CREATING VALUE THROUGH THE LOW CARBON TRANSITION

FINANCIAL RESULTS FOR THE YEAR TO 31 MARCH 2019

22 MAY 2019
AGENDA

Alistair Phillips-Davies
- Introduction and safety

Gregor Alexander
- Financial overview

Alistair Phillips-Davies
- Strategic overview

Questions to:
Alistair Phillips Davies
Gregor Alexander
Martin Pibworth
CREATING VALUE THROUGH THE LOW CARBON TRANSITION

Delivering our five-year dividend plan

▪ Taking forward our strategic focus on regulated networks and renewables
▪ Enabling SSE’s key businesses to fulfil their huge opportunities
▪ Creating value through the low carbon transition
▪ Making £8.9bn contribution to the UK economy
DELIVERING AGAINST OUR STRATEGIC PRIORITIES

- Delivering the £1bn Caithness-Moray link
- Finishing the Stronelairg wind farm
- Completing the installation of Beatrice turbines
- Creating SSE Renewables
- Making progress on the new approach to hedging
- Disposing of a stake in telecoms and preparing to dispose of gas production
- Appointing Katie Bickerstaffe to SSE Energy Services
- Adopting four business goals for 2030

Creating value from developing and operating, as well as owning, energy assets and businesses
### Giving People a Safety Licence

#### Total Recordable Injury Rate

<table>
<thead>
<tr>
<th></th>
<th>FY18</th>
<th>FY19</th>
</tr>
</thead>
<tbody>
<tr>
<td>TRIR</td>
<td>0.20</td>
<td>0.16</td>
</tr>
</tbody>
</table>

TRIR — per 100,000 hours worked

#### Total Recordable Injuries

<table>
<thead>
<tr>
<th></th>
<th>FY18</th>
<th>FY19</th>
</tr>
</thead>
<tbody>
<tr>
<td>Combined SSE employees and contractors</td>
<td>104</td>
<td>82</td>
</tr>
</tbody>
</table>

*If it’s not safe, we don’t do it*
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# RESULTS TO 31 MARCH 2019

## OVERVIEW

<table>
<thead>
<tr>
<th>SSE Plc</th>
<th>FY19</th>
<th>FY18</th>
<th>% change</th>
</tr>
</thead>
<tbody>
<tr>
<td>Adjusted Operating Profit - £m</td>
<td>1,137.6</td>
<td>1,554.8 *</td>
<td>-27%</td>
</tr>
<tr>
<td>Adjusted Net Finance Costs - £m</td>
<td>(411.9)</td>
<td>(375.5) *</td>
<td>+10%</td>
</tr>
<tr>
<td>Adjusted Profit Before Tax - £m</td>
<td>725.7</td>
<td>1,179.3 *</td>
<td>-38%</td>
</tr>
<tr>
<td>Reported Profit Before Tax - £m</td>
<td>1,370.6</td>
<td>864.4 *</td>
<td>+59%</td>
</tr>
<tr>
<td>Adjusted Current Tax Credit/(Charge) - £m</td>
<td>6.8</td>
<td>(82.5) *</td>
<td>-108%</td>
</tr>
<tr>
<td>Adjusted EPS - pence</td>
<td>67.1</td>
<td>98.8 *</td>
<td>-32%</td>
</tr>
<tr>
<td>Dividend - pence</td>
<td>97.5</td>
<td>94.7</td>
<td>+3%</td>
</tr>
</tbody>
</table>

*Excluding SSE Energy Services

- EPS within Q3 Trading Statement guidance range
- DPS in line with five-year dividend plan
- Gains on sale and fair value uplift totalling over £1bn

## Five year dividend plan

- **2018/19**: Full-year dividend per share of 97.5p
- **2019/20**: Full-year dividend per share of 80p (intend to recommend)
- **2020/21**: Annual increase of at least RPI
- **2021/22**: Annual increase of at least RPI
- **2022/23**: Annual increase of at least RPI
# RESULTS TO 31 MARCH 2019

## EXCEPTIONAL ITEMS

<table>
<thead>
<tr>
<th>Exceptional items</th>
<th>Exceptional items £m</th>
<th>Fair value uplift £m</th>
<th>Total FY19 £m</th>
</tr>
</thead>
<tbody>
<tr>
<td>Wind farm capacity sales</td>
<td>438.0</td>
<td>369.2</td>
<td>807.2</td>
</tr>
<tr>
<td>Telecoms sale</td>
<td>116.1</td>
<td>119.3</td>
<td>235.4</td>
</tr>
<tr>
<td>Indigo Pipelines sale</td>
<td>54.3</td>
<td>-</td>
<td>54.3</td>
</tr>
<tr>
<td>Total gains on sale</td>
<td>608.4</td>
<td>488.5</td>
<td>1,096.9</td>
</tr>
<tr>
<td>Net impairments/impairment reversals</td>
<td>0.2</td>
<td>-</td>
<td>0.2</td>
</tr>
<tr>
<td>Retail separation and transaction costs</td>
<td>(47.9)</td>
<td>-</td>
<td>(47.9)</td>
</tr>
<tr>
<td>Guaranteed minimum pension equalisation charge</td>
<td>(9.3)</td>
<td>-</td>
<td>(9.3)</td>
</tr>
<tr>
<td>Net exceptional charges</td>
<td>(57.0)</td>
<td>-</td>
<td>(57.0)</td>
</tr>
<tr>
<td><strong>Total exceptional items</strong></td>
<td><strong>551.4</strong></td>
<td><strong>488.5</strong></td>
<td><strong>1,039.9</strong></td>
</tr>
</tbody>
</table>
## RESULTS TO 31 MARCH 2019
### REMEASUREMENTS

<table>
<thead>
<tr>
<th>Remeasurements</th>
<th>FY19 £m</th>
<th>HY19 £m</th>
<th>FY18 £m</th>
</tr>
</thead>
<tbody>
<tr>
<td>IFRS9 financing derivatives (loss)/gain</td>
<td>(44.8)</td>
<td>39.6</td>
<td>(33.0)</td>
</tr>
<tr>
<td>IFRS9 operating derivatives (loss)/gain</td>
<td>(328.2)</td>
<td>(565.4)</td>
<td>(89.1)</td>
</tr>
<tr>
<td>JV financing derivatives</td>
<td>1.2</td>
<td>1.2</td>
<td>2.7</td>
</tr>
<tr>
<td><strong>Total remeasurements</strong></td>
<td><strong>(371.8)</strong></td>
<td><strong>(524.6)</strong></td>
<td><strong>(119.4)</strong></td>
</tr>
</tbody>
</table>

- IFRS9 values do not reflect all contracts but only those designated ‘held for trading’
- IFRS9 movement in operating derivatives represents the position up to 31 March 2019, and does not reflect price movements and actions taken since that date
## Results to 31 March 2019

### Energy Services (held for disposal)

<table>
<thead>
<tr>
<th>Adjusted measures (£m)</th>
<th>FY19 EBITDA</th>
<th>FY19 EBIT</th>
<th>FY18 EBIT</th>
<th>EBIT % change</th>
</tr>
</thead>
<tbody>
<tr>
<td>GB Domestic Supply*</td>
<td>119.6</td>
<td>84.0</td>
<td>260.4</td>
<td>-68%</td>
</tr>
<tr>
<td>Energy Related Services</td>
<td>20.4</td>
<td>5.6</td>
<td>18.3</td>
<td>-69%</td>
</tr>
<tr>
<td>Total SSE Energy Services</td>
<td>140.0</td>
<td>89.6</td>
<td>278.7</td>
<td>-68%</td>
</tr>
</tbody>
</table>

*Adj. Op. Profit margin GB Domestic 2.4% 6.8%

### Key movements

- Default tariff cap between January and March 2019
- Lower customer numbers

### Outlook

- Operating margin expected to fall to below 2% in FY20
- Expected to be cash flow positive in FY20 (before working capital movements)
RESULTS TO 31 MARCH 2019
OTHER RETAIL BUSINESSES

<table>
<thead>
<tr>
<th>Adjusted measures (£m)</th>
<th>FY19 EBITDA</th>
<th>FY19 EBIT</th>
<th>FY18 EBIT</th>
<th>% change</th>
</tr>
</thead>
<tbody>
<tr>
<td>Business Energy</td>
<td>51.9</td>
<td>51.6</td>
<td>64.2</td>
<td>-20%</td>
</tr>
<tr>
<td>Airtricity</td>
<td>46.2</td>
<td>38.6</td>
<td>33.0</td>
<td>+17%</td>
</tr>
<tr>
<td>Enterprise</td>
<td>59.6</td>
<td>31.8</td>
<td>26.9</td>
<td>+18%</td>
</tr>
<tr>
<td>Total Retail</td>
<td>157.7</td>
<td>122.0</td>
<td>124.1</td>
<td>-2%</td>
</tr>
</tbody>
</table>

Key movements
- **Business Energy**: Lower volumes and higher costs including Supplier of Last Resort mutualisation charges
- **Airtricity**: better performance on bad debts and overheads
- **Enterprise**: improved performance in Contracting and Telecoms
## RESULTS TO 31 MARCH 2019

### WHOLESALE BUSINESSES

<table>
<thead>
<tr>
<th>Adjusted measures (£m)</th>
<th>FY19 EBITDA</th>
<th>FY19 EBIT</th>
<th>FY18 EBIT</th>
<th>% change</th>
</tr>
</thead>
<tbody>
<tr>
<td>Thermal Generation</td>
<td>32.3</td>
<td>(22.3)</td>
<td>107.8</td>
<td>-121%</td>
</tr>
<tr>
<td>Renewable Generation</td>
<td>694.0</td>
<td>455.9</td>
<td>475.9</td>
<td>-4%</td>
</tr>
<tr>
<td>EPM</td>
<td>(284.9)</td>
<td>(284.9)</td>
<td>46.0</td>
<td></td>
</tr>
<tr>
<td>Gas Production</td>
<td>150.5</td>
<td>48.9</td>
<td>34.0</td>
<td>+44%</td>
</tr>
<tr>
<td>Gas Storage</td>
<td>(4.7)</td>
<td>(5.7)</td>
<td>(6.5)</td>
<td>-12%</td>
</tr>
<tr>
<td><strong>Total Wholesale</strong></td>
<td><strong>587.2</strong></td>
<td><strong>191.9</strong></td>
<td><strong>657.2</strong></td>
<td><strong>-71%</strong></td>
</tr>
</tbody>
</table>

### Key movements
- **EPM:** adjusted operating loss slightly lower than the £300m forecast at November 2018
- **Thermal generation:** cessation of in the money PPAs, coal plant losses and Great Island CCGT outage
- **Gas Production:** lower depreciation, higher achieved price and no exploratory write-offs

### Outlook
- **EPM:** expected to report an adjusted operating loss of around £115m with variation reduced to ± £15m in FY20
- **Renewable generation:** should contribute around £525m EBIT (including capacity market income of £26m) in FY20
- **Thermal:** should contribute £150m EBIT (including capacity market income of £122m) in FY20

### Carbon Intensity (gCO₂e/kWh)

- 2019: [Graph showing carbon intensity values]
- 2018: [Graph showing carbon intensity values]
ENHANCING VISIBILITY THROUGH A NEW APPROACH TO HEDGING

<table>
<thead>
<tr>
<th>Asset</th>
<th>Proposed targets</th>
</tr>
</thead>
<tbody>
<tr>
<td>Wind</td>
<td>Hedge 85% of expected output 12 months in advance of delivery</td>
</tr>
<tr>
<td>Hydro</td>
<td>Hedge 85% of expected output 12 months in advance of delivery</td>
</tr>
<tr>
<td>CCGT</td>
<td>Hedge 100% of expected output 12 months in advance of delivery</td>
</tr>
<tr>
<td>Gas Production</td>
<td>Hedge 90% of expected output at 12 months ahead of delivery</td>
</tr>
</tbody>
</table>
| SSE Business Energy | On contract entry for fixed and flexi customers  
                      | Rolling hedge for tariff customers                                               |
| Gas Storage      | Annual Contract dependent on results of annual auction                           |

- **Wind and Hydro volumes hedged**
  - **Wind (GB) excluding Beatrice**
  - **Hydro (GB)**

- **Expected output (TWh)**
- **Price £/MWh**
RESULTS TO 31 MARCH 2019

NETWORKS BUSINESSES

<table>
<thead>
<tr>
<th></th>
<th>FY19 EBITDA</th>
<th>FY19 EBIT</th>
<th>FY18 EBIT</th>
<th>% change</th>
</tr>
</thead>
<tbody>
<tr>
<td>Electricity Transmission</td>
<td>318.6</td>
<td>252.1</td>
<td>195.6</td>
<td>+29%</td>
</tr>
<tr>
<td>Electricity Distribution</td>
<td>532.3</td>
<td>401.3</td>
<td>402.2</td>
<td>-0%</td>
</tr>
<tr>
<td>Gas Distribution</td>
<td>234.3</td>
<td>176.8</td>
<td>165.3</td>
<td>+7%</td>
</tr>
<tr>
<td>Total Networks</td>
<td>1,085.2</td>
<td>830.2</td>
<td>763.1</td>
<td>+9%</td>
</tr>
</tbody>
</table>

Key movements
- Transmission: increase due to phasing of income recovery
- Distribution: in line with previous year
- Gas Distribution: increase due to phasing of income recovery

Outlook
- Distribution: Expected FY20 EBIT of around £400m
- Transmission: Expected FY20 EBIT of around £200m
- Gas Distribution: Expected FY20 EBIT closer to £200m
# RESULTS TO 31 MARCH 2019

## SSE FOCUSING ON REGULATED NETWORKS AND RENEWABLES

<table>
<thead>
<tr>
<th>Adjusted Operating Profit (£m)</th>
<th>FY19</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total (excl. SSE Energy Services &amp; EPM)</td>
<td>1,422.5</td>
<td>100%</td>
</tr>
<tr>
<td>Networks Operating Profit</td>
<td>830.2</td>
<td>58%</td>
</tr>
<tr>
<td>Renewables Operating Profit</td>
<td>455.9</td>
<td>32%</td>
</tr>
<tr>
<td>Total Renewables and Networks Operating Profit</td>
<td>1,286.1</td>
<td>90%</td>
</tr>
</tbody>
</table>

Taking forward our strategic focus on developing, operating and owning assets in regulated networks and renewables
CREATING VALUE FROM ASSET DEVELOPMENT AND OPERATION

Model

Partnering

Use of proceeds

Agile in creating value from developing and operating, as well as owning energy and related infrastructure assets
INVESTING TO EARN RETURNS

- **Stronelairg Onshore wind farm**
  - Completed 7 months ahead of schedule
  - SSE ownership 50% share of 228MW

- **Beatrice Offshore wind farm**
  - On course for completion May 2019
  - SSE ownership 40% share of 588MW

- **Caithness-Moray Transmission link**
  - Completed on time and within budget
  - Largest investment undertaken by SSE

Expect capital and investment spend to total around £6bn across five years to March 2023 (c. £1.5bn in FY20)

Investment and Capital Expenditure FY19

- **£1.4bn** *Adjusted for Stronelairg and Telecoms disposal*

**Legend:**
- Renewables
- Thermal
- Networks
- Retail & Other
FINANCING SSE FOR THE FUTURE

- **£5.8bn**: Funds raised in last 5 years
- **Second Green Bond**: with all-in cost c. **2.6% pa**
- **£1.3bn**: RCF* refinanced with ESG linked rate
- **£6bn**: Refinancing between 2020 and 2024

*revolving credit facility

---

**As at 31 March**

<table>
<thead>
<tr>
<th></th>
<th>FY19</th>
<th>FY18</th>
</tr>
</thead>
<tbody>
<tr>
<td>Investment and capital expenditure - £m</td>
<td>1,423</td>
<td>1,503</td>
</tr>
<tr>
<td>Adjusted net debt and hybrid capital - £m</td>
<td>9,385</td>
<td>9,222</td>
</tr>
<tr>
<td>Average debt maturity, excl. hybrid capital</td>
<td>7.0 years</td>
<td>7.9 years</td>
</tr>
<tr>
<td>Average cost of debt at period end, incl. hybrid capital</td>
<td>3.70%</td>
<td>3.84%</td>
</tr>
</tbody>
</table>
FOCUSING ON FINANCIAL STRENGTH

- Committed to robust ratios for RCF and FFO to net debt
- Credit ratings sustainable and consistent with securing funding at competitive rates

<table>
<thead>
<tr>
<th>Credit rating agency</th>
<th>Rating</th>
<th>Current criteria</th>
<th>Date of issue</th>
</tr>
</thead>
<tbody>
<tr>
<td>Standard and Poor’s</td>
<td>BBB+ outlook stable</td>
<td>About 18% FFO/Net Debt</td>
<td>December 2018</td>
</tr>
<tr>
<td>Moody’s</td>
<td>Baa1 stable outlook</td>
<td>RCF/Net Debt around 11% in 2018/19 and 2019/20, then trending towards the ‘Low-teens’</td>
<td>December 2018</td>
</tr>
</tbody>
</table>

Committed to a strong balance sheet, supported by a high quality asset base focused on networks and renewables
DELIVERING THE FIVE YEAR DIVIDEND PLAN

Dividend per share, pence

Extensive portfolio of high quality assets that deliver earnings to underpin SSE’s dividend commitments

*FY19 — recommended
FY20 — intend to recommend
AGENDA

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Martin Pibworth
IDENTIFYING THE RIGHT FUTURE FOR ENERGY SERVICES

Taking account of the interests of customer, employees and shareholders

Npower deal not proceeding

Working on alternative options

Progress made in collateral arrangements

Katie Bickerstaffe appointed Executive Chair

Mandate to deliver a new future for SSE Energy Services

 Likely to pursue a listing by second half of 2020 or alternative ownership
SECURING GROWTH OPPORTUNITIES THROUGH THE LOW-CARBON TRANSITION

SSE’s goals for a sustainable business

- Cut carbon intensity by 50% compared to 2018
- Help accommodate 10m electric vehicles
- Treble renewable energy output to 30TWh per year
- Champion Fair Tax and a real Living Wage

Long term strategy

- Create value for shareholders and society
- Developing, operating and owning energy infrastructure assets in a sustainable way

SSE aims to deliver value for shareholders through the low carbon transition
SSE RENEWABLES
EXCELING IN DEVELOPMENT AND CONSTRUCTION

Renewable energy
- Primary route to low-carbon electricity
- SSE has a strong heritage and track record

Continuing to demonstrate capabilities
- Proven capability in construction
- Strong performance in operations
- Good progress in key investments

In the past 5 years
- Developed around 1GW of renewable capacity
- Proceeds of around £1.4bn through disposals
- Total renewable capex of around £1.5bn* 
  * including maintenance and development expenditure

On and offshore development pipeline of over 8GW
OPPORTUNITIES TO TRANSFER RENEWABLES SKILLS

- New markets for growth
- Transferable capabilities
- Looking at opportunities
- Strict capital discipline
### 8GW of Future Wind Development Opportunities

#### Onshore Pipeline (SSE share)

<table>
<thead>
<tr>
<th>Onshore Project</th>
<th>MW*</th>
<th>229 MW</th>
</tr>
</thead>
<tbody>
<tr>
<td>Viking Wind Farm</td>
<td>229</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Onshore Project</th>
<th>MW*</th>
</tr>
</thead>
<tbody>
<tr>
<td>Strathy South</td>
<td>133</td>
</tr>
<tr>
<td>Gordonbush Extension</td>
<td>38</td>
</tr>
<tr>
<td>Tangy</td>
<td>49</td>
</tr>
<tr>
<td>Other</td>
<td>28</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Onshore Project</th>
<th>MW**</th>
</tr>
</thead>
<tbody>
<tr>
<td>Doraville Wind Farm</td>
<td>139</td>
</tr>
<tr>
<td>New onshore wind</td>
<td>215</td>
</tr>
<tr>
<td>Other onshore extensions</td>
<td>186</td>
</tr>
</tbody>
</table>

#### Total

<table>
<thead>
<tr>
<th>229 MW</th>
</tr>
</thead>
<tbody>
<tr>
<td>248 MW</td>
</tr>
<tr>
<td>540 MW</td>
</tr>
</tbody>
</table>

- Exploring merchant opportunities in onshore
- Considering corporate power purchase agreements to deliver additional renewables
8GW OF FUTURE WIND DEVELOPMENT OPPORTUNITIES

Offshore Pipeline (SSE share)

- Potentially competing in 2019 CfD round
- Consented requiring consent

<table>
<thead>
<tr>
<th>Offshore Project</th>
<th>MW*</th>
</tr>
</thead>
<tbody>
<tr>
<td>Dogger Bank — Teeside A</td>
<td>600</td>
</tr>
<tr>
<td>Dogger Bank — Creyke Beck A</td>
<td>600</td>
</tr>
<tr>
<td>Dogger Bank — Creyke Beck B</td>
<td>600</td>
</tr>
<tr>
<td>Seagreen — Phase 1</td>
<td>1,050</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Offshore Project</th>
<th>MW*</th>
</tr>
</thead>
<tbody>
<tr>
<td>Arklow Bank</td>
<td>800</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Offshore Project</th>
<th>MW**</th>
</tr>
</thead>
<tbody>
<tr>
<td>Seagreen Phase 2 &amp; 3</td>
<td>3,200</td>
</tr>
<tr>
<td>Greater Gabbard Extension</td>
<td>250</td>
</tr>
</tbody>
</table>

Total: Over 7GW

2,850 MW

Consented: 800 MW

Requiring consent: 3,450 MW

- Continuing to engage with the Crown Estate and Crown Estate Scotland on seabed leasing
- Biggest pipeline of offshore wind farm developments in the biggest offshore wind market in the world
SSE’s flexible CCGT fleet will play a key part in the transition to a low-carbon economy

- Balancing Mechanism of between £30m and £60m in each of the past three years
- Work underway on Keadby 2 project
- Ferrybridge Multifuel 2 due to be completed end 2019
- Long term potential in carbon capture

Keadby 2

- 840MW CCGT
- State of the art technology
- £350m Investment
- 2022 completion
- Participation in future Capacity Mechanism auctions

Flexible thermal generation plant required to complete transition to low carbon economy
TAKING FORWARD CUSTOMER BUSINESSES

- **Business Energy**
  - Strong position to hedge customer requirements
  - Performing well in competitive markets
  - Vertical integration optimal

- **Distributed Energy**
  - Electric Vehicle charging
  - Local heat and energy networks

- **Airtricity**
  - Leading UK connectivity supplier
  - Potential for future growth

- **Telecoms**
  - Potential for future growth
LEADING THE TRANSFORMATION IN DISTRIBUTION

SSEN Distribution central to delivering an electrified low-carbon economy
- Potential RAV growth through increased penetration of Electric Vehicles

Local Energy Oxfordshire
- Flexible electricity grids supporting growth in small-scale renewables, electric vehicles, battery storage and demand-side response
- £40m project supported by UK Government’s Industrial Strategy Fund

Project partners:
REACHING THE PERFORMANCE FRONTIER IN DISTRIBUTION

OPERATIONS
New operating model to deliver under RIIO

INCENTIVES
Target improvements in incentives performance

INVESTMENT
Efficient delivery of capital investment

INNOVATION
Maintain leadership position on innovation
DELIVERING OPPORTUNITIES FOR GROWTH FOR TRANSMISSION

Planned Investment to 2021
Over £600m remaining including:
- Inverary to Crossaig
- Rothienorman substation
- Beauly-Keith
- Fort Augustus to Fort William

Forecast

RAV expected to reach £3.6bn by March 2021
POWERFUL CASE FOR FUTURE RAV GROWTH

SSEN TRANSMISSION

Driving low carbon investment in the north of Scotland

February 2019

- Emerging Thinking document
- Stakeholder consultation on the future of the Transmission Network
- Early view of activities and costs for Apr-2021-Mar2026

Totex range of £1.5-£3.5bn (over the RIIO-2 period)

July 2019

- Transmission Business Plan
- More detailed view of activities and costs for Apr2021-Mar2026
- Islands links would be additional to this

Potential for RAV to reach £5bn RAV by 2026 (excluding island links)
PREPARING FOR RIIO-2

RIIO-2 framework begins from 2021 for Transmission and SGN, and 2023 for Distribution

Engaging constructively with Ofgem

Sector specific methodology decision due by the ‘end of May’

Making the case for a balanced settlement

- Sustainable cost of equity that better reflects decarbonisation ambitions
- Output incentive package that enables outcomes that customers and stakeholders have asked for
- A strong totex Incentive Mechanism that drives the continued focus on efficiency improvements

Confident that Ofgem can still deliver an equitable outcome
CREATING VALUE THROUGH THE LOW CARBON TRANSITION

Renewable Generation
- Over 8GW pipeline
- Helping achieve decarbonisation goals

Thermal Generation
- Efficient and flexible plant
- Supporting low-carbon transition

Distribution Network
- Targeting incentives
- Delivering an electrified, low-carbon economy

Transmission Network
- Powerful investment case
- Opportunity for £5bn RAV by 2026

Creating value from developing and operating, as well as owning, energy assets and businesses
CREATING VALUE THROUGH THE LOW CARBON TRANSITION

Dividend per share, pence

Forecast

Likely to be at least c.£4.25

Dividend sustainability based on quality and nature of operations, assets and on long-term financial outlook

*FY19 — recommended
FY20 — intend to recommend
CREATING VALUE THROUGH THE LOW CARBON TRANSITION

Questions and Answers

Please use microphones located within the seats in front of you