

His Excellency António Guterres Secretary-General United Nations United Nations Secretariat New York, NY 10017 U.S.A. Inveralmond House 200 Dunkeld Road Perth Scotland UK PH1 3AQ

19 August 2020

Dear Secretary-General,

I am pleased to confirm that SSE plc reaffirms its support of the Ten Principles of the United Nations Global Compact.

In this annual Communication on Progress, I would like to highlight SSE's actions over its financial year 2019/20, disclosed in detail within our <u>Annual Report 2020</u> and <u>Sustainability</u> <u>Report 2020</u>, to continually improve the integration of the Global Compact and its principles into our business strategy, culture and daily operations. This includes focus on the areas of: Environment (Annual Report pages 82 to 85; Sustainability Report pages 16 to 57); Labour (Annual Report pages 78 to 81; Sustainability Report pages 69 to 79); Human Rights (Annual Report page 81; Sustainability Report pages 72 and 73; and see also SSE's <u>Modern Slavery</u> <u>Statement 2020</u>); and Anti-Corruption (see SSE's Annual Report page 81; Sustainability Report page 74). We also commit to sharing this information with our stakeholders using our primary channels of communication.

Of particular note, in early 2020 SSE set a series of stretching science-based carbon targets approved by the Science Based Targets Initiative (see page 21 and page 85 of the Annual Report 2020, and page 23 of the Sustainability Report). These targets mean SSE is on a 'well-below two degree' pathway and in line with the Paris Agreement.

The setting of SSE's new carbon targets has also resulted in an update to one of our four fundamental business goals for 2030. These 2030 Goals are aligned to the UN's SDGs and



directly linked to SSE's executive performance measures (see pages 144 and 145 of the Annual Report) – putting sustainability right at the heart of SSE's strategy and operations.

SSE's 2030 Goals are:

- Cut the carbon intensity of the electricity we generate by 60%, aligned to SDG 13: Climate action.
- **Treble renewable energy output**, aligned to SDG 7: Affordable and clean energy.
- Help accommodate 10m electric vehicles, aligned to SDG 9: Industry, innovation and infrastructure.
- Champion Fair Tax and a real Living Wage, aligned to SDG 8: Decent work and economic growth.

These four objectives underpin what our business stands for and our investment in longterm, sustainable, low-carbon assets and infrastructure will contribute to the UK and Ireland's climate change targets while building a fairer and more prosperous society. A summary of progress made against these goals over 2019/20 can be found respectively on pages 16, 36, 46 and 58 of the Sustainability Report.

We firmly believe that, through the SDGs and Global Compact, the UN has created a blueprint for a sustainable world and it's one we are putting front and centre of our business.

Yours sincerely,

- Hill - Dores

Alistair Phillips-Davies Chief Executive Officer