



# Providing the energy people need

SSE plc Performance Summary 2015



This Performance Summary is being sent to you in place of the SSE plc 2015 Annual Report and Notice of Annual General Meeting 2015. These documents can be accessed in full at [www.sse.com](http://www.sse.com)

To vote on the resolutions proposed at the forthcoming AGM on 23 July in Perth, shareholders should complete the Form of Proxy and/or Form of Direction enclosed with this document and return in the envelope provided. Alternatively you can submit your form(s) electronically at [www.sse.com](http://www.sse.com)

# Focused on the needs of customers and investors

SSE's core purpose is to provide the energy people need in a reliable and sustainable way. In fulfilling this purpose, SSE requires the support of shareholders, to whom this report is addressed. It summarises SSE's performance in 2014/15 and looks ahead to 2015/16 and beyond.

There is no doubt that 2014/15 saw a remarkable confluence of events for SSE: confirmation that the Competition and Markets Authority (CMA) would investigate the supply and acquisition of energy in Great Britain; the Scottish independence referendum; Ofgem's decision to approve SSE's largest ever capital project; the final stages of the electricity distribution price control process; the first-ever auction for provision of electricity generation capacity; and the intense debate about the energy sector in the run-up to the UK general election.

Throughout these events, SSE had three priorities: work constructively with legislators, regulators, consumer bodies and other stakeholders to secure practical changes that will benefit energy bill payers now and in the future; fulfil successfully its core purpose of providing the energy people need in a reliable and sustainable way; and deliver a financial

performance to support the continuing remuneration of shareholders' investment through the payment of dividends.

SSE's approach to the CMA investigation and the political debate about energy has been to demonstrate how the energy market in Great Britain is generally well-functioning and benefiting customers, while highlighting a number of areas where there may be potential for reforms that produce additional benefits for customers. While the CMA process still has some way to go and the UK general election has only just taken place, SSE believes that there is now an opportunity to achieve a stable policy and regulatory framework that gives customers confidence, allows regulators to regulate and encourages investors to invest in the Great Britain energy market.

SSE's business is focused on the provision of energy and related services to customers in homes, offices and businesses across the UK and Ireland. Encouraging progress was made in 2014/15, with the successful launch of the new Enterprise division to bring together SSE's services in competitive markets for industrial and commercial customers; achieving periods of best-ever performance in minimising the number and duration of power cuts experienced by Networks customers; and extending to at least July 2016 the freeze on household energy prices in Great Britain so that there won't have been an increase for more than two and a half years.

SSE's commitment to the dividend is clear: the financial objective of the Company's strategy is to increase annually the dividend payable to shareholders by at least RPI inflation. This is because shareholders have either invested

directly in SSE or, as owners of the Company, have enabled it to borrow money from debt investors to finance investment in the assets that will help meet the energy needs of customers in the UK and Ireland over the long term. I am pleased that the Board is recommending a final dividend that will take the full-year dividend for 2014/15 to 88.4 pence per share; and I am equally pleased that SSE's commitment to future investment remains strong, with plans to invest around £5.5bn (net) in the four years to 2018.

In summary, 2014/15 brought the challenges expected at the start of the year; and more challenges are on the horizon as SSE looks forward to the rest of 2015/16 and beyond. I have no doubt those challenges will be met. The Company's business model is robust; the management team is strong; and in its employees SSE has a remarkable group of talented, committed and enthusiastic people focused on doing the right thing by the customers on whom the Company ultimately depends.

It has been my privilege to be SSE's Chairman for 10 years. In my first Annual Report as Chairman, I wrote that SSE had experienced much change over the previous two years. Change has certainly been the hallmark of the 10 years since then and will no doubt continue to be so. The Company is in a good shape to be successful during the next phase of change, and I am delighted that Richard Gillingwater has agreed to lead the Board as Chairman. He has a long-standing association with and interest in the energy sector, as well as a breadth of experience in other sectors and organisations, from which the Board and SSE will benefit greatly.

There is no doubt that the next few years will bring many challenges for Richard, the Board, the management team and employees, but SSE's clear purpose, simply-stated strategy and core values will stand it in very good stead for the long term, as will its commitment to giving customers service it is proud of and to remunerating shareholders for their investment through the dividend.

**Lord Smith of Kelvin**  
Chairman

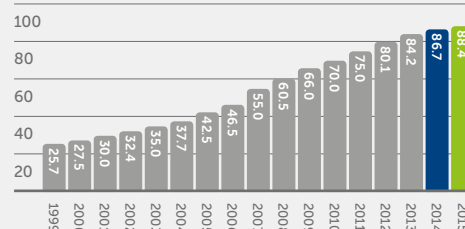


## Performing for shareholders

### Delivering dividend increases

SSE aims to remunerate shareholders for their investment through the delivery of annual increases in the dividend of at least Retail Price Index (RPI) inflation.

Full-year dividend payable to shareholders – pence per share



# What SSE does, matters

SSE has an essential purpose at its core – providing the energy people need. This purpose brings significant challenges and responsibilities. SSE has a responsibility to customers, employees, communities and shareholders to ensure this need is met in a sustainable way, both now and for the long term.

► For more information go to [sse.com/beingresponsible](http://sse.com/beingresponsible)

## Responsible employer

### Paying the Living Wage is the right thing to do



SSE is one of the UK's largest Living Wage employers and that means its employees – and increasingly its contracted employees – earn an hourly rate that exceeds the national minimum wage. The Living Wage is set by the Living Wage Foundation on an annual basis and is calculated according to the basic cost of living in the UK.

SSE's motivation for paying the Living Wage is simple. It is a matter of basic fairness that people should get a wage they can live off. SSE believes paying the Living Wage makes an important contribution to reducing in-work poverty throughout the UK.

It also makes sound business sense, with clear evidence that it improves retention, reduces recruitment costs, and increases

the productivity and motivation of all employees – not just those who have benefitted from the policy.

When SSE first made this commitment in 2013 it became the UK's largest Living Wage employer. Since then SSE has worked closely with the Living Wage Foundation to encourage many other large organisations to take this step. But at the start of 2015, SSE remained the only major energy supplier in the UK to have made this pledge.

SSE is now rolling out the commitment to pay the Living Wage across its £2bn-a-year supply chain. As of 1 April 2014, all eligible contracts tendered include a Living Wage clause.

## Responsible profits

### First FTSE 100 company to be awarded the Fair Tax Mark

In October 2014 SSE became the first FTSE 100 company to be accredited with the Fair Tax Mark, the world's first independent assessment process for identifying companies that are making a genuine effort to be open and transparent about their tax affairs.

SSE's starting point on tax is the recognition that, as a provider of an essential service that every member of society depends on, it has a responsibility to contribute to the societies in which it operates.

Through the combination of detailed, user friendly analysis; clear statements regarding SSE's attitude in relation to tax; and now external Fair Tax Mark accreditation, SSE is confident that anyone can assess how the tax payable on its profits is arrived at and what factors impact upon it.

More importantly, SSE hopes people can be satisfied that its approach to paying tax is fair and, as a result, be confident that SSE is a responsible UK taxpayer.



## Responsible operator

### 'A' rating from CDP for our approach to managing climate change impacts

There is no getting away from the fact that as one of the UK's largest generators of electricity SSE is responsible for the emission of a large amount of CO<sub>2</sub>. But it is also the UK's largest generator of renewable electricity and has invested over £2.6bn in renewable generation assets over the last five years.

In October 2014 SSE was included in CDP's global Climate Performance Leadership Index, one of the most important annual assessments of how global organisations are leading the way in managing their impact on the environment.

CDP gave SSE an 'A' rating for its performance in 2013/14.

CDP's annual report is produced on behalf of over 700 major global investors with total assets of over US\$92tn under management. CDP independently assessed over 2,000 companies globally in 2014 with just 187 achieving an 'A' rating.

What the 'A' performance rating from CDP demonstrates, is that SSE recognises the impact its activities have on the environment and that it is taking meaningful action to improve this impact.



# An overview of the year

## Financial results 2015 – SSE Group

The key financial results for the year to 31 March 2015 are in line with expectations set out in the Notification of Close Period published on the 26 March 2015:

- Adjusted earnings per share\* increased by 0.6% to 124.1 pence;
- Adjusted profit before tax\* increased by 0.9% to £1,564.7m;
- Reported profit before tax increased by 24.1% to £735.2m;
- Investment and capital expenditure fell by 6.8% to £1,475.3m;
- Adjusted net debt and hybrid capital decreased by £74.7m to £7,568.1m;
- Full-year dividend increased by 2% to 88.4 pence per share; and
- Dividend covered 1.40 times by adjusted earnings per share.

## Earning profit in a responsible way

Companies don't just need to earn profits; they should earn profits in a responsible way. It is for this reason that SSE adopted in 2006 the SSE SET of core values: Safety; Service; Efficiency; Sustainability; Excellence; and Teamwork. The first value is Safety, which is defined as: 'We believe all accidents are preventable, so we do everything safely and responsibly, or not at all'. The correct response to work-related injuries is to seek to achieve injury-free working, and that remains SSE's ultimate goal.

In addition to safety at work, SSE believes in fairness at work, and in September 2013 it became the largest (at that time) UK-listed accredited Living Wage employer. In April 2015, SSE published a report, Valuable People, which included the first valuation of human capital undertaken by a leading UK listed company and which showed that the value of SSE's human capital is around £3.4bn. As well as fairness at work, SSE believes in fairness in society and in October 2014 became the first FTSE 100 company to be awarded the Fair Tax Mark. There is a greater expectation on the part of society that companies should be environmentally responsible and in October 2014 it was announced that SSE had achieved an 'A' rating in the CDP Climate Change Index, one of the most important annual assessments of how large companies are managing their climate change impact.

More broadly, SSE's contribution to UK Gross Domestic Product in 2014/15 totalled around £8.8bn, taking the total for the last three years to £27.4bn. In the Republic of Ireland it was €954m in 2014/15. The company currently employs directly over 19,700 people and supports over 106,000 jobs across the UK and 6,400 jobs in Ireland.

## Business-by-business operating profit

Operating profit, which is before payment of interest and tax, for the year to 31 March 2015 is set out for each business below (compared with previous year unless otherwise stated):

### Wholesale – operating profit\* of £473.8m

- **Energy Portfolio Management and Electricity Generation** operating profit declined from £496.1m to £433.3m, as a result of difficult market conditions, and lower output of electricity from both renewable and thermal sources;
- **Gas Production** operating profit declined from £130.2m to £36.6m, reflecting lower day ahead prices achieved for gas produced; and
- **Gas Storage** operating profit declined from £8.3m to £3.9m; this business continues to be affected by smaller seasonal and daily differentials in gas prices.

### Networks – operating profit\* of £936.8m

- **Electricity Transmission** operating profit rose from £136.7m to £184.1m, reflecting the continuing major investment in the asset base and the resulting higher income;
- **Electricity Distribution** operating profit fell from £507.0m to £467.7m. In 2013/14 SSE's networks over-recovered revenue by £25m and this was reflected in downward adjustments to its revenue in 2014/15, during which there was also an under recovery of revenue of around £38m; and
- **Gas Distribution** – SSE's share of Scotia Gas Networks' operating profit rose from £276.6m to £285.0m, reflecting continued innovation and efficiencies as well as the timing of revenue collection.

### Retail – operating profit\* of £456.8m

- **Energy Supply** following operational and cost efficiencies operating profit rose from £246.2m to £368.7m, thereby returning it to a level similar to that achieved in 2012/13, when it was £363.2m, and making SSE's average annual profit from supplying a dual fuel energy customer £69, before paying interest and tax;
- **Energy-related Services** operating profit fell from £24.1m to £17.7m, reflecting a reduction in customer numbers in Metering, Telecoms and Home Services; and
- **Enterprise** operating profit rose from £56.8m to £70.4m, largely reflecting a £15.3m profit on the gas pipeline disposal during the year.

## Operations – providing the energy people need

In the year to 31 March 2015 (comparisons in brackets with the previous year, unless otherwise stated):

- **Safety:** SSE's Total Recordable Injury Rate was 0.12 per 100,000 hours worked (0.12);
- **Networks:** the number of Customer Minutes Lost in the Scottish Hydro Electric Power Distribution area was 69 (77); in the Southern Electric Power Distribution area it was 57 (67);
- **Networks:** the number of Customer Interruptions (power cuts) per 100 customers in the Scottish Hydro Electric Power Distribution area was 70 (75); in the Southern Electric Power Distribution area it was 60 (68);
- **Retail:** SSE's number of electricity and gas customer accounts in markets in Great Britain and Ireland fell from 9.10m to 8.58m;
- **Retail:** average consumption of electricity by SSE's household customers in Great Britain was estimated to be 3,842kWh (3,991kWh); average consumption of gas by SSE's household customers in Great Britain was estimated to be 438 therms (465 therms);
- **Wholesale:** total electricity output\*\* from gas- and oil-fired power stations was 9.8TWh (10.1TWh); from coal-fired power stations output was 9.1TWh (16.6TWh); and
- **Wholesale:** total electricity output\*\* from renewable sources (conventional and pumped storage hydro electric schemes, onshore and offshore wind farms and dedicated biomass plant) was 8.7TWh (9.3TWh).

\* This financial report describes adjusted profit before tax before exceptional items (£647.6m), re-measurements arising from IAS 39 (£105.3m) and after the removal of taxation on profits from jointly controlled entities and associates (£35.6m). Following the adoption of IAS 19R, adjusted profit before tax is stated excluding interest costs on net pension scheme liabilities (£14.0m). In addition, this financial report describes adjusted operating profit before exceptional items, re-measurements arising from IAS 39, and after the removal of taxation and interest on profits from jointly controlled entities and associates. It also describes adjusted profit after tax and adjusted earnings per share before exceptional items, re-measurements arising from IAS 39 and deferred tax and excluding interest costs on net pension scheme liabilities.

\*\* Output from electricity generating plant in which SSE has an ownership interest (output based on SSE's contractual share).

Note: Operating profit for 2013/14 restated in line with establishment of the Enterprise division, and as set out in the Notification of Close Period on 29 September 2014 and in the Notes to the Financial Statements.

## Efficient operations

At the heart of SSE's business are core operations. In 2014/15 it: produced enough electricity to power 8.6 million homes; delivered electricity to 3.7 million homes, office and businesses; supplied electricity and gas to 8.58 million customer accounts; and provided energy-related services to around 250,000 customers.

## Investment – maintaining, upgrading and building assets that energy customers need

In the year to 31 March 2015, SSE's capital and investment expenditure totalled £1,475.3m, compared with £1,582.5m in the previous year:

- **Networks:** Investment in electricity networks totalled £794.8m. SSE's subsidiary Scottish Hydro Electric Transmission's section of the Beaully-Denny replacement line is now close to completion;
- **Retail (including Enterprise):** Investment in Retail totalled £134.7m, including Enterprise. SSE has continued to make significant investment in new systems to deliver enhanced services to customers and support the installation of smart meters in the years to 2020; and
- **Wholesale:** Investment in electricity generation totalled £434.9m. SSE's 464MW CCGT power station development at Great Island in County Wexford is now in commercial operation.

Capital and investment expenditure in the Wholesale segment also included expenditure totalling £21m in Gas Production and £14.3m in Gas Storage. Separately, SSE acquired the Energy Solutions Group, a Manchester-based provider of energy management services, for £66m, with a further £6m payable if business targets are achieved.

SSE's capital investment and expenditure is forecast to total around £1.75bn (gross) in 2015/16 and – although the phasing of investment and value of disposals are subject to variation – to total around £5.5bn (net of asset and business disposals) in the four years up to and including 2017/18.

## Undertaking a value programme to ensure SSE is well-positioned for the future

During 2014/15, SSE embarked on a value programme to secure operational efficiencies and complete asset and business disposals, with the overall objective of streamlining and simplifying the business. The programme has achieved key objectives, with:

- transactions to dispose of for consideration of £475m completed;
- the target of £100m of annual savings in overheads secured; and
- the process to dispose of onshore wind farm assets, in order to realise value to support future investment, getting under way.

In addition, in line with the principles of its value programme, SSE has announced the outcome of its review of its coal-fired electricity generation assets as a result of which it has been decided that coal-fired generation operations at Ferrybridge power station should end by 31 March 2016.

## Engaging constructively in political and regulatory developments

The energy sector has been the subject of significant political and regulatory scrutiny since it was privatised, with the Energy Act 2013 being the most recent legislation to affect the sector. While political and regulatory change is never without risk, the formation of a new UK government, along with the forthcoming conclusion of the Competition and Markets Authority (CMA) investigation into the supply and acquisition of electricity in Great Britain, present a major opportunity to achieve a stable policy and regulatory framework that gives customers confidence, allows regulators to regulate and encourages investors to invest in the Great Britain energy market.

SSE therefore welcomes the new UK government's continued support for the CMA investigation, which should be based on a robust process, extensive consultation and independent analysis. The CMA itself is expected to publish provisional findings and possible remedies (if required) in the next few weeks. There will then be a further period of stakeholder engagement and analysis before any final proposals are published.

While SSE understands the new UK government's intention to end any new public subsidy for onshore wind farms it is an established and important feature of government in the UK that there should be open and dynamic policy-making and that there should be substantive discussion with stakeholders and experts to enable Ministers to take well-informed and robust decisions that also avoid unintended consequences and SSE is optimistic that the new UK government will pursue its energy policy objectives, including those relating to onshore wind farms, in a measured and constructive way.

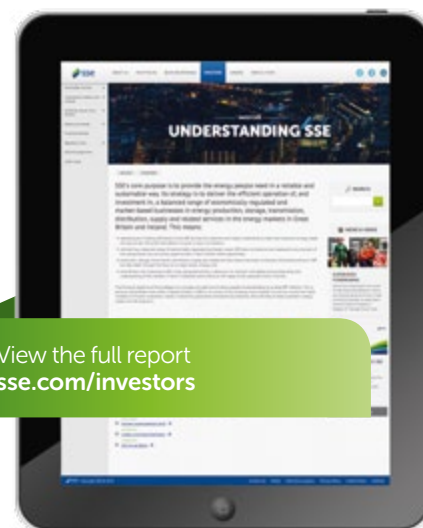
In terms of the UK government and the CMA investigation, SSE will continue to argue for policies and decisions that are: fair to energy bill payers and investors; and support the delivery of reliable and sustainable supplies of energy over the long term.

## Financial outlook

SSE believes that the quality of its operations, assets and investment opportunities means it can continue to deliver a full-year dividend that at least keeps pace with RPI inflation in 2015/16 and in the subsequent years.

It uses adjusted earnings per share\* to monitor financial performance over the medium term because it defines the amount of profit after tax that has been earned for each Ordinary share. On 8 May 2015, the consensus of 20 sector analysts' forecasts for SSE's adjusted earnings per share\* in 2015/16 was around 115 pence. Although the nature of energy provision means that its financial results in any single year are always subject to well-documented uncertainties, SSE is targeting adjusted earnings per share\* for 2015/16 of at least 115 pence.

SSE also continues to recognise that adjusted earnings per share\* is subject to significant uncertainties which mean that its dividend cover, based on dividend increases that at least keep pace with RPI inflation, could range from around 1.2 times to around 1.4 times over the three years to 2017/18. Nevertheless, SSE believes that a long-term target for dividend cover of a range around 1.5 times, also based on dividend increases which at least keep pace with RPI inflation, is the right one to aim for.



### Financial calendar 2015

Annual Report on <a href="http://sse.com/investors">sse.com/investors</a>	22 June 2015
AGM (Perth) and IMS	23 July 2015
Ex-dividend date for final dividend	23 July 2015
Record date for final dividend	24 July 2015
Final date for Scrip elections	21 August 2015
Payment date	18 September 2015
Notification of Close Period	30 September 2015
Results for six months to 30 September	11 November 2015

# Answering key questions

In the year to March 2015, SSE had two Executive Directors: Chief Executive Alistair Phillips-Davies and Finance Director Gregor Alexander. Here they answer some of the key questions facing both SSE and the energy industry now and in the future:

## How would you describe the performance of SSE in 2014/15?

**Alistair:** I always expected to describe this financial year as 'tough' and of course it was. A Competition and Markets Authority investigation, volatility in commodities markets, intense competition in retail markets, and heightened political uncertainty from the Scottish referendum and the UK general election combined to create a tricky operating environment. But for SSE it was also an encouraging year too. Work on the key Caithness-Moray transmission link has begun, our newest generation plant, Great Island in Ireland, has been commissioned and we've begun to build a brand for the future; all of which create the opportunity for increased earnings for the future.

**Gregor:** I'd say it was a reasonable performance given the circumstances. Despite tough market conditions we have been able to deliver solid business results at the same time as being a responsible company that does the right thing by its employees and its customers.

## SSE argues that it took a 'bold' step in freezing energy prices in March 2014. With energy supply customer numbers falling since, how can that decision be justified?

**Alistair:** SSE's price freeze was hugely important. At the time, we promised to freeze prices but, if we could, to reduce them too. That's exactly what we've done. Customers were very clear with us. They wanted to know for sure that energy prices would stop going up – and the freeze gave them that guarantee. We can only begin to rebuild trust with customers by responding to the issues they are concerned about. The fall in gas prices has allowed us to cut prices by 4.1% coupled with a further promise to cap prices at the current level until at least July 2016. Market conditions are highly competitive and steps like the price freeze help provide a platform for increased success in those markets in the future.

## What part do you see the new Enterprise business playing in SSE's future?

**Alistair:** I am confident about the growing contribution Enterprise can make to the SSE group in the years to come. The acquisition of ESG (Energy Solutions Group) in July was

an important step as it bolstered SSE's services in competitive markets for industrial and commercial customers. Managing energy costs and environmental impact are as big a priority for our large commercial customers as it is for our domestic customers with whom we already have a strong track record. As a responsible company focused on the long term, we believe it is in SSE's interests to make the consumption of energy more sustainable for everyone.

## You are in the middle of a CMA market investigation, never a comfortable place for any industry. How is SSE managing the risk of different possible outcomes?

**Alistair:** Throughout the CMA process, SSE has continued to listen to our customers, considered the submissions of other parties and led the way in terms of engagement with the CMA. This has allowed us to more fully understand the range of possible outcomes and prepare for change but more importantly to help ensure customers are at the heart of the debate.

I hope for an outcome that is clear and has the support of the whole market but most of all I hope for one that provides a long settlement. That may mean more change to the industry than some will be comfortable with. The greatest risk, I believe, is that the outcome does not draw a line under the public concern relating to the energy industry. It is in everyone's interests that an enduring industry structure is found that commands the consent and support of the majority.

## Given the continuing political risk SSE faces and other expected challenges in the months and years to come, how sure can you be that you will be able to fulfil your dividend promise to shareholders in the short and medium term?

**Alistair:** Energy is an essential service so of course there is persistent and perennial political and regulatory risk for SSE. SSE focuses solely on the markets in the UK and Ireland, and we believe that means we are more closely attuned to public opinion, which of course, affects political opinion. We work very hard to take a positive, practical and reforming approach to relations with government, regulators and politicians which, we believe, helps to mitigate the business risks of unexpected political or regulatory intervention.



## Watch the video

Alistair talks about SSE's full-year results.  
[www.vimeo.com/sseplc](http://www.vimeo.com/sseplc)

**Gregor:** SSE's dividend policy – to deliver annual increases in the dividend that at least keep pace with RPI inflation over the long term – is our most important financial target. While it gives a reasonable and appropriate reward for the investment of our shareholders, it also guides the way in which we run our business. We are long-termist in the best sense of the word and I am just as concerned about those dividends in 2020 and beyond, as I am for the financial year 2015/16.

## Do you consider impacts other than simply financial metrics when assessing the performance of the Company?

**Gregor:** This year, in what we understand is a first for a FTSE100 company, SSE is reporting its economic contribution alongside its financial results. In 2014/15 SSE contributed £8.8bn to the UK economy and €954m to the Irish economy, and supported over 106,000 jobs and 6,400 jobs respectively. Of course, there is more to our impacts than simply the economic ones and details of these are fully integrated into this report. We want to broaden our reporting as our understanding of our social, environmental and economic impact grows.

## Where will you find the opportunities for growth in the medium term?

**Alistair:** I am optimistic for the future. The UK energy industry is still undergoing radical transformation but the settling down of Electricity Market Reforms means there is the opportunity of a stable platform for investment. The UK economy is growing and a clear CMA outcome can boost the UK retail market. The potential in networks should not be underestimated. The Caithness-Moray transmission line represents the largest ever investment by SSE. We also continue to grow in Ireland, with the Great Island power station coming on line. SSE has consistently taken a highly prudent and disciplined approach to growth. We develop options for investment and then, very carefully, agree to invest. We've learned a lot from the past few years of major project development, and now, I believe, we can describe it as a core competence of SSE.

## SSE plc Annual General Meeting 2015 (AGM)

The AGM will be held at the Perth Concert Hall, Mill Street, Perth, PH1 5HZ on 23 July at 12 noon.

Comprehensive details of the resolutions being proposed, together with explanatory notes and information on shareholders' rights to attend and vote, are set out in the Notice of Annual General Meeting 2015, available from the Company's website [www.sse.com](http://www.sse.com). Shareholders should refer to this document when determining how to vote. Please convey voting instructions as soon as possible and by no later than 12 noon on 23 July 2015.

Biographical details on directors standing for re-appointment at the AGM are set out below:



**Richard Gillingwater CBE**  
Deputy Chairman and Senior Independent Director

Non-Executive Director since May 2007. Senior Independent Director since July 2012. Deputy Chairman since January 2015. Chairman of the Remuneration Committee. Member of the Audit and Nomination Committees.

Richard was, most recently, Dean of Cass Business School, London. Prior to that he spent 10 years at Kleinwort Benson, before moving to BZW, in due course, becoming joint Head of Corporate Finance and, latterly, Chairman of European Investment Banking at Credit Suisse First Boston.



**Alistair Phillips-Davies**  
Chief Executive

Appointed Energy Supply Director in 2002. Generation and Supply Director December 2010. Deputy Chief Executive September 2012. Chief Executive since 1 July 2013.

Alistair has over 17 years' service with the Group, having joined Southern Electric plc in 1997. He is a chartered accountant and has previously worked for HSBC and the National Westminster Bank in corporate finance and business development roles.



**Gregor Alexander**  
Finance Director

Appointed Finance Director in October 2002.

Gregor has over 24 years' service with the Group, having joined Scottish Hydro-Electric plc in 1990. He is a chartered accountant. Gregor has SSE Board-level responsibility for Finance, Investor Relations, Risk, Audit and Insurance, Procurement and Logistics, IT and Corporate Business Services. He is Non-Executive Director of Stagecoach Group plc.

View the notice of meeting

[sse.com/investors](http://sse.com/investors)



**Jeremy Beeton CB**  
Non-Executive Director

Non-Executive Director since July 2011. Chairman of the Safety, Health and Environment Advisory Committee. Member of the Remuneration and Nomination Committee. Jeremy was Director General of the UK Government Olympic Executive, the lead government body for coordinating the 2012 London Olympics. Previously Jeremy was Principal Vice President of Bechtel Ltd and he is a civil engineer.



**Katie Bickerstaffe**  
Non-Executive Director

Non-Executive Director since July 2011. Member of the Nomination and Remuneration Committees.

Katie is currently Chief Executive, UK and Ireland of Dixons Retail plc. From 2008 to 2012, Katie served as Director of Marketing People and Property (Dixons). Her earlier career included roles at Dyson Ltd, PepsiCo Inc and Unilever PLC.



**Dame Susan Bruce DBE**  
Non-Executive Director

Non-Executive Director since 1 September 2013. Member of the Audit, Nomination and Safety, Health and Environment Advisory Committee.

Sue is currently Chief Executive, Edinburgh City Council. She began her career in local government at Strathclyde Regional Council and has previously been Chief Executive of East Dunbartonshire Council and Aberdeen City Council.



**Peter Lynas**  
Non-Executive Director

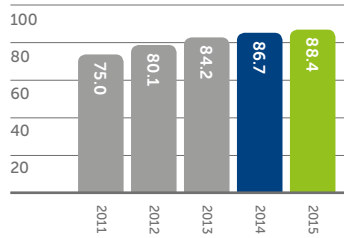
Non-Executive Director from 1 July 2014. Chairman of the Audit Committee and member of Nomination Committee. Peter is the Group Finance Director of BAE Systems plc and a member of the BAE Systems Inc Board in the US. He joined GEC-Marconi in 1985 as a Financial Accountant at the manufacturing operation in Portsmouth and in 1998 was appointed Finance Director of Marconi Electronic Systems prior to the completion of the British Aerospace/Marconi merger. Peter is a Fellow of the Chartered Association of Certified Accountants.

# Key indicators

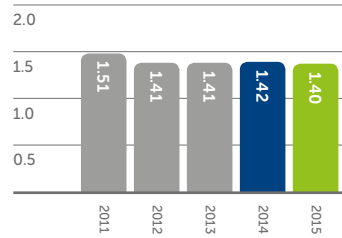
## Measuring SSE's performance

### Dividend

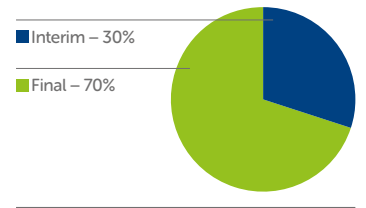
Dividend per share – pence



Dividend cover – times

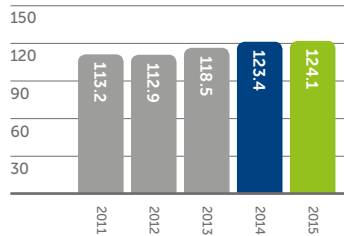


Dividend composition – %

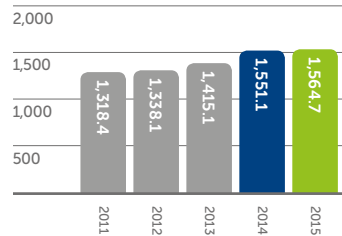


### Profit

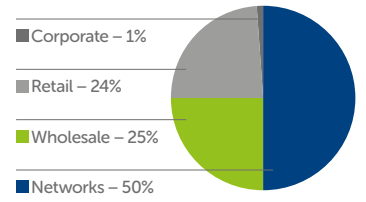
Adjusted earnings per share\* – pence



Adjusted profit before tax\* – £m

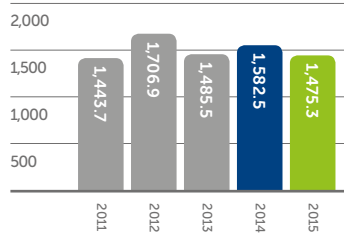


Operating profit\* composition – %

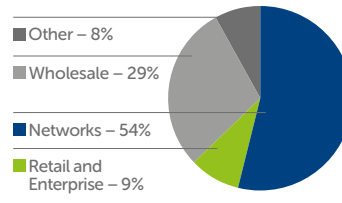


### Investment

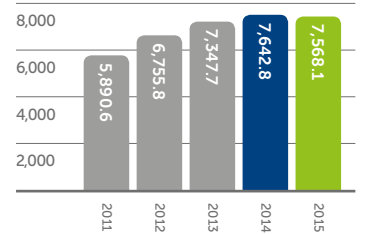
Capital expenditure and investment – £m



Capital expenditure and investment composition – %

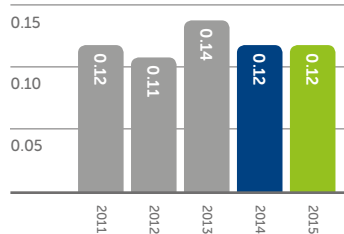


Net Debt and Hybrid Capital – £m

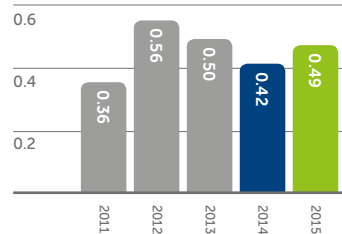


### Safety

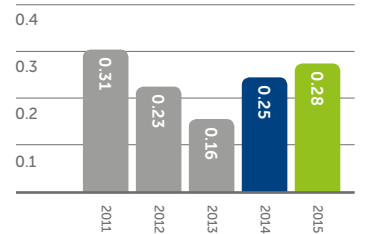
SSE Total Recordable Injury Rate – per 100,000 hours worked



Contractor Total Recordable Injury Rate – per 100,000 hours worked



Serious road traffic incidents – per 100 vehicles



#### Disclaimer

This Performance Summary is extracted and should be read as an introduction to and in conjunction with the SSE plc Annual Report 2015, which comprises its Strategic Report, Directors' Report and Group Financial Statements. This Performance Summary is provided for information only and is not intended to be a substitute for reading the Annual Report 2015. In particular, this Performance Summary does not comprise the Company's Strategic Report or any supplementary materials and it does not contain sufficient information to allow for as full an understanding of the results of the Group and the state of affairs of the Group, and the principal risks and uncertainties facing the Group, as would be provided by the full Annual Report. Shareholders may view a copy of the Annual Report on [www.sse.com](http://www.sse.com).

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