communities across Uist, Barra and the wider Outer Hebrides.

Initiatives that carry out their work in communities right across the north of Scotland:

### Fisheries Management Scotland

**£149,949**

Through the Working with Rivers project, enabling seven rivers and fisheries trusts across the north of Scotland to run paid nature-based training placements that build skills while restoring local river environments.

### Enable Scotland

**£226,993**

Expanding One Digital, offering accessible, accredited digital skills training to disabled people across the north of Scotland, tackling digital exclusion and building confidence and employability.

### Changeworks

**£169,666**

Delivering targeted support to park home residents experiencing fuel poverty across the north of Scotland through the Warmer, Greener Park Home Communities initiative.

### The Islands Book Trust\*

**£141,000**

Creating a shared digital hub to expand skills, preserve island heritage and support volunteer-led heritage organisations across Scotland's islands communities.

### For You Training (Farmer Jones Academy)

**£149,180**

Developing a community innovation campus in Tain, bringing new opportunities in education, tourism and sustainability to the Highlands.

### Eden Court Highlands

**£65,742**

Delivering Film Futures, a creative programme helping young refugees and asylum seekers in the Highlands build confidence, employability and community connections.

### Growing2gether

**£199,379**

Expanding a programme that strengthens the mental health, life skills and qualifications of disadvantaged young people in Moray and the Highlands.

### Aberdeen Cyrenians

**£149,362**

Supporting NorthBridge, a new hub providing people facing redundancy with support to develop skills, find jobs, and enhance wellbeing.

### Helm Training

**£49,934**

Funding Anchors Up, a programme guiding disadvantaged youth in Dundee through personal development, group learning and routes into training or employment.

### Dundee Industrial Heritage SCIO

**£40,000**

Supporting the transformation of Discovery Point – home of the Royal Research Ship Discovery – into a modern learning and visitor hub for future generations.

### Rock Trust

**£201,217**

Supporting a new youth housing hub in Perth delivering specialist employability, wellbeing and housing support for young people facing homelessness.

\* The Islands Book Trust is designed to serve all of Scotland's island communities, from its base in Lewis.

## Local Fund

Local Funds focus on communities closest to our infrastructure, supporting projects that best reflect local priorities, including education, wellbeing, and local development. Similar to the Regional Fund, the allocation of Local Fund is decided by independent panels made up of people who live in the communities they represent and understand local needs.

This year, funding has been delivered across two Local Funds:

1. Through the Shetland HVDC fund, we are working with local Development Trusts in Shetland and Caithness to deliver £677,250 over four years, supporting initiatives such as town centre improvements in Wick and footpath infrastructure upgrades in Shetland.
2. In Peterhead, the Eastern Green Link 2 (EGL2) Local Fund will provide more than £2 million in community benefit funding over the next few years. This year, it awarded £420,294 to 12 groups and organisations, including £99,800 to Peterhead FC Community Foundation to expand its partner school programme across the local area.

Following local consultation, a micro-grant scheme is also available, offering up to £500 for small community projects and local initiatives.

### Local Fund statistics



### Case study: investing in safety and skills for the future

The Peterhead Sea Cadets Unit received £21,755 to replace its 25-year-old ageing safety boat, helping to ensure safe and high-quality water-based training for young people. The unit has purchased a new rigid inflatable boat (RIB), which will support activities such as sailing, rowing and powerboating in and around Peterhead Marina and Bay, while improving safety standards and enabling more young people aged 10 to 18 to take part.

Alongside immediate benefits, the investment will support the development of skills and nationally recognised qualifications that can unlock future opportunities for younger generations, including careers in maritime industries. With regular maintenance, the boat is expected to serve the community for the next 25 years.



The Peterhead Sea Cadets' new rigid inflatable boat used during Powerboat course.

## Visual amenity

During RIIO-T2, we have met all construction objectives for our Visual Impact of Scottish Transmission Assets (VISTA) projects, with a focus on minimising the visual impact of existing electricity infrastructure within nationally designated landscapes. Our key achievements include the undergrounding of 15.1 km of 132 kV overhead lines at Glen Falloch, Killin, and Sloy in the Loch Lomond and The Trossachs National Park region. These projects included working within village settings and ecologically sensitive areas, delivering notable landscape and visual enhancements in some of Scotland's most valued landscapes.

No new projects have advanced this year due to market conditions, supply chain constraints and challenges securing landowner agreements. Multiple site visits and assessments have also determined that natural regeneration is already contributing to the integration of overhead lines into the surrounding landscape and that woodland creation initiatives planned by other stakeholders, including Forestry Land Scotland, are expected to provide further screening, thereby reducing the potential need for additional interventions. In RIIO-T3, we will establish a new £11.6m Landscape Enhancement Initiative designed to deliver environmental enhancements and improvements to visual amenity in relation to existing infrastructure.

### VISTA metrics

|                                                   | UNIT   | 2021/22 | 2022/23 | 2023/24 | 2024/25 | 2025/26 |
|---------------------------------------------------|--------|---------|---------|---------|---------|---------|
| Removal of overhead lines                         | Km     | 7.3     | 3       | 4.8     | 0       | 0       |
| Non-technical mitigation projects started in year | Number | 1       | 0       | 0       | 0       | 0       |
| Non-technical mitigation projects                 | £m     | 0.168   | 0       | 0       | 0       | 0       |

## Looking ahead

As we are now in the RIIO-T3 business plan period, and with more of our key projects moving into delivery, we will continue to strengthen and adapt our approach to community and stakeholder engagement, recognising the growing importance on having meaningful, place-based and transparent engagement with our stakeholders. Our Stakeholder Engagement Strategy sets the long-term framework for engaging with those affected by or interested in our work and our annual engagement action plans set out transparently our focus areas and continuous improvement actions for the year ahead.

Our priority engagement themes reflect what we've heard from our diverse stakeholders – the businesses and supply chain companies we work with, regulators, policy makers, industry bodies, consumers, and the communities that host our projects – about what will be most important over the coming year. This will include how we are considering cumulative impacts, demonstrating project progress clearly and delivering socio-economic benefits.

In terms of how we engage, we are committed to continual improvement to build trust and understanding by enhancing our materials, increasing opportunities for dialogue and informal consultation, and strengthening feedback approaches to inform decision making. We will also help to realise community and wider societal benefits by further developing partnerships that deliver mutual benefits and publishing guidance to ensure our community benefit funding process is transparent and well understood.



# People

We're growing our skilled workforce and continuing to drive inclusion and wellbeing



## RIIO-T2 People recap

The scale of work delivered under RIIO-T2 would not have been possible without significant growth in workforce capacity and capability. Over the past five years, the number of SSEN Transmission employees has grown significantly, from 534 in March 2021 to 2,841 in March 2026. As the organisation continues to grow, there has been an ongoing focus on making sure people have the support they need during a period of delivery pressure. Through the Sustainable People Strategy and Workforce Resilience Strategy, we grew our capacity and offering on wellbeing, inclusion, skills development and clearer career pathways. Early Careers programmes have also expanded, growing from 19 participants to 330, helping to strengthen long term talent pipelines and work opportunities for young people in the north of Scotland. Taken together, these initiatives reflect a growing recognition that long term delivery depends on building skills, resilience and fair access to opportunity as much as it does on increasing workforce size.

Our people are at the heart of delivering our plans as we continue to expand Scotland's electricity network. This year, we welcomed 436 new colleagues, taking our employee headcount to 2,420. We also continue to strengthen the support from Group corporate teams, working across areas such as Finance, Procurement, IT, Legal and HR with an additional 80 colleagues joining us in these areas, taking support function headcount to 421.

We met all of our RIIO-T2 People Sustainability targets. Over the last financial year, female representation in our business has continued to grow, increasing from 30% in 2024/25 to 32% this year, while the Gender Pay Gap has reduced to just over 13%, down 3% from last year. Additionally, as of March 2026, 84% of our employees had shared their diversity information, giving us a better understanding of our workforce individual needs and how we can support them.

### Progress against RIIO-T2 Sustainability Business Plan Commitments (People)

| Sustainability outcome                                                                                                                                 | 2021/22 | 2022/23 | 2023/24 | 2024/25 | 2025/26 |
|--------------------------------------------------------------------------------------------------------------------------------------------------------|---------|---------|---------|---------|---------|
| Achieve a more representative workforce that reflects the local communities we serve by developing improved diversity and inclusion metrics by 2023/24 |         |         |         |         |         |
| Achieve a more inclusive working environment by 2023/24                                                                                                |         |         |         |         |         |

### Our Indicators

- **135 Early Careers Professionals welcomed to the business**
- **85% Sustainable Engagement Score**
- **£1.5m invested in external training**

### Our Actions

- **Delivered 136 STEM events with schools and universities**
- **Contributed 240 volunteering days to over 80 different organisations, a 71% increase in**

2025/26

## One sustainable workforce

Aligned to SSEN Transmission's sustainability priorities, our 'Sustainable People Strategy' focuses on the following areas:

- A happy & healthy workforce
- One inclusive & engaged team
- Empowered, inspirational leaders
- Right people, right skills

In 2025, 89% of employees completed our biannual Great Place to Work survey, and we achieved a Sustainable Engagement Score of 85. This score reflects how engaged colleagues feel with the business, how supported they are to do their jobs, and their overall sense of wellbeing. Feedback from the survey has been used to shape action plans at both business and directorate level, with a focus on three continuous improvement threads: cultural engagement, ways of working, and strategic engagement.

Everything we have done in this space has been underpinned by our golden thread of "doing good whilst doing well". We have tested this model throughout the RIIO-T2 period to ensure we continue to focus on the right themes so our people feel engaged and empowered to help us deliver on our ambitious plans.

## Supporting our people

We are committed to equipping our people with the skills, knowledge, and support they need to help deliver and grow the network. While recruitment remains important to us, we are equally focused on empowering our existing workforce and supporting long-term career growth.

In 2025/26, we celebrated a range of successes including:

- Strengthening core skills through new programmes focused on stakeholder engagement, communication and digital literacy
- Investing over £1.5m in external training to build technical and professional skills
- Continuing to develop talent pipelines through existing and new initiatives, including the launch of our Women in Energy programme, which helps female participants build confidence and capability in external networking
- Introducing a career map and career aspiration guide to support progression and development into future roles.

We also continued to build on our Inclusion and Diversity initiatives by:

- Launching a fourth cohort of our successful Reverse Mentoring Programme to encourage diverse thinking amongst senior colleagues
- Creating a quiet working zone in our Inverness office to help colleagues learn and focus at their best, with plans to extend into other locations if feedback is positive
- Continuing our membership with Women's Utility Network to support our ambition to strengthen gender balance in the energy industry
- Piloting Lean-In Circles to provide female employees with opportunities to have conversations with peers, build new skills, and support their goals.

This year, our Diversity Return Information response rate was 84%, compared to 85% last year. Despite this small decrease, the larger workforce means we have a broader data set to better inform our approach to supporting our workforce. Additionally, we're pleased to report that our median Gender Pay Gap continues to decrease year on year from 16.4% (2024/25) to 13.4% (2025/26), and that the female representation in our business reached 32%, compared to 30% last year.

These achievements have been underpinned by the creation of a Strategic Workforce Plan in the last financial year, with each directorate having clear and coordinated actions based on our future workforce requirements. Additionally, we remain guided by our [Workforce Resilience Strategy](#) published in 2024 as part of our RIIQ-T3 Business Plan, outlining our strategy to grow, develop and strengthen our workforce as our network continues to expand.

### Increasing accessibility and understanding

The Disability, Neurodiversity and Chronic Health (DNACH) Belonging Community grew its Viva Engage community and delivered regular topic-specific cafés, webinars and awareness events, including sessions on neurodiversity, chronic health and supporting others. The group also expanded sunflower badge rollout, introduced an updated version of the popular DNACH Learning Cards and improved signposting to health hub resources and occupational health toolkits. DNACH also continued to strengthen accessibility through the creation of an Accessibility Hub and a new assistive technology workflow.

### Industry-leading Health & Wellbeing certification

Our Health and Wellbeing team achieved the ISO45003 certification, the world's first international standard focused on mental health and safety at work. The team has continued their great work with our Wellbeing Champions Network and Mental Health First Aiders, while extending this support to help our supply chain assess their own health and wellbeing performance. Building on this great achievement, the team is now focused on retaining ISO45003 certification at the mid 2026 reassessment



## Growing our workforce

### Early careers in numbers:



**135**  
early careers  
professionals welcomed

**27**  
schools  
engaged

**136**  
STEM events  
attended

**1,016**  
pupils  
reached

Developing early careers pipelines continues to play an important role in building the skills needed to support future network investment, while also creating meaningful opportunities across central and north Scotland. As our programmes have grown, we have continued to offer pathways into the energy industry for people at different stages of their careers, helping to support local employment and develop skills within the communities where we operate.

Our pipeline participation has grown from 19 participants in 2021 to over 330 this year. During 2025/26, we welcomed our largest ever cohort, with 59 graduates joining SSEN Transmission alongside 38 apprentices and trainees, 35 summer placement and Power Academy students, and three year-in-industry students. Our commitment to developing accessible early careers opportunities has also been recognised externally, with SSEN Transmission maintaining Platinum membership of the '5% Club' for offering the 'earn-as-you-learn' roles to over 10% of our workforce.

### Building the pipeline through engagement

Alongside recruitment of our pipeline, we have also continued to expand our external engagement to support future talent. Over the past year, we attended 136 events across schools, colleges and universities, ranging from early years engagement through to careers fairs, guest lectures and skills workshops.

Through initiatives such as the Powering Futures partnership, we have worked directly with young people to provide mentoring and hands-on learning opportunities linked to real industry challenges. As part of this, 62 student teams across 43 schools participated in a national challenge, reaching over 2,300 young people. We have also continued to support STEM-related activity through programmes such as the EDT Industrial Cadets and partnerships with science centres and skills academies, engaging over 1,000 pupils through practical workshops and project-based learning. These activities span primary and secondary education and help build awareness of the energy sector and potential careers available.

Targeted initiatives have also been introduced to improve inclusion and diversity, including our first Explorer Day focused on underrepresented genders, supporting young people to better understand opportunities through interactive sessions and sharing experiences.

### Case Study: Discovery Days

We ran our Discovery Days across our main office locations, supporting the development of our future skills pipeline. These two-day events provide S4 – S6 pupils from local schools with valuable insight into our business, projects, and early career opportunities within their area.

Following these Discovery Days, we received nine job applications from those who attended the Perth and Aberdeen sessions, two of which resulted in offers for our August 2026 Trainee Engineer programme, contributing to the continued development of early career talent within the business.



S4 - S6 pupils from local schools attending interactive session at the Discovery Days held at the Aberdeen Science Centre.

## Volunteering

SSEN Transmission is committed to leaving a lasting positive legacy in the communities in which we operate. Since February 2025, the business has offered a platform for groups, charities and non-profits to submit requests for volunteers. This system allows us to provide support in the ways that are most meaningful and beneficial to local communities. We aim to fulfil as many of the requests submitted as possible and to increase the number of staff using their allotted volunteering days.

All SSEN Transmission staff are entitled to at least one annual volunteering day. In 2025/26, Transmission staff spent over 240 days volunteering for more than 80 different organisations. Groups receiving volunteer support included community councils and development trusts, nature rewilding and conservation projects, charities supporting children and refugees, and many others.

In 2025/26, over 8% of Transmission employees took part in volunteering activities during company time, representing a 45% increase on the previous year. Total days used increased 71% compared to the previous year. This reflects a stronger focus on promoting our volunteering programme, both within the business and across the communities where we operate. We have also encouraged senior team members to lead by example by using their volunteering days and made it easier for employees to take part by simplifying how opportunities are accessed

and recorded.

Building on this progress, we aim to increase participation to 25% of employees by 2027 and 50% by 2031, enabling us to support a wider range of community initiatives as we move into the RIIO-T3 period.

## Looking ahead

As we enter RIIO-T3, the scale of work across our network will continue to grow, bringing new demand for skills and people across the business. We will refresh both our resourcing and talent development approaches to strengthen capability across the business and support future growth. This includes growing our early careers pipeline, sharing best practice on STEM engagement with partners and supply chain, and investing in our existing workforce.

We will also continue to strengthen our approach to inclusion and diversity, including reviewing our diversity targets, and continuing to increase female representation within our business. In parallel, we will build on our wellbeing activity and continue to support positive working environments for employees and partners, ensuring that the people we work with feel well supported and empowered to do their jobs. We will also strive to further extend participation in volunteering and community activity, helping more of our people contribute directly to the communities we serve.

SSEN Transmission colleagues help Perth & Kinross Association of Voluntary Service (PKVAS) tidy gardens and paths for visitors



SSEN Transmission staff support Bamff Wildland by removing old deer fences for their rewilding project near Alyth



# Procurement

We're forging partnerships for excellence in procurement, ensuring responsible sourcing.



## RIIO-T2 Procurement recap

2025/26

The accelerated network growth has also increased the importance of procuring responsibly. As capital delivery expands, sustainability expectations have become more clearly embedded in contracts, helping improve how carbon, waste and social value are managed and reported. This has increased visibility of how sustainability is delivered in practice, helping teams track progress more consistently, intervene earlier where needed and ensure best sustainability practice across our portfolio.

### Our Indicators

- **82% of suppliers by spend with science-based target against our goal of 67%**
- **99% diversion of operational waste from landfill and over 91% to recycling**
- **Only 1.16% of project waste to landfill with over 92% reused, recycled or recovered**

### Our Actions

- **Embedded Sustainability Works Information into contracts**
- **Built bespoke supplier waste data capture tool**

We continued to strengthen our supplier sustainability requirements and engagement, particularly across our Accelerated Strategic Transmission Investment (ASTI) projects. The SSE Group Sustainable Procurement Code remains central to this approach, setting clear expectations for suppliers and forming part of all tenders and major contracts awarded across SSSEN Transmission.

We continued to exceed our RIIO-T2 commitment for approved suppliers based in the north of Scotland, increasing from 26% to 27% this year. This increase reflects greater spend linked to ASTI projects, including activity linked to the housing strategy, and collaboration with local partners, local authorities and Tier 1 contractors. We have also seen a marked increase in suppliers with a sustainability KPI. Of our suppliers registered on EcoVadis, a sustainability supply chain reporting platform we use, 85% now have a policy on sustainable procurement, demonstrating continued commitment to embedding sustainability within supply chain operations.

Earlier in the RIIO-T2 period, we also focused on improving waste management, including introducing improved systems for capturing supplier sustainability data. This has helped provide a clearer and more reliable view of project performance, enabling more effective management of waste across our portfolio.



## Supply chain

In 2025/26, we continued to strengthen our supplier sustainability performance, ensuring our supply chain aligns with our Sustainability Strategy, our RIIO-T3 Business Plan, and the PAS 2080 standard for carbon management in buildings and infrastructure.

This year, we have further embedded the Sustainability Works Information into contracts, which outlines the sustainability requirements to be undertaken by contractors across metrics relating to carbon, waste, and social value. This not only drives improved sustainability monitoring and reporting, but also delivers benefits to Scotland's communities, economy, and climate.

Following Transmission's ASTI contracts awards, we have seen tangible strategic investment by supply chain partners:

- Murphys's opening a dedicated training suite in Alness, along expansion of their office, with ambitions to reach over 100 full-time roles this year.
- Linxon's new Scottish base, supporting their growing portfolio of transmission projects in Scotland. The office will initially accommodate 25 new engineering and project delivery roles, with room for further employment. Linxon has confirmed that local recruitment will be prioritised, helping to build long-term capability within Scotland's workforce and supply chain.
- BAM's new shared office space in Inverness, creating a dedicated Highland hub for more than 200 people involved in engineering and energy operations in the north of Scotland.
- Balfour Beatty's new office in Kirriemuir, reinforcing the overarching commitment to working collaboratively with local businesses and supporting economic growth. Once fully operational, the site will support up to 70 local jobs, providing a range of opportunities in both office-based and on-site project delivery roles.

These examples demonstrate how our procurement activity is helping to support local employment, strengthen supply chain capability and deliver wider value in the communities where we operate.

### Sustainable procurement metrics

| Sustainability outcome                                                                  | Unit | 2021/22 | 2022/23 | 2023/24 | 2024/25 | 2024/25 |
|-----------------------------------------------------------------------------------------|------|---------|---------|---------|---------|---------|
| Proportion of suppliers (by value) adhering to our sustainable code                     | %    | 100     | 100     | 100     | 100     | 100     |
| Approved suppliers located in the north of Scotland                                     | %    | 25      | 25      | 25      | 26      | 27      |
| Percentage of suppliers (by value) that have a policy on sustainable procurement issues | %    | No data | No data | No data | 71      | 85      |



### Progress against RIIO-T2 Sustainability Business Plan Commitments (Procurement)

| Sustainability outcome                                                                       | 2021/22 | 2022/23 | 2023/24 | 2024/25 | 2025/26 |
|----------------------------------------------------------------------------------------------|---------|---------|---------|---------|---------|
| Achieve zero waste to landfill (excluding compliance waste) by 2025/26                       |         |         |         |         |         |
| Achieve a recycling, recovery and re-use rate of >70% across our waste streams by 2025/26    |         |         |         |         |         |
| Achieve a 25% representation of approved suppliers based in the north of Scotland by 2025/26 |         |         |         |         |         |

## Sustainable resource use

Alongside our work with suppliers, improving resource efficiency and reducing waste remains a key focus. During 2025/26, we strengthened how waste is monitored and managed across our large capital projects, building on the improvements introduced in 2024/25. This enhanced data collection and visibility of project-level performance are helping us track progress more consistently against our targets and enable more informed decision-making, ultimately allowing us to outperform our recycling, recovery and reuse target of 70% with just 1.16% of waste heading to landfill.

In 2025/26, we completed an external audit of our project level waste data, carried out by Jacobs. The audit report points to a range of improvements that will inform action during RIIO-T3 in support of our increasing commitments on reuse and recycling rates.

### 2025/26 Waste management performance<sup>1</sup>

| Waste destination           | Operational waste (tonnes) <sup>2</sup> | Operational waste (%)     | Project waste (tonnes) | Project waste (%) | Total waste (tonnes) | Total waste (%) | Target                                                                                    | Performance                                           |
|-----------------------------|-----------------------------------------|---------------------------|------------------------|-------------------|----------------------|-----------------|-------------------------------------------------------------------------------------------|-------------------------------------------------------|
| Recycling                   | 206.44                                  | 91.25                     | 9540.80                | 73.2              | 9749.24              | 73.50           | Achieve a recycling, recovery and re-use rate of >70% across our waste streams by 2025/26 | <b>92.35% recycling, recovery and re-use rate</b>     |
| Re-use                      | 0                                       | 0                         | 2048.24                | 15.71             | 2048.24              | 15.45           |                                                                                           |                                                       |
| Recovery                    | 19.8                                    | 8.75                      | 431.12                 | 3.31              | 450.92               | 3.40            |                                                                                           |                                                       |
| Landfill                    | 0.02                                    | 0.01                      | 195.59                 | 1.5               | 195.61               | 1.48            | Achieve zero waste to landfill (excluding compliance waste) by 2025/26                    | <b>1.16% or 151t non-compliance waste to landfill</b> |
| Other Disposal <sup>3</sup> | 0                                       | 0                         | 818.97                 | 6.28              | 818.97               | 6.18            | n/a                                                                                       | n/a                                                   |
| <b>TOTAL</b>                | <b>226.24</b>                           | <b>100.01<sup>4</sup></b> | <b>13,034.71</b>       | <b>100</b>        | <b>13,260.95</b>     | <b>100</b>      | n/a                                                                                       | n/a                                                   |

<sup>1</sup>Waste data is collected and managed in line with our internal Waste Management Standard. Operational waste data is sourced directly from waste contractors and managed at SSE Group level. Project waste data is sourced from our supply chain partners through an online portal and analysed internally. All waste data is subject to periodic audit.

<sup>2</sup>We use the terms "operational waste" to refer to waste from offices, depots and other operational sites, and "project waste" to refer to waste generated through the construction of our assets.

<sup>3</sup>"Other disposal" refers to incineration without energy recovery. It is listed separately here in line with best practice reporting as it is neither landfill nor recycling, recovery or re-use.

<sup>4</sup>Due to rounding of percentages to two decimal places, the total comes to 100.01

## Operational waste

Operational recycling and landfill diversion targets are set annually by SSE Group and reflected in the SSE Environment Vision. For 2025/26, targets were set to achieve 97% diversion from landfill and 60% recycling by tonnage. SSEN Transmission exceeded both targets, achieving 99.9% diversion from landfill and 91% recycling. Energy from waste accounted for over 8% of waste streams, with no waste sent to anaerobic digestion or treatment routes.

This represents a 35% increase in recycling performance compared to the previous year and reflects continued improvements in how waste is managed and reported. This year-on-year progress has been supported by expanded data coverage, including additional material streams such as metal recycling, as well as increased use of storage and depot sites to support segregation and recovery.

To reduce duplication and improve efficiency in reporting, SSEN Transmission has also stopped reporting waste data from shared SSE office sites. Waste at these locations is managed and reported centrally by SSE plc, with performance being captured within SSE's Group sustainability reporting. As such, certain categories of waste that have been reported in past reports, such as food waste, have been omitted from this report. Please see SSE plc's [Annual Sustainability Report](#) for further operational waste data.

See the Operational waste tables in Appendix 2 for full data.

## Project waste

The amount of waste produced by our construction projects ("project waste") reduced significantly in 2025/26 compared with previous years. This was due to a number of large projects completing in 2024/25 or early in 2025/26, including two warehouse projects which accounted for over 23,000 tonnes of construction waste in the previous year.

Unfortunately, the amount and proportion of waste going to landfill increased this year compared with the previous year, rising from 0.23% to 1.16%. The majority of this waste was generated by construction and demolition activities which suggests there is room to improvement as our construction programme progresses through RIIO-T3. The proportion of waste material being reused also fell from just under 20% to 15.71%, suggesting this may also be an area for improvement. Our project waste recycling rate increased slightly from 71.37% to 73.2%.

Project waste data gathering, processing and analysis also improved this year, and an audit completed by Jacobs identified a number of areas for further development. Data improvements in 25/26 included moving away from our previous supplier data capture tool and building a bespoke tool in-house, and enhancing supplier engagement on project waste.

## Looking ahead

As we move into RIIO-T3, the scale of investment and construction activity across our network will increase significantly. While this is expected to drive higher volumes of material use and waste, our progress under RIIO-T2 shows that it is possible to decouple waste from project delivery, with recycling performance improving year on year.

We will continue to improve the quality and use of waste data, alongside strengthening engagement with our supply chain to reduce waste at source and improve resource efficiency across projects. This will include a more structured engagement programme with our supply chain and clearer expectations on sustainability performance and reporting.

We will also take a more proactive approach to circular economy principles, embedding reuse and recycling considerations into early project design decisions and exploring how existing assets can be repurposed at end of life. In parallel, we will focus on identifying and addressing barriers to waste reduction through a dedicated action plan, supporting continued improvements in recycling performance.

Together with the development of a Circular Economy Roadmap at SSE Group level, these actions will support our longer-term ambition to achieve 80% recycling by 2030.



# Performance

We're understanding our impacts from a global to local scale by enhancing data and processes.



## RIIO-T2 Performance recap

Throughout RIIO-T2, we have steadily improved our sustainability data management, including areas such as Scope 3 emissions, project waste and embodied carbon. In 2024/25, the Sustainability Data Architecture project was launched to develop a more efficient system and improve the quality of sustainability information. Additionally, we grew our portfolio of innovation projects, researching and developing ways to deliver and maintain a resilient and sustainable network.

This year, we continued to make significant improvements in how we collect and manage sustainability data, completing the first phase of our Sustainability Data Architecture Project. We have also continued working on innovative solutions for the transmission sector, partnering with high-quality research organisations around the country.

## Sustainability data and reporting

In 2025/26, our Sustainability and Digital teams completed phase one of the Sustainability Data Architecture project, identifying systems, processes and data flows of sustainability information and mapping what data is gathered through what processes, where it is stored, and how it is managed and used. The team has begun the important process of consolidating these systems to ensure more streamlined data flows, more efficient information access and stronger data governance. This project underpins work to realise our ambition to align with best practice sustainability reporting by 2027, as well as enabling better decisions informed by accurate and complete data.

As well as the data architecture project, SSEN Transmission developed an interim supplier data capture tool to replace a third-party tool for gathering sustainability data from contractors on large capital projects. The interim solution aims to simplify processes and ease the reporting burden on contractors, whilst providing more accurate data.

2025/26

### Our Actions

- **Phase 1 of Sustainability Data Architecture Project delivered**
- **Refreshed sustainability requirements for large capital projects**
- **Delivered innovation projects grounded in sustainable principles**

## Innovation

As project delivery continues at scale, we are always on the lookout for innovative ways to increase efficiency in time and resources and to leave a lasting and positive legacy in the communities and environments that host our infrastructure. In 2025/26, SSEN Transmission progressed innovation projects to support decarbonisation of the transmission network and minimise environmental impact.

For more information, see our [2025/26 Innovation Focus Report](#).



## Condition Assessment for SF<sub>6</sub> Alternatives (CASA)

Electrical equipment relies on insulation to operate safely, but small electrical faults, known as “partial discharge”, can develop over time and lead to damage or failure if not detected early. While these faults are well understood in traditional gas-insulated equipment using SF<sub>6</sub>, less is known about how they behave in newer, lower carbon alternatives.

To address this, we partnered with Cardiff University on the three-year Condition Assessment of SF<sub>6</sub> Alternatives (CASA) project, completed in December 2025. The project developed and tested advanced monitoring techniques to better detect and understand these faults in alternative gases.

The research showed that these improved monitoring methods can identify potential issues earlier and more reliably. This means we can plan maintenance in advance, rather than responding to unexpected failures. As a result, we can reduce the risk of outages, improve network reliability, and extend the life of our assets.

Importantly, the project also demonstrated that alternative insulating gases can be safely monitored and managed throughout their lifespan, giving us greater confidence in moving away from SF<sub>6</sub>.

We are now developing the next phase of this work, with further testing planned to continue improving the readiness and deployment of these lower carbon technologies.

**Find out more:** [Condition Assessment of SF<sub>6</sub> Alternatives \(CASA\) | ENA Innovation Portal](#)



CASA testing

## NIFT



## Non-Intrusive Foundation Testing

Overhead line (OHL) foundations are critical to the structural integrity of the transmission network and require routine monitoring to contribute to decisions about line refurbishment, upgrade and replacement. However, traditional inspection methods are costly, disruptive and can have negative environmental impacts, often requiring excavation and site reinstatement. The Non-Intrusive Foundation Testing project carried out the development, testing and trial of a new non-intrusive approach to foundation testing in partnership with Xytecs Ltd.

Recent activity focused on the development of a simulator model using two full-scale test foundations. The project team carried out testing to validate the model, strengthening confidence in its ability to represent real foundation behaviour. This demonstrated that the simulator model can reproduce the key features needing to be measured, and that the enhanced analysis method significantly reduces the error between measured and true foundation depth.

Following successful laboratory and test-site validation and as a final phase of the project, the team has been integrating and strengthening the system into a single, portable unit suitable for field trials.

By reducing the need for intrusive investigations, the project has the potential to lower environmental impact, reduce disruption to landowners and communities and support more informed, risk-based decisions on refurbishment, reinforcement and replacement of overhead line assets.

**Find out more:** [Non-Intrusive Foundation Testing | ENA Innovation Portal](#)

## Planetary Boundaries project

In 2025/26, we kicked off a project to assess the business's impacts against the planetary boundaries framework, which defines the safe limits of human impacts on Earth systems. The project will draw on an advisory board of world leading experts to establish a justifiable "planetary boundaries budget" for SSEN Transmission, representing a fair allocation of impacts, given the context of our role in delivering a network for net zero. It will then assess the business's performance against that budget and inform a management plan to move or stay within those planetary boundaries.

The project aims to inform more targeted investment in environmental protection and wider sustainability interventions, ultimately delivering cost savings for consumers. In 2025/26, work focused on establishing the academic partnerships and advisory board needed to progress this project.

## Looking ahead

Over the course of the 2026/27 financial year, we will continue work to streamline our data processes and systems through phase two of our Sustainability Data Architecture project. Embedding improved sustainability data process and governance practices throughout the business will support us in aligning sustainability reporting with global best practices, including nature-related reporting, and to make more informed decisions on sustainability. We will also continue working with experts to assess our impacts on planetary boundaries by 2030.



# Appendices

## Appendix 1: Acronym Glossary

| Acronym     | Full Term                                               |
|-------------|---------------------------------------------------------|
| AA1000      | AccountAbility Stakeholder Engagement Standard          |
| ARP5        | Adaptation Reporting Power (fifth cycle)                |
| ASAP        | Annual Sustainability Action Plan                       |
| ASTI        | Accelerated Strategic Transmission Investment           |
| BEIS        | (Department for) Business, Energy & Industrial Strategy |
| BNG         | Biodiversity Net Gain                                   |
| BS EN WW978 | Standard for Sustainability of construction works.      |
| CASA        | Condition Assessment of SF <sub>6</sub> Alternatives    |
| CBF         | Community Benefit Fund                                  |
| CCRA4       | Fourth Climate Change Risk Assessment                   |
| CCRWG       | Climate Change Resilience Working Group                 |
| CRIS        | Climate Ready Infrastructure Scotland                   |
| DEFRA       | Department for Environment, Food and Rural Affairs      |
| DESNZ       | Department for Energy Security and Net Zero             |
| DG          | Delivery Group                                          |
| DNACH       | Disability, Neurodiversity and Chronic Health           |
| DNO         | Distribution Network Operator                           |
| EGL2        | Eastern Green Link 2                                    |
| EKN         | Swedish Export Credit Agency                            |
| ENA         | Energy Networks Association                             |
| ESG         | Environmental, Social, Governance                       |
| EV          | Electric Vehicle                                        |
| GHG         | Greenhouse Gas                                          |

| Acronym    | Full Term                                                  |
|------------|------------------------------------------------------------|
| GIS        | Gas-insulated Substation                                   |
| HVDC       | High-voltage Direct Current                                |
| HVO        | Hydrotreated Vegetable Oil                                 |
| ICE        | Internal Combustion Engine                                 |
| IIG        | Insulation and Interruption Gas                            |
| IJV        | Integrated Joint Venture                                   |
| ISO14064   | Greenhouse Gas Accounting Standard                         |
| ISO14064-1 | Specification for organisation-level GHG emissions         |
| ISO14064-3 | Specification for verification of GHG emissions            |
| ISO45003   | Psychological Health and Safety at Work Standard           |
| KPI        | Key Performance Indicator                                  |
| LCP        | Large Capital Projects                                     |
| MUFG       | Mitsubishi UFJ Financial Group                             |
| MoU        | Memorandum of Understanding                                |
| NESO       | National Energy System Operator                            |
| NGET       | National Grid Electricity Transmission                     |
| NGO        | Non-Governmental Organisation                              |
| ODI        | Output Delivery Incentive                                  |
| OHL        | Overhead Line                                              |
| OTPP       | Ontario Teachers' Pension Plan                             |
| PAS 2080   | Carbon Management in Buildings and Infrastructure Standard |
| QoC        | Quality of Connections                                     |
| RAG        | Red, Amber, Green (rating)                                 |

# Appendices

## Appendix 1: Acronym Glossary continued

| Acronym           | Full Term                                                            |
|-------------------|----------------------------------------------------------------------|
| RIIO-T2           | Revenue = Incentives + Innovation + Outputs (price control period 2) |
| RIIO-T3           | Revenue = Incentives + Innovation + Outputs (price control period 3) |
| SAMS              | Scottish Association of Marine Science                               |
| SAP               | Sustainability Action Plan                                           |
| SBT(s)            | Science-based target(s)                                              |
| SBTi              | Science Based Targets Initiative                                     |
| SCIO              | Scottish Charitable Incorporated Organisation                        |
| SDGs              | Sustainable Development Goals                                        |
| SF <sub>6</sub>   | Sulphur hexafluoride                                                 |
| STEM              | Science, Technology, Engineering and Mathematics                     |
| SWI               | Sustainability Works Information                                     |
| T&D               | Transmission & Distribution                                          |
| tCO <sub>2e</sub> | Tonnes carbon dioxide equivalent                                     |
| TEC               | Transmission Executive Committee                                     |
| TO(s)             | Transmission Operator(s)                                             |
| UKCP18            | UK Climate Projections 2018                                          |
| VISTA             | Visual Impact of Scottish Transmission Assets                        |



## Appendix 2: Sustainability Data Tables

### Connections

|                                         | Unit         | 2021/22 | 2022/23 | 2023/24 | 2024/25 | 2025/26 |
|-----------------------------------------|--------------|---------|---------|---------|---------|---------|
| New low carbon generation connections   | GW           | 1.1     | 1.4     | 0.095   | 1.6     | 0.13    |
| Low carbon share of generation          | %            | 84      | 88      | 88      | 89      | 89      |
| Connection offers made <sup>1</sup>     | Number       | 161     | 220     | 369     | 272     | 91      |
| Connection offers accepted <sup>2</sup> | Number       | 99      | 139     | 245     | 203     | 82      |
| Quality of connections ODI score        | Score (1-10) | 8.1     | 8.6     | 8.6     | 8.7     | 8.8     |
| Quality of connections ODI target       | 7.7          | 7.7     | 7.7     | 7.7     | 7.7     | 7.7     |

### Transport emissions<sup>3</sup>

| RIIO-T2 Period          |                    |                      |         |         |         |         |         |
|-------------------------|--------------------|----------------------|---------|---------|---------|---------|---------|
|                         | Unit               | 2018/19<br>Base year | 2021/22 | 2022/23 | 2023/24 | 2024/25 | 2025/26 |
| Emissions per vehicle   | tCO <sub>2</sub> e | 3.11                 | 2.50    | 2.00    | 1.85    | 1.40    | 0.89    |
| Change against baseline | %                  | 0%                   | -20     | -36     | -41     | -55     | -71     |

<sup>1</sup>This data does not include Affected Transmission Owner Connection Offers or Agreement to Vary/Notices where there was a charge initiated by us.

<sup>2</sup>This data is inclusive of initial applications and modified applications received in 2025/26.

<sup>3</sup>All emissions per vehicle figures from previous years have been restated to reflect use of a more accurate dataset for number of vehicles.

## Scope 1 and 2 emissions<sup>1</sup>

|                                    |                                       |                 |                   | RIIO-T2 Period |         |         |         |         |
|------------------------------------|---------------------------------------|-----------------|-------------------|----------------|---------|---------|---------|---------|
| Emissions in tCO <sub>2</sub> e    | Specific area                         | Emissions scope | 2018/19 base year | 2021/22        | 2022/23 | 2023/24 | 2024/25 | 2025/26 |
| Building energy use                | Electricity                           | 2               | 338               | 76             | 5       | 70      | 6       | 0       |
|                                    | Natural gas                           | 1               | 14                | 5              | 5       | 2       | 0       | 4       |
|                                    | Substation electricity (estimated)    | 2               | 6,402             | 4,691          | 5,186   | 5,129   | 3,918   | 3,258   |
| Operational transport <sup>2</sup> | Transport                             | 1               | 556               | 675            | 795     | 1,012   | 1,146   | 1,365   |
|                                    | Conventional company vehicles mileage | 1               | 343               | 122            | 113     | 194     | 216     | 98      |
|                                    | Electric company vehicles mileage     | 2               | 0                 | 8              | 24      | 76      | 92      | 38      |
| Fugitive emissions                 | IIG                                   | 1               | 1,990             | 2,871          | 4,719   | 2,575   | 1,786   | 1,810   |
| Fuel combustion                    | Generator Diesel                      | 1               | 100               | 0              | 42      | 26      | 26      | 159     |
|                                    | Hydrotreated Vegetable Oil (HVO)      | 1               | 0                 | 0              | 0       | 0       | 2       | 0       |
| Total scope 1                      |                                       |                 | 3,003             | 3,673          | 5,674   | 3,809   | 3,177   | 3,436   |
| Total scope 2 (market based)       |                                       |                 | 6,740             | 4,776          | 5,215   | 5,275   | 4,017   | 3,296   |
| Total scope 1 and 2                |                                       |                 | 9,742             | 8,449          | 10,888  | 9,085   | 7,193   | 6,732   |

<sup>1</sup> Scope 2 emissions have been recalculated following a DESNZ update to the UK electricity emission factor methodology. This more accurately reflects the carbon intensity of the UK grid that our network helps enable. We have restated figures given substation electricity emissions represent a significant portion of our Scope 1 & 2 footprint, and to maintain a consistent time series for tracking progress against our SBT.

<sup>2</sup> Operational transport only covers emissions from road vehicles. We do not have any Scope 1 GHG emissions from sea or air transport. Fuel combustion emissions from natural gas are listed under Buildings Natural Gas.

## Scope 3 Emissions<sup>1</sup>

|                                                       |                                                                |                  | RIIO-T2 Period |         |         |         |         |
|-------------------------------------------------------|----------------------------------------------------------------|------------------|----------------|---------|---------|---------|---------|
| GHG protocol category emissions in tCO <sub>2</sub> e | Specific area                                                  | 2018/19 baseline | 2021/22        | 2022/23 | 2023/24 | 2024/25 | 2026/26 |
| Purchased goods and services                          | Water supply                                                   | 0.9              | 0.1            | 0.3     | 0.5     | 0.5     | 0.7     |
|                                                       | Purchased goods and services                                   | 2,549            | 6,086          | 7,681   | 8,396   | 13,894  | 20,250  |
| Capital goods                                         | Capital goods                                                  | 111,367          | 161,752        | 159,251 | 238,232 | 458,825 | 817,086 |
|                                                       | SF <sub>6</sub> leaks construction                             | No data          | No data        | No data | 788     | 131     | 0       |
| Fuel and energy related activity                      | Transmission and distribution losses for grid electricity      | 69               | 36             | 63      | 92      | 74      | 63      |
|                                                       | Well-to-tank emissions                                         | 7,663            | 7,365          | 8,456   | 5,468   | 4,781   | 4,716   |
| Use of sold products                                  | Transmission losses from our network                           | 42,716           | 29,641         | 42,694  | 20,642  | 18,483  | 15,360  |
| Upstream transportation and distribution              | Included in purchased goods and services or capital goods      | n/a              | n/a            | n/a     | n/a     | n/a     | n/a     |
| Waste generated in operations                         | Wastewater treatment                                           | 2                | 0              | 1       | 1       | 1       | 1       |
|                                                       | Standard commercial waste from non-operational buildings       | 2                | 2              | 3       | 2       | 1       | 1       |
|                                                       | Decommissioning and disposal of network assets                 | No data          | No data        | No data | No data | No data | No data |
| Business Travel                                       | Private vehicles                                               | 166              | 159            | 243     | 451     | 416     | 130     |
|                                                       | Rail                                                           | 17               | 6              | 27      | 50      | 77      | 75      |
|                                                       | Air                                                            | 149              | 126            | 313     | 640     | 740     | 736     |
|                                                       | Ferry                                                          | 2                | 2              | 5       | 5       | 2       | 6       |
|                                                       | Hotel stays                                                    | No data          | No data        | 184     | 289     | 359     | 267     |
| Employee commuting                                    | Commuting and home working emissions                           | No data          | No data        | No data | No data | No data | No data |
| Leased assets                                         | n/a as we do not differentiate between leased and owned assets | n/a              | n/a            | n/a     | n/a     | n/a     | n/a     |
| Total Scope 3                                         |                                                                | 164,702          | 205,176        | 218,921 | 275,055 | 497,783 | 858,689 |

<sup>1</sup> Well-to-tank and Transmission losses from our network under Scope 3 emissions have been recalculated following a DESNZ update to the UK electricity emission factor methodology. We have restated figures to align with the updated methodology applied to Scope 2 emissions.

### Transmission losses<sup>1</sup>

|                                                   |                         | RIIO-T2 Period    |         |         |         |         |         |
|---------------------------------------------------|-------------------------|-------------------|---------|---------|---------|---------|---------|
| Metric                                            | Unit                    | 2018/19 base year | 2021/22 | 2022/23 | 2023/24 | 2024/25 | 2025/26 |
| Annual losses                                     | TWh                     | 0.348             | 0.417   | 0.564   | 0.476   | 0.484   | 0.444   |
| Share of total electricity                        | %                       | 1.98              | 2.33    | 2.75    | 2.78    | 2.47    | 2.62    |
| GHG emissions from transmission losses            | tCO <sub>2</sub> e      | 42,716            | 29,641  | 42,694  | 20,642  | 18,483  | 15,360  |
| Transmission network GHG emission intensity       | kgCO <sub>2</sub> e/kWh | 0.123             | 0.071   | 0.076   | 0.043   | 0.038   | 0.035   |
| Decrease in GHG emission intensity from base year | %                       | n/a               | 41.9    | 38.2    | 64.6    | 68.9    | 71.8    |

### Biodiversity Net Gain 2025/2026<sup>2</sup>

| Project name                                | Baseline biodiversity units (area) | Designed in biodiversity units (area) | Total net unit change | Overall % net change |
|---------------------------------------------|------------------------------------|---------------------------------------|-----------------------|----------------------|
| LT14 Lewis Hub                              | 356.87                             | 392.56                                | 35.69                 | 10.00%               |
| LT91 Broadford Substation                   | 16.82                              | 18.5                                  | 1.68                  | 10.00%               |
| LT91 Skye OHL                               | 2685.17                            | 2953.69                               | 268.52                | 10.00%               |
| LT193 Dunoon to Loch Long OHL               | 378.58                             | 416.44                                | 37.86                 | 10.00%               |
| LT217/218/419 Melgarve Cluster              | 141.58                             | 155.74                                | 14.16                 | 10.00%               |
| LT248 Deanie Substation                     | 22.24                              | 25.8                                  | 3.56                  | 16.03%               |
| LT249 Culligran Substation                  | 10.15                              | 11.16                                 | 1.01                  | 10.00%               |
| LT251 Aigas Substation                      | 4.45                               | 4.9                                   | 0.45                  | 10.00%               |
| LT256 Quoich Tee                            | 42.2                               | 46.42                                 | 4.22                  | 10.00%               |
| LT295 Bhlairiadh Windfarm Extension         | 152.2                              | 197.18                                | 44.98                 | 29.55%               |
| LT371-4 Chleansaid Windfarm Connection      | 80.17                              | 91.91                                 | 11.74                 | 14.64%               |
| LT379 Greens                                | 249.13                             | 696.21                                | 447.08                | 179.46%              |
| LT383 Alyth - Tealing (TKUP)                | 284.54                             | 312.99                                | 28.45                 | 10.00%               |
| LT384 Tealing - Glenrothes Westfield (TKUP) | 246.25                             | 270.88                                | 24.63                 | 10.00%               |
| LT444 & 474 - Netherton Hub                 | 812.65                             | 1097.85                               | 285.2                 | 35.09%               |

<sup>1</sup>Transmission losses from our network under Scope 3 emissions have been recalculated following a DESNZ update to the UK electricity emission factor methodology. We have restated figures to align with the updated methodology applied to Scope 2 emissions.

<sup>2</sup>The SSEN Transmission Biodiversity Toolkit is informed by the Natural England Biodiversity Metric v 3.1 with alterations to reflect the challenges presented by Scottish habitats and transmission operator specific infrastructure.

| Project name                              | Baseline biodiversity units (area) | Designed in biodiversity units (area) | Total net unit change | Overall % net change |
|-------------------------------------------|------------------------------------|---------------------------------------|-----------------------|----------------------|
| LT449 Kilmorack Substation                | 5.21                               | 8.03                                  | 2.82                  | 54.15%               |
| LT521/508 Bingally Substation             | 1155.69                            | 1271.26                               | 115.57                | 10.00%               |
| LT519 - Fort Augustus                     | 69.51                              | 76.46                                 | 6.95                  | 10.00%               |
| LT520 Cambushinnie Substation             | 176.61                             | 215.6                                 | 38.99                 | 22.08%               |
| PT461 & 462 Aberarder Windfarm connection | 43.26                              | 47.586                                | 4.33                  | 10.00%               |
| TOTAL                                     | 6933.29                            | 8311.166                              | 1377.88               | 19.87%               |

### Operational Waste

| Descriptor                 | Unit            | Category                                    | 2021/2022 | 2022/2023 | 2023/2024 | 2024/2025 | 2025/2026 |
|----------------------------|-----------------|---------------------------------------------|-----------|-----------|-----------|-----------|-----------|
| Total waste generated      | Tonnes          | n/a                                         | 38.99     | 139.4     | 92.43     | 162.48    | 226.24    |
| Final destination of waste | % / destination | Recycled                                    | No data   | No data   | 48.70     | 66.50     | 91.25     |
|                            |                 | Reused                                      | No data   | No data   | No data   | 0         | 0         |
|                            |                 | Recovered - Anaerobic Digestion / Composted | No data   | No data   | 2.30      | 0.03      | 0         |
|                            |                 | Recovered - Energy from waste               | No data   | No data   | 48.90     | 33.27     | 8.75      |
|                            |                 | Landfill                                    | No data   | No data   | 0         | 0.20      | 0.01      |
|                            |                 | Treated waste                               | No data   | No data   | 0.10      | 0         | 0         |
| Diversion from landfill    | %               | n/a                                         | No data   | No data   | 99.9      | 99.80     | 99.99     |

### Operational Waste by source and destination (tonnes) 2025/26

| Material                                         | Recycled | Recovery | Landfill |
|--------------------------------------------------|----------|----------|----------|
| General                                          | 0        | 19.75    | 0        |
| Electrical equipment                             | 3.01     | 0        | 0        |
| Hazardous                                        | 0.30     | 0        | 0        |
| Metals (including aluminium, copper core, mixed) | 174.61   | 0        | 0        |
| Mixed recycling                                  | 2.21     | 0.04     | 0        |
| Cardboard                                        | 2.41     | 0        | 0        |
| Paper/cardboard                                  | 0.87     | 0        | 0        |
| Wood                                             | 23.03    | 0        | 0        |

### Project waste by source and destination (tonnes)

| Waste by source                     | Recycled | Re-use   | Recovery | Landfill | Other disposal | TOTAL     |
|-------------------------------------|----------|----------|----------|----------|----------------|-----------|
| Hazardous                           | 6.02     | 3.60     | 22.15    | 68.13    | 11.39          | 111.28    |
| Electrical and Electronic Equipment | 10.50    |          |          |          |                | 10.50     |
| Paper/Cardboard                     | 10.82    |          |          |          |                | 10.82     |
| Residual Waste                      | 87.42    | 0.24     | 356.29   | 17.37    | 680.58         | 1,141.90  |
| Mixed Recyclables                   | 34.59    |          |          |          |                | 34.59     |
| Plastics                            | 27.38    |          |          | 2.70     |                | 30.08     |
| Wood                                | 432.42   | 14.20    | 30.92    | 0.90     |                | 478.44    |
| Metals                              | 87.07    | 24.54    |          |          |                | 111.61    |
| Construction and Demolition         | 8,844.58 | 2,005.66 | 21.76    | 106.49   | 127.00         | 11,105.49 |
| TOTAL                               | 9,540.80 | 2,048.24 | 431.12   | 195.59   | 818.97         | 13,034.71 |

## Appendix 3: Scope 3 Methodology

| Category                         | Methodology and assumptions                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   | Data source                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       | Confidence in data (completeness and accuracy): RAG Rating | Improvement actions                                                                                                                                                                                                                                                                                                                                             |
|----------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Purchased Goods and Services     | Purchased goods and services cover cradle-to-gate emissions from any goods or services purchased in the course of normal business operations. We have continued using the methodological improvements that we implemented last year following recommendations from our 2022/23 Planet Mark ISO14064-1 verification process. We have split out purchased goods and services and capital goods and have applied DEFRA-published emissions factors. These new emissions factors account for carbon emitted outside the UK and are therefore a better measure of our consumption-based footprint. These changes enabled us to calculate our emissions more accurately. Exceptions include water consumption for which accurate data and emissions factors are available. We therefore report emissions related to our water supply separately and exclude them from the spend-based calculation.                                                                                                                                                                  | <ul style="list-style-type: none"> <li>Annual transmission spend data by procurement category</li> <li>Spend-based emissions factors published by DEFRA</li> <li>Metered water consumption data from non-operational buildings (offices, depots, and warehouses)</li> <li>Department for Energy Security and Net Zero (DESNZ) Greenhouse Gas Conversion Factors 2025 – Water supply</li> </ul>                                                                                                                                                                                                    | Medium                                                     | We have implemented all recommendations made by Planet Mark during the 2022/23 verification process and now have robust and comprehensive spend-based emissions reporting for purchased goods and services. Given the very diverse nature of our purchased goods and services, further improvement will be difficult (in contrast to capital goods, see below). |
| Capital Goods                    | Capital goods cover emissions from PAS 2080 lifecycle stages A1 to A5 (raw material extraction, transport to manufacturing sites, manufacturing processes, transport to construction site and construction site emissions) for all of our network upgrades and expansion projects. We have continued to split out Capital Goods from Purchased Goods and Services on the basis of their categorisation as either operational or capital expenditure. We use the same improved spend-based methodology for both categories in 2024/25 except for both categories we no longer apply inflation adjustments to the spend emission factors.                                                                                                                                                                                                                                                                                                                                                                                                                       | <ul style="list-style-type: none"> <li>Annual transmission spend data by procurement category</li> <li>Spend-based emissions factors published by DEFRA</li> </ul>                                                                                                                                                                                                                                                                                                                                                                                                                                | Medium                                                     | We have robust and comprehensive spend-based emissions reporting for capital goods. Further improvements will have to come from using project information to assess quantities of assets installed and materials used to develop bottom-up calculations of Scope 3 emissions.                                                                                   |
| Fuel and Energy Related Activity | <p>This category covers fuel- and energy-related emissions that are not included in Scope 1 or Scope 2.</p> <p>Transmission &amp; Distribution Losses (T&amp;D)</p> <p>This accounts for the electricity lost between the point of generation and the point at which we consume the electricity in one of our non-operational buildings (offices, depots and warehouses) or to charge company-owned EVs. This category is common to all users of grid electricity and should not be confused with "Transmission losses", which are unique to transmission network operators.</p> <p>Well-to-Tank Emissions</p> <p>This accounts for the extraction, production and transportation of the fuels (natural gas, petrol, diesel) consumed by SSEN Transmission. It also accounts for the extraction, production and transportation of fuels to produce the electricity and provide the transport used by SSEN Transmission. This category is linked to a range of other categories across our emissions inventory and changes are driven by multiple factors.</p> | <p><b>T&amp;D Losses</b></p> <ul style="list-style-type: none"> <li>Metered electricity consumption data from non-operational buildings (offices, depots and warehouses).</li> <li>Metered electricity consumption data from substations running on DNO supply</li> <li>DESNZ GHG Conversion Factors 2025 – T&amp;D – UK electricity, UK electricity T&amp;D for EVs</li> </ul> <p><b>Well-to-Tank Emissions</b></p> <ul style="list-style-type: none"> <li>Fuel and electricity consumption data</li> <li>DESNZ GHG Conversion Factors 2025 – multiple factors depending on fuel type</li> </ul> | High                                                       | No further improvement is planned in these categories.                                                                                                                                                                                                                                                                                                          |

| Category                                 | Methodology and assumptions                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                | Data source                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             | Confidence in data (completeness and accuracy): RAG Rating | Improvement actions                                                                                                                                                                                                                                                                                           |
|------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Upstream Transportation and Distribution | Transportation and distribution of goods through third-party suppliers is not a major part of SSEN Transmission's operations. We mainly either transport goods ourselves, emissions from which are counted under Transport in Scope 1, or where third parties are involved, we would account for the emissions under the first two Scope 3 categories: Purchased goods and services and Capital good                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       | N/A                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     | N/A                                                        | N/A                                                                                                                                                                                                                                                                                                           |
| Waste Generated in Operations            | <p>This section accounts for third-party disposal and treatment of waste and wastewater. For SSEN Transmission, this would cover emissions associated with standard commercial waste and wastewater from non-operational buildings as well as decommissioning and disposal of obsolete network assets. The latter would form the majority of SSEN Transmission's waste-related emissions, however the data requirements to accurately calculate GHG emissions from this are complex. We will develop our internal systems to report on this over the course of RIIO-T2.</p> <p><b>Standard Commercial Waste</b> This category includes emissions associated with standard commercial waste from non-operational buildings (offices warehouses and depots). We have implemented a new waste-type-specific methodology to calculate these emissions. These buildings are generally shared with staff from other SSE business units therefore the proportion of standard commercial waste attributable to SSEN Transmission is based on the percentage of the site's floor space occupied by SSEN Transmission staff.</p> <p><b>Wastewater Treatment</b></p> <p>We have calculated emissions for wastewater treatment from all of SSEN Transmission's non-operational buildings (offices, depots, and warehouses). These buildings are generally shared with staff from other SSE business units. The proportion of wastewater for a building attributable to SSEN Transmission is based on the percentage of the site's floor space occupied by SSEN Transmission staff.</p> | <p><b>Standard Commercial Waste</b></p> <ul style="list-style-type: none"> <li>Waste data categorised by building, waste type (i.e. metal, wood) and treatment method (i.e. recycled, composted).</li> <li>DESNZ GHG Conversion Factors 2025 - Waste disposal</li> </ul> <p><b>Standard Commercial Waste</b></p> <ul style="list-style-type: none"> <li>Waste data categorised by building, waste type (i.e. metal, wood) and treatment method (i.e. recycled, composted).</li> <li>DESNZ GHG Conversion Factors 2025 - Waste disposal</li> </ul> <p><b>Wastewater Treatment</b></p> <ul style="list-style-type: none"> <li>Metered water consumption data from SSEN Transmission's non-operational buildings (offices, depots, and warehouses)</li> <li>DESNZ GHG Conversion Factors 2025 - Water treatment</li> </ul> | Medium                                                     | We will continue to improve the accuracy of our commercial waste data from non-operational buildings. The decommissioning and disposal of obsolete network assets is typically carried out by contractors as part of our capital projects and therefore emissions are currently reported under capital goods. |
| Business Travel                          | Business travel covers emissions from staff travel via vehicles over which SSEN Transmission does not have direct operational control. This includes private road vehicles (when used for business travel purposes) and travel via rail, air or ferry services. We also include hotel stays in this category. Note that this excludes mileage undertaken in company-owned or leased vehicles which is already counted under Scope 1 – Transport – Business mileage                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         | <ul style="list-style-type: none"> <li>Employee mileage and travel claim data (with transport modes)</li> <li>Data covering the number of hotel rooms per night occupied by employees</li> <li>DESNZ GHG Conversion Factors 2025 – multiple factors depending on travel type and location of hotel stay</li> </ul>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      | High                                                       | No further improvement is planned in these categories.                                                                                                                                                                                                                                                        |

| Category             | Methodology and assumptions                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        | Data source                                                                                                                                                                                                                                                                                                                                                         | Confidence in data (completeness and accuracy): RAG Rating | Improvement actions                                                                                                                                                                                                                            |
|----------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Employee Commuting   | Employee commuting covers emissions from staff travel to and from their work locations. We have not reported on these emissions in year 4 of RIIO-T2.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              | TBD                                                                                                                                                                                                                                                                                                                                                                 | TBD                                                        | We have begun to develop systems to collect the relevant activity data and emissions factors that will allow us to account for our employees' differing commuting profiles. We expect to begin reporting on this in the first year of RIIO-T3. |
| Leased Assets        | This category covers emissions from leased assets where these are not already covered under Scope 1 or Scope 2 categories. We use an operational control approach to GHG accounting therefore, all assets we operate, regardless of ownership, are part of Scope 1 and 2 reporting.                                                                                                                                                                                                                                                                                                                                                                                                                                                | N/A                                                                                                                                                                                                                                                                                                                                                                 | N/A                                                        | N/A                                                                                                                                                                                                                                            |
| Use of Sold Products | <p>Transmission Losses</p> <p>These are the emissions attributable to the energy lost through dissipation between the point at which electricity enters our transmission network and the point at which it leaves our network. The amount of electricity lost in this way is calculated annually by the electricity system operator. The carbon intensity of this electricity is calculated by SSEN Transmission based on the total generation on our network and the carbon intensity of each carbon emitting generation source. Note that substation electricity use is counted as a Scope 2 emission and is subtracted from the overall losses figure provided by the electricity system operator to avoid double-counting.</p> | <p><b>Transmission Losses</b></p> <ul style="list-style-type: none"> <li>NESO transmission losses value for SSEN Transmission network 2025/26</li> <li>SSEN Transmission network carbon intensity value (kgCO<sub>2</sub>e/ kWh) – calculated from total generation on our network and its carbon intensity.</li> <li>DESNZ GHG Conversion Factors 2025.</li> </ul> | High                                                       | No further improvement is planned in these categories.                                                                                                                                                                                         |

## Embodied Carbon Methodology

### Scope

Embodied carbon was assessed for projects meeting the following criteria:

- RIIO-T2 Projects
- Projects energised in 2025/26.

### Assessment Boundary

**A1–A3 (Product Stage):** Emissions from raw material extraction, transport to manufacturing, and product manufacturing.

**A4 (Transport to Site):** Emissions from transporting construction materials and products to the building site.

**A5 (Construction/Installation):** Emissions from on-site construction activities, including machinery use, waste, and temporary works.

The embodied carbon assessment was based on 'as built' information where possible. The accuracy of the assessment has been qualitatively assessed based on the 'Volumetric Data', 'Input Detail' and 'Emissions Factor' detailed below.

### Volumetric Data

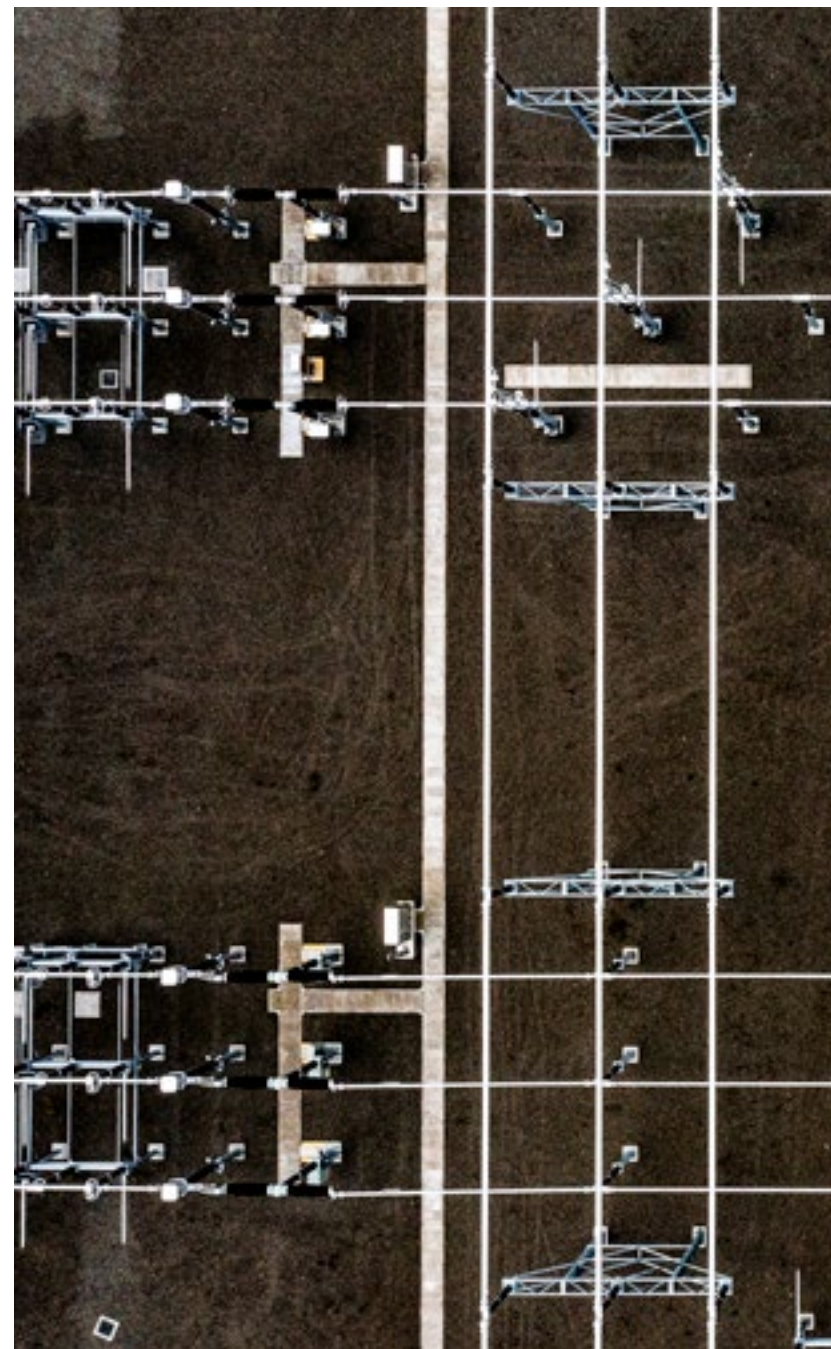
Volumetric Data represents the volume or quantity of material / product installed on site. This could be units of transformers, cubic meters of concrete poured, tonnes of aggregate imported, etc. Where possible, 'as built' information was taken from Regulatory Reporting Tables to maintain consistency with other reports.

Where 'as built' information was not available, volumes of materials / products used were estimated from 'as built' volumes. For example, where the area of a road was known but the actual quantities of material used in the road were unknown, reasonable assumptions were made to convert area into suitable volumetric data.

Where emissions could not be estimated from data, intensity proxies such as average emissions per project cost were used to estimate emissions.

### Modelling Detail

The accuracy of embodied carbon modelling depends heavily on the level of detail available. Greater detail enables more precise estimates—for instance, knowing the specific type and source of concrete used in a project significantly improves accuracy. However, such detailed information was not always accessible for this assessment. In these cases, conservative assumptions were applied regarding material types and quantities; for example, CEM I concrete was assumed where no specific data was provided.



## Quality of Emissions Factors

The accuracy of embodied carbon modelling is dependent on the emissions factors available. In general, emissions factors from verified environmental product declarations or directly from suppliers represent the best quality emissions factor. Where these are not available, product specific emissions factors can be used from recognised industry sources.

### A1–A3 (Product Stage)

*Product (Unit) x Emissions Factor (tCO<sub>2</sub>e/Unit) = Product Stage Emissions (tCO<sub>2</sub>e)*

Product emissions include the manufacture or production of materials and products used on site. This is related to the amount of product or material (measured in a suitable unit) and the emissions factor of the product or material (the carbon intensity associated with the manufacture or production of a unit of the product / material).

Volumetric Data of assets such as transformers, circuit breakers, surge arrestors etc. were based on 'as built' volumes.

Modelling Detail for assets were generally based on default asset type (e.g. 132kV Gas Insulated Circuit Breaker) rather than specific makes or models.

Volumetric Data for civil works were estimated from assumptions using data from previous studies rather than using 'as built' volumes. This was due to a lack of reliable data.

Modelling Detail for assets where civil works were generally poor – as there was limited information available for concrete type or road type. Generally, modelling detail was developed using reasonable assumptions.

Emissions were calculated in SSEN Transmission's Project Carbon Calculator. Industry emissions factors were used from industry recognised carbon databases such as the UK Transmissions Operator Carbon Asset Database or from other sources such as DEFRA.

| Category | Volume input data                                 | Detail for modelling                                                               | Quality of emissions factors                     |
|----------|---------------------------------------------------|------------------------------------------------------------------------------------|--------------------------------------------------|
| Assets   | <b>Good</b><br>'As built' - Actual volumes        | <b>Fair</b><br>Categorised by type and voltage                                     | <b>Fair</b><br>Product Specific Emissions Factor |
| Civils   | <b>Fair</b><br>Calculated from 'as built' volumes | <b>Poor</b><br>No data on CEM types or aggregate types – reasonable estimates used | <b>Fair</b><br>Product Specific Emissions Factor |

## A4 (Transport to Site)

$$\sum \text{Weight (t)} \times \text{Distance (km)} \times \text{Transport Specific Emission Factor (tCO}_2\text{e/t.km)} = \text{Construction/Installation Emissions (tCO}_2\text{e)}$$

Transport emissions represent the total emissions from all transport modes used to deliver materials or products to site, and are determined by the distance travelled, the weight of the goods, and the type of vehicle used (e.g. train, van, car).

For each product or material, assumptions were made for transport distances and vehicle types.

| Category | Volume input data                               | Details for modelling                                                      | Quality of emissions factors                                                                                   |
|----------|-------------------------------------------------|----------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------|
| Assets   | <b>Fair</b><br>Estimation of weight by asset    | <b>Fair</b><br>Industry assumptions for transport types and distances used | <b>Good</b><br>Consistent with Department for Business, Energy & Industrial Strategy (BEIS) conversion factors |
| Civils   | <b>Fair</b><br>Estimation of weight by material | <b>Fair</b><br>Industry assumptions for transport types and distances used | <b>Good</b><br>Consistent with Department for Business, Energy & Industrial Strategy (BEIS) conversion factors |

## A5 (Construction/Installation)

Primary approach (2025/26 improvement)

- For a subset of projects, contractor-reported “as built” construction emissions data was used directly
- This represents an improvement in data quality and reflects increased maturity in supply chain reporting

The use of contractor-reported construction emissions data represents a step change in the quality of embodied carbon assessment. SSEN Transmission will continue to work with its supply chain to improve the completeness, consistency and accuracy of this data over time.

| Category               | Volume input data                                     | Details for modelling                 | Quality of emissions factors                                                                                   |
|------------------------|-------------------------------------------------------|---------------------------------------|----------------------------------------------------------------------------------------------------------------|
| Construction Emissions | <b>Best Practice</b><br>Measured & recorded from site | <b>Best Practice</b><br>Site specific | <b>Good</b><br>Consistent with Department for Business, Energy & Industrial Strategy (BEIS) conversion factors |

Secondary approach (where data unavailable)

Where reliable contractor data was not available, emissions were estimated using a spend-based proxy:

*Project Cost (£) x Economic Intensity (tCO<sub>2</sub>e/£) = Construction/Installation Emissions (tCO<sub>2</sub>e)*

An emissions factor of 50tCO<sub>2</sub>e/£m spend was used, in line with RICS guidance on Whole Life Carbon Assessment for the Built Environment

| Category               | Volume input data                | Details for modelling       | Quality of emissions factors           |
|------------------------|----------------------------------|-----------------------------|----------------------------------------|
| Construction Emissions | <b>Very Poor</b><br>Project cost | <b>Very poor</b><br>No data | <b>Very poor</b><br>Economic Intensity |

## Appendix 4: Eastern Green Link 2 Sustainability Data

SSEN Transmission and National Grid Electricity Transmission (NGET) have formed an integrated joint venture (IJV) to deliver the Eastern Green Link 2 (ELG2) project. The following sustainability information is reported by both SSEN Transmission and NGET as per agreement with Ofgem.

The sustainability data submitted by contractors on a monthly basis is subject to close monitoring and validation. Each month's figures are reviewed against historical data to identify anomalies or unexpected variances. Where abnormal figures are detected, they are flagged and followed up with the respective contractor for clarification and verification. This approach has led to instances where incorrect entries were identified and subsequently corrected by the contractors.

The figures in this reporting spreadsheet has been cross-checked against prior communications with contractors to ensure completeness and accuracy.

### Carbon

| Project | Scope 3 Category (tCO <sub>2</sub> e)       | FY25   |                   |         | FY26   |                   |         |
|---------|---------------------------------------------|--------|-------------------|---------|--------|-------------------|---------|
|         |                                             | NGET   | SSEN Transmission | Total   | NGET   | SSEN Transmission | Total   |
| EGL2    | Purchased goods and services, Capital Goods | 52,841 | 68,250            | 121,091 | 71,146 | 65,248            | 136,394 |

### Description of Methodology on Spend Based Approach

The 2025/26 GHG emissions figure of 65,248 tCO<sub>2</sub>e for EGL2 is a proportional spend-based estimate of supply chain emissions associated with SSEN Transmission. This method takes all the spend in our procurement ledger linked to EGL2 and multiplies each spend item by an appropriate kgCO<sub>2</sub>e/£ emission factor from the most recent version of this UK Government dataset. The methodology and figure is consistent with SSEN Transmission's overall Scope 3 Category 1 and 2 figures for 2025/26, which have been externally verified to ISO14064 by Planet Mark. Note that it does not include EGL's portion of SSEN Transmission's Scope 1 & 2 emissions such as office energy use, employee travel, etc. EGL2 and SSEN Transmission operate as an integrated business and we do not currently have systems to disaggregate EGL2's operational activities

from the SSEN Transmission total. All Scope 1 and 2 emissions related to SSEN Transmission staff are therefore included in our Scope 1 and 2 emissions reported in the Climate section of this report.

The waste, fuel, and environmental incident data reported below covers the entire EGL2 project, with no proportional split between SSEN Transmission and NGET, as agreed with Ofgem.

### EGL2 Waste Figures

|                           | EGL2 FY25     |          | EGL2 FY26     |          |
|---------------------------|---------------|----------|---------------|----------|
|                           | FY25 (tonnes) | FY25 (%) | FY26 (tonnes) | FY26 (%) |
| Waste generation (tonnes) |               |          |               |          |
| Landfill                  | 16.5          | 4.2      | 194.4         | 6.3      |
| Closed Loop Recycled      | 0             | 0.0      | 53.5          | 1.7      |
| Open Loop Recycling       | 77.8          | 19.7     | 2,695.7       | 87.8     |
| Combustion                | 1.2           | 0.3      | 92.1          | 3.0      |
| Anaerobic Digestion       | 299           | 75.8     | 12.5          | 0.4      |
| Reuse                     | 0             | 0.0      | 21.7          | 0.7      |
| Total                     | 394.5         | 100      | 3,069.9       | 100.0    |



EGL2 Fuel Figures

|               | EGL2 FY25     |          | EGL2 FY26     |           |
|---------------|---------------|----------|---------------|-----------|
| Fuel type     | FY25 (litres) | FY25 (%) | FY26 (litres) | FY265 (%) |
| Diesel        | 14,500        | 4.9      | 162,745.9     | 25.7      |
| Marine Diesel | 0             | 0        | 0             | 0.0       |
| HVO           | 267,307       | 90.9     | 459,776       | 72.6      |
| Petrol        | 12,364        | 4.2      | 10,489        | 1.7       |
| TOTAL         | 294,171       | 100      | 633,010.9     | 100.0     |

This year, we had no major environmental incidents.

EGL2 Environmental Compliance

| Incident Type (Major) | Number of incidents | Description |
|-----------------------|---------------------|-------------|
| 0                     | 0                   | N/A         |

Delivering Environmental Net Gain

EGL2 has a commitment to a minimum of 10% Biodiversity Net Gain. The project team is regularly updated on delivery against BNG commitments during monthly contractor meetings, where BNG progress and issues are key agenda items. Any concerns raised are addressed through follow-up actions. Contractors also report BNG data through the Sustainability Survey on our data portal, providing another channel to flag issues. Additionally, one contractor shares rebaselined BNG calculations and submits the BNG metric, enabling us to track progress on biodiversity units cleared during construction.

## Appendix 5: Data

SSEN Transmission adopts an integrated approach to assurance by utilising both internal audit and external assurance providers to ensure accurate and comprehensive disclosures as necessary. Whenever data has been externally and independently assured, it is acknowledged in the corresponding tables.

SSEN Transmission employs objective reporting criteria to prepare and present independently assured information in this report. The performance measures conform to the established reporting criteria.

### Reporting scope and boundaries

While we have previously reported on many areas of sustainability in this report, there are new areas of reporting that have emerged for RIIO-T2 and will evolve over time. We are committed to expanding the scope and boundaries of our reporting to encompass relevant aspects.

Our ambition is to identify the most pertinent and significant scope for each area, considering its material impact. We are dedicated to reporting 100% of the material scope. To enhance our data reporting, we have established improvement plans and we will provide annual updates on our efforts within our Annual Sustainability Report.

### Assurance

All data presented in this report adheres to the Data Assurance Requirements Standard Licence Condition B23. A Risk Assessment was conducted, and the Total Risk Rating was Low. The appropriate level of assurance activities has been employed commensurate with the risk rating including a submission plan, methodology and appropriate level of review and sign off. However, to ensure the accuracy and reliability of this report, we have conducted additional assurance activities, including a Director-level review and sign-off.

Our GHG emissions continue to be a significant impact for our business. As in the previous reporting period, we have subjected our entire business carbon footprint (Scope 1, 2 and 3) to independent verification according to the ISO14064-3 standard. This was undertaken by Planet Mark. For their verification statement, please visit our website: [Planet Mark Verification report](#).





[www.ssen-transmission.co.uk](http://www.ssen-transmission.co.uk)