

Improving tax transparency

Proud to pay our fair share

2014/15



SSE: Improving Tax Transparency 2014/15

Country-by-country reporting Year to 31 March 2015

Improving the communication and transparency of its tax affairs is important to the Group and something SSE has increasingly focused on in recent years. Through 2014/15, SSE has worked closely with the Fair Tax Mark to improve the quality and quantity of the information it discloses about its tax liabilities and policies.

In addition to increased disclosure in the 2014/15 Annual Report, SSE understands that transparency of its international activities is important to many of SSE's stakeholders and so, following the advice of the Fair Tax Mark, SSE continues to publish annual 'country by country' information, shown below.

Country	Turnover (£m)	Reported profit before tax (£m)	Reported current tax (£m)	Number of employees at 31 March 2015	Gross employee pay (£m)	Net assets (£m)
UK	30,923.3	709.1	178.9	19,177	845.6	5,684.5
Republic of Ireland	731.1	26.1	(2.4)	788	30.0	396.0
Total as per accounts	31,654.4	735.2	176.5	19,965	875.6	6,080.5

SSE country by country analysis - year to 31 March 2015

SSE acquired Airtricity, a renewable energy developer registered in the Republic of Ireland, in 2008. At that time Airtricity had a relatively small pipeline of early stage wind farm development projects in Portugal, the Netherlands, Germany, Sweden and Italy. SSE's strategy is to focus on the core energy markets in the UK and Ireland therefore it undertook a programme of disposals to exit from all other European markets. All such projects have now been sold, with only two dormant holding companies remaining in Germany and the Netherlands, which will be wound up in time.

SSE also has a captive insurance company which is registered in the Isle of Man. That company is treated as a "controlled foreign company" for UK tax purposes; therefore UK corporation tax is paid on its profits by SSE.

