SSEN Distribution

ANNUAL BUSINESS PLAN COMMITMENT REPORT

2025/26



Scottish & Southern Electricity Networks

ABOUT SSEN

Who we are and what we do

Scottish and Southern Electricity Networks (SSEN) is the trading name of the two Distribution and one Transmission businesses that form part of the FTSE-100 energy company, SSE.

This report focuses on the two Distribution businesses, Scottish Hydro Electric Power Distribution plc (SHEPD), that operates to the north of the central belt of Scotland, and Southern Electric Power Distribution plc (SEPD) that operates in central southern England, as shown on the map opposite.

Together, these networks serve nearly 4 million homes and businesses, from the bustle of west London to the smallest villages in the Highlands and Islands of Scotland.

Our primary focus is to provide a safe and reliable supply of electricity to our customers by investing in, and maintaining, the systems of overhead lines, underground and subsea cables that transport electricity to homes and businesses, as well as ensuring ongoing and continuous improvement of the service we offer our customers.



SHEPD

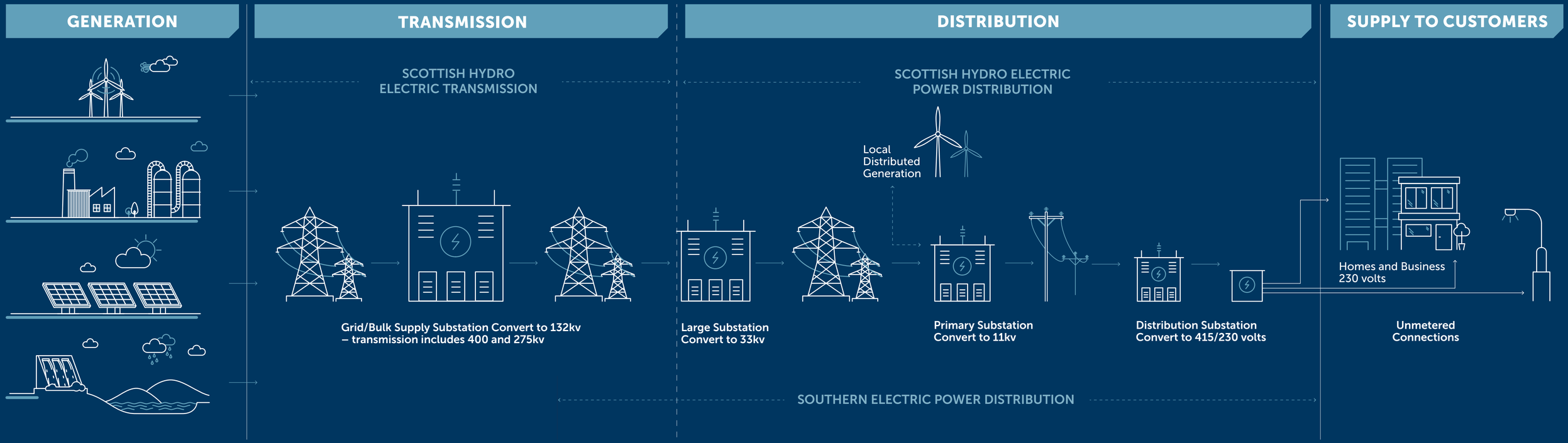
800,332 customers'
homes and businesses served

50,054km
of overhead lines and underground/subsea cables

SEPD

3,157,831 customers'
homes and businesses served

79,753km
of overhead lines and underground/subsea cables



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MANAGING DIRECTOR'S MESSAGE

In the three years of RIIO-ED2, we have seen electricity networks play an increasingly important role in supporting growth, decarbonisation and the changing needs of our customers. As demand, connections and digitalisation increase, we are building on the foundations established earlier in RIIO-ED2 by increasing the scale of delivery while continuing to strengthen resilience, enabling faster connections and creating long-term value for our customers and communities.



CHRIS BURCHELL
MANAGING DIRECTOR
SSEN DISTRIBUTION

We're proud of the progress we've made during 2025/26. Across SSEN Distribution, the programmes and capabilities we have built over RIIO-ED2 are increasingly translating into tangible outcomes for customers and communities. We are currently on track or ahead of target on 48 of our 53 Business Plan Commitments (91%), including six commitments ahead of target. Five commitments remain behind target and are receiving focused attention as we move into the final two years of RIIO-ED2.

At the same time, the wider context is changing quickly. Electricity networks are being asked to support more connections, more low-carbon technologies and increasing demand. We must also strengthen our network's resilience to a changing climate and severe weather. Our focus is on delivering long-term value for customers, remaining conscious of affordability pressures and preparing for the greater scale of activity expected in ED3 and beyond.

Delivering a safe, resilient and responsive network

Safety remains fundamental to our core values and providing a safe and reliable supply of electricity remains at the heart of what we do.

This year we have continued to make good progress in reducing longer-term asset risk and strengthening the resilience of our network. In SHEPD, we delivered 83.3% of our RIIO-ED2 NARMS programme, ahead of the original delivery profile. In SEPD, we delivered 39.9% of the programme, with delivery expected to increase over the remainder of RIIO-ED2 as we continue to progress towards the overall target.

We have also made significant progress in some of our most important resilience programmes. We installed and energised four further submarine cables, meaning six of the eight baseline RIIO-ED2 projects are now complete. This is an important step in strengthening the resilience of our island networks and supporting the communities that rely on them.

Our interruptions performance was mixed. For unplanned interruptions SEPD met its Ofgem Customer Interruptions target, supported by continued investment in network automation. However, SHEPD missed this target, and both licence areas fell short of their Customer Minutes Lost targets. Our performance against planned interruptions reflected the investment required to support network growth, improve network reliability and resilience, and meet statutory PCB removal requirements. We remain focused on coordinating this work to minimise disruption, alongside targeted investment, network automation and improvements to strengthen resilience and restore supplies quickly and safely as we prepare for ED3.

Providing a valued and trusted service for our customers and communities

The quality of service we provide to customers remains one of our clearest measures of success. Our focus on customer service and digital tools is delivering tangible benefits, including improved service, faster connections and more tailored support.

Overall customer satisfaction increased to 9.33 in SHEPD and 8.81 in SEPD, our strongest overall Broad Measure Customer Satisfaction performance to date. Our complaints metric continued to outperform Ofgem's target, despite a slight increase compared to 2024/25. We continue to work on telephone response times, supported by the greater performance insight and operational flexibility provided by our new contact centre platform.

Connections performance also improved during the year. Quotation and connection times improved across both licence areas despite increasing volumes, while continued enhancements to our self-service capabilities are making it easier for customers to manage their connections needs.

Some of our strongest progress has been in the support we provide to vulnerable customers. During 2025/26, a further 259,122 households joined our Priority Services Register, taking the total to 1,277,417 households and significantly exceeding our original commitment to reach one million households by 2028. We have also provided more practical and tailored support. Since launching our Power Cut Plans in April 2025, nearly 400,000 personalised plans have been delivered. These provide advice tailored to customers' needs on what to do before, during and after a power cut. Our wider emergency battery programme also delivered 3,451 batteries by the end of March 2026, giving some of our most vulnerable customers additional resilience during outages.

Accelerating progress towards a net zero world

As the energy system becomes more decentralised and dynamic, flexibility, digitalisation and environmental performance are increasingly central to how we plan and operate our network.

We consider flexibility alongside reinforcement when planning future network needs, helping us make efficient investment decisions. By the end of 2025/26, we had procured 203 Constraint Managed Zones meeting almost 1GW of network need through flexibility. This represents a 37% increase compared to 2024/25, while 1,335MWh of flexibility was dispatched during the year. Flexible connections and early-access solutions reached 934MW of capacity, helping us make better use of existing network capacity.

Digitalisation is increasingly central to how we support this transition. We continued to enhance our Data Portal, making network information easier to access and use, with the number of users increasing by 22% compared with last year. We also developed a £25.7m (2020/21 price base) Digitalisation Re-opener portfolio to support priority digital investments, data-sharing capabilities and future DSO services.

Our Business Carbon Footprint reduced by 31.5% in SEPD and 21.6% in SHEPD against the 2019/20 baseline, with SEPD exceeding our annual Science-Based Target. Across SSEN Distribution, 67.04% of our supply chain by spend has now signed up to our Sustainable Supplier Code. We are ambitious to go further while addressing the environmental commitments requiring further action.

Making a positive impact on society

Our role extends beyond maintaining and developing the electricity network. We want the investment we make to create lasting value for the communities we serve, helping them prepare for a more electrified future, use energy more efficiently and access opportunities to reduce their bills.

The Powering Communities to Net Zero Fund is now in its second year and has provided more than £1.6m to community organisations across the north of Scotland and central southern England. It supports projects that improve local resilience and enable the adoption of low-carbon technologies, including solar panels, battery storage and low-carbon heating, helping communities participate in the transition to net zero.

Our Local Energy Net Zero Accelerator (LENZA) is available to all local authorities across our licence areas, with support and training to help them develop their energy plans. Local authority insights inform our Strategic Development Plans and network investment planning, helping align investment with communities' future energy needs.

As we enter the final two years of RIIO-ED2, we will build on the progress achieved and the lessons learned where performance has been more challenging. We know there is more to do and will continue to focus on the areas where performance needs to improve. But the direction is clear: we are delivering more at scale, creating stronger outcomes for customers and communities, and building the foundations we will need for ED3 and beyond.

PERFORMANCE SNAPSHOT 2025/26

SCOTTISH HYDRO ELECTRIC POWER DISTRIBUTION (SHEPD)

Our Network

800,332 customers
served across our region

50,054km
is the combined network length of overhead lines and cables (including subsea)

Customer Satisfaction

9.33/10 Overall Broad Measure of Customer Satisfaction score

9.20/10 DSO Stakeholder Satisfaction survey

Reliability

Average number of interruptions per 100 customers per year

87.59
Customer Interruptions
Unweighted, including exceptional events

64.05
Customer Interruptions
Unweighted, excluding exceptional events

Average number of minutes a customer is off supply

272.16 mins
Customer Minutes Lost
Unweighted, including exceptional events

61.92 mins
Customer Minutes Lost
Unweighted, excluding exceptional events

Finance

£565.72m
Total 2025/26 Expenditure
Expenditure was 114.11% of our allowance

£125.73
Unrestricted Domestic Tariff Charge
Excl. domestic customer rebate

Connections

9.00
Major Connections aggregate customer satisfaction score

Time to quote a connection offer

1.06 days
Single Connections
average no. of working days to provide an offer

2.00 days
2-4 Connections
average no. of working days to provide an offer

Time to connect following acceptance of a connection offer

10.39 days
Single Connections
average no. of working days following acceptance

14.61 days
2-4 Connections
average no. of working days following acceptance

6,052
Number of completed connections

SOUTHERN ELECTRIC POWER DISTRIBUTION (SEPD)

Our Network

3,157,831 customers
served across our region

79,753km
is the combined network length of overhead lines and cables (including subsea)

Customer Satisfaction

8.81/10 Overall Broad Measure of Customer Satisfaction score

9.20/10 DSO Stakeholder Satisfaction survey

Reliability

Average number of interruptions per 100 customers per year

43.20
Customer Interruptions
Including exceptional events

Average number of minutes a customer is off supply

45.35 mins
Customer Minutes Lost
Including exceptional events

No exceptional events occurred in SEPD in 2025/26

Finance

£629.68m
Total 2025/26 Expenditure
Expenditure was 126.99% of our allowance

£62.18
Unrestricted Domestic Tariff Charge
Excl. domestic customer rebate

Connections

8.44
Major Connections aggregate customer satisfaction score

Time to quote a connection offer

1.44 days
Single Connections
average no. of working days to provide an offer

3.35 days
2-4 Connections
average no. of working days to provide an offer

Time to connect following acceptance of a connection offer

27.18 days
Single Connections
average no. of working days following acceptance

44.67 days
2-4 Connections
average no. of working days following acceptance

20,626
Number of completed connections

PERFORMANCE SNAPSHOT 2025/26

Community Outreach

During 2025/26, we continued to help local authorities plan for net zero through our Local Energy Net Zero Accelerator (LENZA) tool. Winchester became the first local authority in GB to publish a fully digitised Local Area Energy Plan using LENZA, marking an important step in turning local ambitions into practical plans.

LENZA also enabled local authorities to contribute data to our Distribution Future Energy Scenarios (DFES), helping inform future network needs. Working with National Grid Electricity Distribution and UK Power Networks, we made this process simpler for authorities spanning different network areas by enabling them to submit their data once, in a common format. Regular surgeries and a monthly newsletter continued to support authorities in using the tool and developing their plans.

Vulnerability

During 2025/26, we continued to expand support for customers in vulnerable situations. Targeted campaigns, community outreach and work with partners helped drive 259,122 new Priority Services Register (PSR) registrations, bringing the total to 1,277,417 households and exceeding our original RIIO-ED2 target of one million. As the register grows, we continue to update customer records so we can provide support suited to their needs.

We continued to work with partners to provide fuel poverty and Low Carbon Transition services, while expanding support to help customers prepare for and manage power cuts. Our wider suite of personalised Power Cut Plans launched in April 2025, providing practical advice for before, during and after an interruption. New PSR customers receive these plans in their welcome packs, while existing customers receive them as their records are updated. Alongside this advice, we launched the Customer Value Proposition Battery Programme in February 2026, following our earlier trial, to provide emergency batteries for use during power cuts. By the end of March, 3,451 batteries had been delivered to customers, with a further 1,500 awaiting dispatch.

Safety

Immersive training

During 2025/26, we continued to deliver immersive safety training, reaching 892 people, including 334 contract partners. The training highlights how serious incidents can occur and what we can all do, regardless of our role, to prevent them. Following the wider rollout, our focus shifted towards ensuring new starters receive the training and releasing refresher videos in partnership with Active Training Team (ATT).

Safety performance

Ensuring the safety of our workforce continues to be one of our core values. At the end of 2025/26, our combined Total Recordable Incident Rate (TRIR) for employees and contact partners was 0.26, a slight increase from 2024/25. Our number of safe days decreased to 307 from 310. This was against a backdrop of increased activity, with approximately 400,000 additional hours worked compared with the previous year. To strengthen safety engagement with contract partners, we introduced a weekly safety digest, established a Safety Forum within Large Capital Delivery and introduced updated safety, health and environmental requirements in contracts. These measures support the sharing of incident learning and reinforce consistent expectations across our workforce and supply chain.

Driving performance

Overall driving performance remained broadly stable despite a small increase in total miles travelled. No serious injuries were reported in the driving incidents that occurred during the year. We also launched project Champion in SEPD which is a defensive driving programme targeting high risk drivers.

Public safety performance

Building on our outreach in previous years, we recorded 25,902 public safety engagements across face-to-face and digital channels during 2025/26. These included school visits, engagement at sector-specific shows and events, visits to safety information on our webpages and targeted paid content, helping raise awareness of risks associated with our electricity network.

Environmental impact

Our Environmental Action Plan (EAP) continues to guide decarbonisation and improve environmental performance, with a focus on reducing emissions and preventing pollution. In 2025/26, we reduced our Business Carbon Footprint, including network losses, by 31% against the 2019/20 baseline. This exceeds our annual Science-Based Target of a 25% reduction and supporting progress towards our 35% reduction target by 2028. We continued to electrify our fleet, with fully electric vehicles accounting for 65.91% of company cars and 12.69% of small vans within our EV100 commitment, while progressing wider use of Hydrotreated Vegetable Oil (HVO) following a successful operational trial. HVO accounted for 99.3% of mobile generation fuel consumption by year end, supporting a reported 94.7% reduction in associated Scope 1 emissions. Alongside these measures, targeted losses interventions delivered calculated savings of 29,041 MWh during 2025/26, taking cumulative RIIO-ED2 savings to 49,690 MWh. Further improvement in SF_6 performance remains a priority. We strengthened monitoring to target poorer-performing assets and continued working with suppliers and the Energy Networks Association to develop alternatives.

Building on the projects established earlier in RIIO-ED2, our nature-based programme progressed through full or partial completion of work on four woodland creation projects and three peatland restoration projects. Through our partnership with the Scottish Marine Environmental Enhancement Fund, we delivered 0.48 hectares of seagrass planting, achieving 96% of our annual target. Work continues on the wider programme, alongside our partnership with Project Seagrass to deliver planting across four sites in the Solent and around the Isle of Wight.

We continued to address pollution risks through the removal of fluid-filled cables and PCB-contaminated assets. During 2025/26, 10.66km of fluid-filled cable was removed from service, bringing the cumulative RIIO-ED2 total to 12.28km. Over the remainder of RIIO-ED2, a further 37.35km of fluid-filled cable is planned for disposal in SEPD. Investment is prioritised by asset condition, network criticality and environmental risk. We also completed 4,106 PCB-related interventions, including testing, replacements and oil changes, with work continuing on the 126 outstanding assets. Undergrounding schemes progressed in designated sensitive landscapes, with 0.31km completed in SHEPD and 1.61km of underground cable installed in SEPD. Further delivery remains dependent on securing the necessary consents and permissions.

Together, these activities support our RIIO-ED2 EAP, alongside our Climate Resilience and Sustainability strategies.

PERFORMANCE SNAPSHOT 2025/26

Innovation

During 2025/26, we continued to deploy proven innovation on our network while developing new approaches to improve reliability, support connections and reduce disruption for customers.

Deploying innovation

Through our Storm Arwen programme, we delivered fault monitoring coverage across nine high-voltage feeders and progressed the procurement of multifunctional disturbance recorders, alongside the development and deployment of fault location software. This work is intended to improve our understanding of fault events and enable faster fault location across the network.

We also deployed 50 new Smart Hammer devices, with training delivered to inspectors across both licence areas. These devices support objective assessments of wooden pole condition, helping inform maintenance and replacement decisions. Five resistance drills were deployed for secondary pole inspections. Alongside deployment, we worked to incorporate these technologies into our policies and develop training and work instructions to support their continued use.

Developing new solutions

Our innovation pipeline also progressed. FastTrack received funding for Strategic Innovation Fund Discovery and Alpha phases to explore how artificial intelligence could help assess connection requests and inform network investment. By considering network capacity, demand and other relevant data, the project aims to support faster, better-informed decisions while avoiding unnecessary reinforcement. We also initiated LANCET, which aims to enable PCB testing of pole-mounted transformers without interrupting customers' supplies. The project seeks to reduce disruption, improve the targeting of transformer replacements and support environmental compliance.

Sharing progress and benefits

To make the benefits of this work more transparent, we published our third annual Innovation Focus Report of RIIO-ED2, maintaining our commitment to publish a report each year. These reports explain how our priorities relate to individual projects and how their learning is being embedded into everyday operations.

Major Connections

During 2025/26, we focused on making the major connections journey clearer and more consistent for our customers. Our average customer satisfaction score increased to 8.72, compared with 8.4 in the previous year, with SHEPD scoring 9.00 and SEPD 8.44. This represents progress towards our commitment to achieve a customer satisfaction score of 9/10 or above in both licence areas by the end of RIIO-ED2. To support this progress, we reviewed the communications customers receive throughout their journey, redesigning key forms and letters to make the process and next steps easier to understand. We also standardised processes across our licence areas, including the arrangements for transferring connection agreements in SHEPD. Our focus extended to diversions and disconnections, where we addressed gaps and inconsistencies to improve clarity and help reduce delays. Bringing these changes together, we refreshed our customer journey maps to reflect industry developments and evolving customer needs, helping our teams provide a more consistent experience at each stage.

We will continue to build on this work to improve satisfaction further. **Our Major Connections Annual Report 2025/26**, submitted in July 2026, provides more detail on our performance through the Major Connections Customer Satisfaction Survey (MCCSS) and the actions we are taking to improve the service we provide.



COMMITMENTS SUMMARY

91% of our commitments are on track or ahead of target.

At the end of our third year of RIIO-ED2, 48 of our 53 commitments were on track or ahead of target. During 2025/26, we continued to build on earlier progress, delivering network improvements and extending support for customers and communities.

Six commitments are ahead of target. These include increasing the use of lower-carbon fuels for mobile generation, progressing our submarine cable replacement programme, growing our Priority Services Register beyond our original target of one million households and expanding the support we provide to households experiencing fuel poverty. A further 42 commitments are progressing on track.

Five commitments remain behind target, and improving network reliability and restoration performance continues to be a priority. We are progressing targeted investment, network automation and operational improvements to reduce the frequency and duration of power cuts.

Further work is required on telephone response times and satisfaction among Priority Services customers. Our new contact centre platform provides better performance insight and greater operational flexibility, while improvements to customer communications aim to provide clearer updates during and after power cuts.

With two years of RIIO-ED2 remaining, we will build on these achievements and maintain our focus on commitments requiring further improvement, while continuing to report transparently on our progress.



79%
ON TRACK

11%
AHEAD OF TARGET

9%
BEHIND TARGET



DELIVERING A SAFE, RESILIENT AND RESPONSIVE NETWORK FOR ALL OUR CUSTOMERS

67%
ON TRACK

8%
AHEAD OF TARGET

25%
BEHIND TARGET



PROVIDING A VALUED AND TRUSTED SERVICE FOR OUR CUSTOMERS AND COMMUNITIES

73%
ON TRACK

13%
AHEAD OF TARGET

13%
BEHIND TARGET



ACCELERATING PROGRESS TOWARDS A NET ZERO WORLD

88%
ON TRACK

12%
AHEAD OF TARGET

0%
BEHIND TARGET

1: DELIVERING A SAFE, RESILIENT AND RESPONSIVE NETWORK

Our customers need us to deliver a safe and resilient network that meets their needs and supports the greater electrification of heat and transport.

We will therefore invest in the infrastructure and technology that provides a platform for this as consumer energy use changes over the coming years.

★★★★ Complete ★★★☆ Ahead of target ★★☆☆ On track ★☆☆☆ Behind target

1: DELIVERING A SAFE, RESILIENT AND RESPONSIVE NETWORK

★★

Produce and report annually on our Climate Resilience Strategy. (RR1)

In October 2026, we detailed our progress on our Climate Resilience Strategy in our 2025/26 Annual Environment Report (AER) and will be doing the same in our October 2027 AER. The reports can be found at:

ssen.co.uk/environment-docs

★★

Intervene in our network assets with the highest probability of failure, reducing longer-term risk by between 17% and 19%, in SEPD, and by around 8% in SHEPD, relative to a future without intervention. (RR2)

In SHEPD, we continued to focus on replacing non-compliant assets, including increased replacement of overhead line poles during 2025/26. Alongside wider NARMS delivery, this contributed to a cumulative network risk reduction of 8.3% across the first three years of RIIO-ED2.

In SEPD, delivery continued to ramp up during 2025/26 following earlier rephasing of the programme. Cumulative network risk reduction has now reached 8.6% across the first three years of RIIO-ED2. The full delivery portfolio is in place to achieve the targeted 17–19% risk reduction by the end of the price control.

★

Meet our targets under the IIS incentive. This will likely reduce the average frequency of unplanned power interruptions affecting our customers across our network by at least 7% and 9% respectively, by 2028. (RR3)

In SHEPD, both Customer Interruptions (CI) and Customer Minutes Lost (CML) were above target in 2025/26. Performance was affected by increased significant weather-related events during the year. We remain focused on improving reliability through targeted investment, network automation and operational improvements.

In SEPD, we met our Ofgem Customer Interruptions target, with CI finishing at 43.199 against a target of 43.747. Customer Minutes Lost remained above target, with continued investment in network automation and other reliability measures supporting improvements in network performance.

Across both licence areas, we remain focused on reducing both the frequency and duration of interruptions and strengthening network resilience.

★★★★ Complete ★★★☆ Ahead of target ★★☆☆ On track ★☆☆☆ Behind target

1: DELIVERING A SAFE, RESILIENT AND RESPONSIVE NETWORK

★

Meet our obligations under GSoPs and minimise the number of customers experiencing an outage greater than 12 hours. (RR5)

In 2025/26, 98.91% of initial 12-hour GSoP obligations in SEPD and 99.31% in SHEPD were met, or an exemption applied, in line with previous years.

In SHEPD, we remain focused on minimising the number of customers experiencing interruptions exceeding 12 hours under the normal-weather GSoP standard. A significant part of the increase in faults across LV and EHV/HV, and in the number of customers affected, was attributed to Storm Bram in December 2025. The storm caused 81 faults across 9 and 10 December. It did not meet the exceptional-event threshold in either 24-hour period, and 930 customers experienced 12-hour failures across those two days.

Our ongoing action plans remain focused on reducing GSoP 12-hour failures and improving restoration performance.

★★

Deliver our Cyber Resilience IT and OT strategy and continually monitor the success of our delivery. We will refresh plans annually in line with identified risks and opportunities. (RR6)

The Cyber Resilience Programme continues to deliver SSEN Distribution's Cyber Resilience Strategy across the IT and OT estate, with delivery focused on the areas of greatest exposure. During 2025/26, we completed an independent threat-led assessment in response to the evolving external threat environment, including the growth of AI-enabled cyber threats. This is helping us keep delivery priorities under active review and ensure resources remain focused on the most significant risks. We have made progress during the year across a number of initiatives and all planned projects are now mobilised, with continued focus on embedding capabilities into business-as-usual operations and demonstrating sustainable improvements in cyber resilience.

★★

Improve the network performance for at least 75% of worst- served customers by 2028. (RR4)

In SHEPD, delivery of our Worst Served Customer (WSC) programme progressed during 2025/26, although no customers were removed from the WSC list during the year. The programme has been affected by the time required to secure wayleaves and consents, with delivery now concentrated in the final two years of RIIO-ED2. We have reviewed the programme to identify opportunities to accelerate delivery and continue to monitor progress.

In SEPD, we have 20 projects in our investment portfolio, currently expected to benefit 2,481 Worst Served Customers, equivalent to 52.5% of the reported WSC population. Eight projects are in execution, including four that are technically complete, with the remaining projects in refinement. We remain on track to deliver the planned programme by the end of RIIO-ED2, with a commitment to improve network performance for 75% of our Worst Served Customer population by 2028.

★★

Continue to meet all safety-related legal requirements (SAF1)

Overhead line clearances

In SHEPD, we continue to address overhead line clearance issues through our eight-year Whole Circuit Approach, resolving around 800 clearance sites annually. Our new LiDAR (Light Detection and Ranging) survey is 50% complete. Validation of the survey data is helping confirm its accuracy and identify potential clearance issues, with volumes consistent with our existing annual delivery rates. These issues are being assessed and addressed through the Whole Circuit Approach, while the highest-priority issues are treated as urgent faults.

In SEPD, we continued to deliver our overhead line clearance programme, using LiDAR surveys and field inspections to identify and prioritise potential issues. Approximately 1,000 sites were assessed and validated during 2025/26, helping us target resources towards the highest-risk locations and maintain network safety.

Rising and lateral mains

We have completed the tender process and awarded contracts to three new delivery partners for our Rising and Lateral Mains programme.

Tree cutting

In 2025/26, we cut more than a quarter of the SHEPD network, exceeding the annual delivery requirement under our four-year tree-cutting cycle. In SEPD, vegetation management continued under our three-year tree-cutting cycle. During 2025/26, we cut 45,674 spans, continuing the increase in delivery volumes compared with previous years. Our risk-based approach targets priority spans to support network safety and reliability.

★★★★ Complete ★★★☆ Ahead of target ★★☆☆ On track ★☆☆☆ Behind target

1: DELIVERING A SAFE, RESILIENT AND RESPONSIVE NETWORK

★★

Extend our engagement on safety around our assets, reaching 50,000 partners and members of our communities by 2028. (SAF2)

In 2025/26, we recorded 25,902 engagements to raise safety awareness around our assets. This included 6,127 face-to-face engagements at farm and agricultural events, 1,145 at schools, 5,407 engagements through our website, where people directly accessed specific safety information, and 13,223 clicks generated through two bursts of paid content. We also ran a Farm Safety Campaign across radio, print and digital media to target the agricultural community in our network areas. This generated more than 3.6 million digital impressions, with the 13,223 clicks included in the total above. The campaign also contributed to 32 Priority Services Register sign-ups. We will continue to build on these engagement routes throughout the remainder of RIIO-ED2.

★

Aim to remove redundant equipment from our unoccupied sites within 3 months to prevent risk to the public from the start of RIIO-ED2. (SAF3)

Our Control Room teams, alongside our Asset management, DSO and region-specific teams, have identified the sites where customers no longer require an electricity supply. Our approach to the removal of assets ensures we're taking the right approach to dealing with these sites through a range of measures, which include enhanced inspections, robust risk assessments and in some cases an expedited removal of the plant. We continue to ensure all our sites are safe and do not present a risk to the public.

★★★

Replacement or augmentation of 8 subsea cables with the greatest needs case (SI1)

During 2025/26, we completed the installation and energisation of four further submarine cables: Mull–Iona, Coll–Tiree, Loch A'Choire North and Loch A'Choire South. This builds on the previously completed Jura–Islay and Mainland Orkney–Shapinsay projects. Initial construction works also commenced on the remaining Loch Long (Dornie) and Laxay–Kershader projects. We remain on track to complete all eight baseline submarine cable replacement projects within RIIO-ED2.

★★

Maintaining and operating standby generation for island communities at our seven island power stations. (SI3)

During 2025/26, we continued to maintain and operate standby generation across our seven island power stations, supporting security of supply for island communities. At Arnish Power Station, work is progressing to provide additional generation capacity, with the project expected to move into execution in October 2026. An associated overhead line upgrade is also required to enable the full output from the new engines to be exported from the site.

★★

Continued maintenance of Lerwick Power Station. (SI4)

During 2025/26 we continued to maintain Lerwick Power Station (LPS) to support security of supply for customers while progressing the installation of new engines. Installation is expected to complete by winter 2026, alongside the transition of Lerwick Power Station to a standby role.

★★★★ Complete ★★★☆ Ahead of target ★★☆☆ On track ★☆☆☆ Behind target

2: PROVIDING A VALUED AND TRUSTED SERVICE FOR OUR CUSTOMERS AND COMMUNITIES

We want to provide a high-quality, value-creating and trusted service for our customers and communities that evolves with their needs and expectations.

We will therefore digitalise our network and empower our customers with intelligent, self-service digital solutions designed to be inclusive and offer tailored support. We will make sure that the transition to a net zero future is available for all, regardless of location or circumstance.

★★★★ Complete ★★★☆ Ahead of target ★★☆☆ On track ★☆☆☆ Behind target

2: PROVIDING A VALUED AND TRUSTED SERVICE FOR OUR CUSTOMERS AND COMMUNITIES

★★

Maintain/improve our industry-leading 9.3 digital satisfaction score. (CSP2)

Our digital customer satisfaction performance remained strong during 2025/26, with an overall score of 9.23.

We remain committed to achieving our 9.3 target by the end of RIIO-ED2. Further improvements are expected to launch through our transformation programme in 2026/27, including new self-service functionality for customers requesting a new connection, a web chat service across all customer journeys, and improved communication updates for customers experiencing a power cut.

★

Improve average speed of response to 20 seconds on the telephone for power cuts, and to five minutes on social media. (CSP3)

In 2025/26, average telephone response times were 34 seconds in SEPD and 42 seconds in SHEPD, falling short of our commitment to answer calls within 20 seconds on average.

This performance partly reflects the transition to a new contact centre platform, implemented in mid-October 2025 to improve the service we provide to customers. The platform has enabled a better end-to-end customer experience, greater performance insight and improved agility in responding to customer needs. Introducing these improvements involved a period of optimisation and a change in how response times are recorded: a short audible message identifying the call queue to the receiving advisor, lasting three to six seconds before the call can be answered, is now included in queue time rather than automated menu time. Telephone performance was also affected by periods of high contact volumes, including weather-related events in SHEPD. Performance stabilised towards the end of the year.

Social media performance remained strong, with an average response time of 3 minutes 41 seconds, ahead of our five-minute target.

★ ★

Meet our targets through our plan and further strive to reduce complaints by 5%, resolve 75% of complaints at 1st contact, 90% within 1 day, and 99% within 1 month by 2028. (CSP4)

In 2025/26, complaints performance remained strong across both licence areas, with complaints metric scores of 1.52 in SEPD and 1.37 in SHEPD, significantly outperforming Ofgem's target of 2.8.

We reduced the number of complaints raised by more than 20% compared with the previous year. This reflected improved customer satisfaction alongside a dedicated project to ensure complaints were identified consistently with regulatory reporting guidance and wider DNO practice.

We remain committed to resolving 75% of complaints at first contact by the end of RIIO-ED2.



★★

Continue to meet our obligations and align with best practice. In meeting these obligations, enable digitalisation across our plan. Use data in a way that meets the expectations and intent of the Data Best Practice Guidance. (ITOT1)

During 2025/26, we continued to strengthen the accessibility, quality, interoperability, transparency and governance of data across SSEN Distribution, in line with Ofgem's Data Best Practice Guidance.

We published more than 308 datasets through our Open Data Portal, supported by over 556 information assets, with 65 datasets available through application programming interfaces (APIs), allowing users and systems to access data automatically. We also published 3.23 billion smart meter data points, improving access to network information. We strengthened confidence in our data by profiling 66 billion data points, implementing more than 600 automated quality rules and independently assuring 50% of published datasets to Icebreaker One Level 1 standard. Common Information Model (CIM) standards, machine-readable services and industry data-sharing improved interoperability, while enhanced network visibility and metadata strengthened transparency. These activities supported evidence-based decision making and greater use of data across our business.

★★

Continue to meet our obligations and align with best practice. In meeting these obligations, enable digitalisation across our plan. Publish and regularly review our Digitalisation Strategy and Action Plan. (ITOT2)

During 2025/26, we progressed our Digitalisation Strategy and Action Plan through expanded open data, automated data pipelines, improved data quality monitoring and greater network data availability. We also progressed the deployment of digital operational capabilities, including Systems for Flexibility and LV network modelling, to support efficient, data-led network planning and operation. In parallel, we developed a £25.7m Digitalisation Re-opener portfolio to accelerate priority digital investments, strengthen data sharing and support future DSO services.

★★★★ Complete ★★★☆ Ahead of target ★★☆☆ On track ★☆☆☆ Behind target

2: PROVIDING A VALUED AND TRUSTED SERVICE FOR OUR CUSTOMERS AND COMMUNITIES

★★

Meet our obligations to treat all customers fairly, including those in vulnerable situations. Put in place a vulnerability strategy, to be reviewed and refreshed annually and our performance incentivised. (V1)

Each year we engage with customers and stakeholders to ensure our vulnerability commitments continue to reflect the changing needs of customers in vulnerable situations. We published our latest Vulnerability Strategy in October 2025, incorporating customer and stakeholder feedback and providing an update on our performance across RIIO-ED2 to date. The strategy can be found here:

ssen.co.uk/globalassets/about-us/stakeholder-engagement/consumer-vulnerability/consumer-vulnerability-strategy-2025.pdf

★★

Introduce a shareholder-financed £500,000 annual 'Powering Communities to Net Zero' fund to support LCT accessibility initiatives for those in vulnerable situations, and community-led environmental and resilience schemes. (V11)

Our Powering Communities to Net Zero Fund is now in its second year, aiming to provide £2.5 million in funding to support not-for-profit and community groups with improving resilience and adopting LCTs. The fund has two aims: to help groups reduce carbon emissions through solar panels, battery storage, electric vehicle chargers and heat pumps; and to help communities prepare for severe weather that may disrupt electricity supplies or have other local impacts.

Successful applications across central southern England and the north of Scotland funded similar community-focused projects, including solar panels, energy efficient or low carbon heating, and equipment to support emergency response such as flood kits, training sessions, and winter-weather gritters. Together, these grants strengthen local resilience and support sustainable upgrades in community buildings.

Since the fund launched in 2024, we have supported 132 community projects with over £1.6 million in funding, with the remaining £898,633 available in 2026 and 2027.

★★★

Reach over 1 million Priority Services customers by 2028, refreshing our data every 24 months. (V2)

In 2025/26, we recorded our largest annual increase in households registered for Priority Services, with 259,122 new registrations. This brought the total to 1,277,417 households, further exceeding our RIIO-ED2 target of one million by March 2028.

With an estimated 281,970 households eligible for Priority Services, we know there is more to do. Through research with external experts and analysis of social data, we are expanding the reach of the PSR to ensure more customers receive the support they need. Strong progress in 2025/26 has been driven by a combination of sustained activity and targeted initiatives, including a digital marketing campaign, a first-of-its-kind partnership with Policy in Practice, and community outreach.

As the number of households on Priority Services continues to grow, maintaining accurate customer information remains essential to providing appropriate support. Our data-cleansing process is embedded across the business, with teams proactively contacting customers to confirm their details and checking information during customer calls.

★★

Proactively provide Priority Services customers with Personal Resilience Plans containing specific advice tailored to customers' individual needs, helping them know what to do during power cuts. (V10)

In April 2025, we launched our Power Cut Plans (also known as Personal Resilience Plans), providing customers with simple, practical guidance to help them feel prepared before, confident during, and supported after a power cut.

New Priority Services customers now receive a personalised plan within their welcome pack, while existing PSR customers are issued with their tailored plan as their records are updated through our data cleanse process. Each plan contains easy to follow tips, safety reminders and essential contact details designed to help households know what to do when it matters most. Since its launch, nearly 400,000 Power Cut Plans have now been delivered across our licence areas, marking a major milestone in strengthening customer resilience.

In February 2026 we officially launched the Customer Value Proposition (CVP) Battery Programme, with 1,700 of our most vulnerable customers accepting free EcoFlow Delta 3 emergency batteries within the first two weeks. By the end of March 2026, 3,451 batteries had been delivered to customers, with a further 1,500 awaiting dispatch, demonstrating strong demand and helping customers keep essential equipment powered during outages. The launch marked the culmination of two years of planning and a significant first for the industry, representing a major step forward in support for vulnerable customers

★★★★ Complete ★★★☆ Ahead of target ★★☆☆ On track ★☆☆☆ Behind target

2: PROVIDING A VALUED AND TRUSTED SERVICE FOR OUR CUSTOMERS AND COMMUNITIES

★

Improve PSR Customer Satisfaction scores to 9.4. (V3)

In 2025/26, customer satisfaction among Priority Services Register (PSR) customers decreased in SHEPD to 9.19, while SEPD's score remained at 8.84. Both licence areas remained below our RIIO-ED2 target of 9.4.

Customer communication has been a key focus across 2025/26, to ensure we are providing customers with the updates they need in a clear, accessible format. Our customer milestones, touchpoints in each interruption journey, help our teams ensure they meet customer needs, providing key updates around power cuts, including updates during and follow-up calls after a power cut. We are continuing to identify enhancements within our customer journeys to improve service to customers in vulnerable situations.

★★★

By 2028 support 50,000 households (equivalent to 114,000 customers) experiencing fuel poverty. (V4)

Since the start of RIIO-ED2, we have helped 39,926 households with fuel poverty support, energy efficiency advice and in transitioning to low carbon technology. In 2025/26, our partnership programme supported 20,326 households, and brought together a mix of national and local organisations operating across both our SHEPD and SEPD licence areas. The programme combines fuel-poverty partnerships, which provide specialist advice and support to customers in or at risk of fuel poverty, with community partnerships that raise awareness of Priority Services and connect customers with further support. This blended model reflects the diversity of our network areas and ensures support is equitable, accessible and responsive to local need.

★★

By 2028, deliver 5,000 energy efficiency packs to fuel-poor households, and 5,000 power cut resilience packs to PSR customers, tailored to their needs. (V9)

We support vulnerable customers by providing power cut packs ahead of winter. These packs contain essential items, including emergency power, light, warmth and information to help people stay safe and well at home. They help customers prepare for and better cope with power cuts. So far, our Customer and Community Advisors have distributed 854 packs containing hats, gloves, socks, a torch and a USB charger.

In January 2026, we started a tender process for a new partnership which will include the distribution of 5,000 Energy Efficiency packs to customers in fuel poverty. Distribution is expected to begin in autumn 2026.

★★

Train 30 employees to the City & Guilds energy efficiency qualification and introduce 200 Vulnerability Champions across the business from the start of ED2. (V5)

During 2025/26, our Vulnerability Allies programme grew to 85 members, bringing together colleagues from across the business to support customers in vulnerable circumstances and help shape more inclusive services.

Allies supported community events, promoted Priority Services and wider vulnerability campaigns, and accessed learning on topics including digital inclusion, healthy ageing and inclusive service design. In addition, 10 colleagues achieved a City & Guilds energy efficiency qualification during the year. We are reviewing the training offer following colleague feedback to ensure it continues to provide the right skills to support customers effectively, with further training planned during the remainder of RIIO-ED2.

★★★★ Complete ★★★☆ Ahead of target ★★☆☆ On track ★☆☆☆ Behind target

2: PROVIDING A VALUED AND TRUSTED SERVICE FOR OUR CUSTOMERS AND COMMUNITIES

★★

Meet our targets through our plan and strive to achieve a score of at least 9.2 across all categories by the end of RIIO-ED2. (CSP1)

Overall performance

Overall Broad Measure Customer Satisfaction performance improved in 2025/26, with SHEPD increasing from 9.23 to 9.33 and SEPD increasing from 8.39 to 8.81. Combined, this represents our strongest BMCS performance since the incentive began, driven particularly by significant improvement in SEPD.

This improvement reflects the continued focus of our Customer Service Improvement Programme, including investment in end-to-end customer journeys and the delivery of key transformation projects such as our Self-Serve Connections tool, a new contact management system and improved digital products.

Interruptions

Both licence areas recorded a slight decrease in Interruptions customer satisfaction during 2025/26. SHEPD decreased from 9.18 to 9.02, while remaining above the Ofgem target, and SEPD decreased from 8.65 to 8.61.

We continue to focus on improving the experience of customers affected by interruptions. Initiatives introduced during the latter part of 2025/26 include an Interruptions Recovery Programme focused on key areas of dissatisfaction, including improved support for customers experiencing multiple interruptions, additional coaching and training for our teams, and more regular contact with customers during outages. Early indications from these changes are positive, particularly in planned outage satisfaction, with further improvements planned for 2026/27.

Connections

Connections customer satisfaction improved significantly across both licence areas during 2025/26. SHEPD increased from 9.23 to 9.42, outperforming the Ofgem target, while SEPD increased from 8.07 to 8.82.

Connections remained a key focus during the year, with a range of improvements introduced across the customer journey. These included more proactive contact with customers at key stages of the process, simplified communications and quote letters, customer-service coaching and training for employees, and improvements in speed of service. Our transformation programme also delivered Self-Serve Connections, enabling customers to self-design their connection and receive an estimate for their works within minutes.

General Enquiries

General Enquiries performance also improved across both licence areas during 2025/26. SHEPD increased from 9.32 to 9.54, outperforming the Ofgem target, while SEPD increased from 8.78 to 9.02.

The focus during the year was on improving end-to-end communication and reducing the time taken to complete General Enquiries activities. This was supported by redesigned communication templates, more proactive contact throughout the customer journey and improved resource planning to reduce delivery timescales.

Areas of Focus

We are continuing to focus on improving the experience of customers affected by interruptions, particularly those experiencing multiple interruptions. Our Interruptions Recovery Programme is targeting the main areas of dissatisfaction through improved customer contact during outages, additional support for customers when they need it, and further coaching and training for our teams.

Across Connections and General Enquiries, we will continue to build on the improvements made during 2025/26 by strengthening end-to-end communication, improving the speed of service and making greater use of digital and self-service tools.



★★★★ Complete ★★★☆ Ahead of target ★★☆☆ On track ★☆☆☆ Behind target

3: ACCELERATING PROGRESS TOWARDS A NET ZERO WORLD

We want to accelerate progress towards, and enable all customers to participate in, a net zero world.

It is essential that we demonstrate that markets and the role of flexibility will mean different things in different communities. However, they must be operated in a fair and transparent way that benefit consumers. We will do this by applying whole system thinking in a highly collaborative way to create and enable smart, flexible, local energy networks. This includes acting as a neutral market facilitator with the highest levels of transparency.

★★★★ Complete ★★★☆ Ahead of target ★★☆☆ On track ★☆☆☆ Behind target

3: ACCELERATING PROGRESS TOWARDS A NET ZERO WORLD

★★

Define a DSO strategy that will be reviewed and refreshed annually with an action plan to deliver against it, including changes to IT systems, process and people. (DSO1)

We published our Year 3 DSO Action Plan in July 2025. The plan was informed by stakeholder feedback and sets out the priority actions we are taking across forecasting and planning, flexibility markets, network operations, data and transparency to continue developing our DSO capabilities and support the transition to net zero. The report can be found here:

ssen.co.uk/globalassets/about-us/dso/publication--reports/ssen-dso-year-3-action-plan-.pdf

★★

Improve the end-to-end process (application, design, quote and connection) for all our connections, and introduce automated quotation services for domestic LCT and minor connections customers by 2025. (LC3)

In 2025/26 we continued to improve the end-to-end connections process, using customer feedback to focus particularly on the quotation stage. We introduced additional assurance from delivery teams on dates included in EHV quotations and strengthened validation of protection requirements. We also launched automated functionality allowing customers to obtain indicative connection costs online for Minor Connections, Low Voltage Distributed Generation, service alterations and LV load increases. This represents a significant step towards delivery of our automated quotation capability. The remaining functionality required to link these services to formal automated quotations is scheduled for January/February 2027.

★★

Target 5GW of Constrained Managed Zones (Flexibility Services) across multiple service types, and grow our flexible connections to 3.7GW of capacity across 35 zones by 2028. (DSO5)

During 2025/26, we continued to scale flexibility and early-access connections across our network.

Constraint Management Zones

By the end of 2025/26, we had procured 203 Constraint Managed Zones, meeting almost 1GW of network need through flexibility, a 37% increase compared with 2024/25, and dispatched 1,335MWh of flexibility during the year. This helps us manage the network more efficiently, reduce the need for traditional reinforcement where appropriate and support better value for customers.

Flexible Connections

Flexible connections capacity delivered through early-access solutions reached 934MW by the end of the year, including 331MW connected during 2025/26. A further 868MW is anticipated to connect during the final two years of RIIO-ED2. These solutions allow customers to connect earlier than they otherwise might have been able to, while making better use of existing network capacity.



★★

Ready the network for net zero, consistent with a total of 8GW of distributed energy resource (including windfarms, solar, and energy storage) connecting by 2028. (LC2)

At the end of 2025/26, the Embedded Capacity Register recorded 7.94GW of distributed energy resource connected to our network, placing us close to our target of 8GW by the end of RIIO-ED2. We remain on track to meet this target and expect connected capacity to continue increasing over the remainder of the price control. As noted in our progress against LC1, we continue to adapt our investment plans to support future growth in distributed energy resources and ensure the network is ready for increasing demand.

★★

Ready the network for net zero, consistent with up to 1.3m Electric Vehicles and up to 800,000 heat pumps connecting by 2028. (LC1)

Through our planning for net zero and delivery of our business plan, we are continuing to ensure our network is ready to accommodate Low Carbon Technologies as they connect. Electric vehicle and heat-pump connection volumes have been lower than expectations. Our investment programme adapts to these changing circumstances, with our RIIO-ED2 and ED3 plans reflecting the latest forecasts so that investment is delivered efficiently and ahead of need where required.

During 2025/26, we also progressed a more programmatic approach to low-voltage network upgrades, including service unlooping. Through our Build and Flex approach, we can upgrade the network efficiently as customers adopt Low Carbon Technologies. Initial pilots are now complete and this approach is being scaled to support the higher volume of activity expected in ED3.

★★★★ Complete ★★★☆ Ahead of target ★★☆☆ On track ★☆☆☆ Behind target

3: ACCELERATING PROGRESS TOWARDS A NET ZERO WORLD

★★

Deliver high-quality services to our major connections customers achieving a customer satisfaction of 9/10 or above by the end of ED2. (LC4)

We scored an average 8.72 under the Major Connections Incentive (MCI) Financial Incentive in 2025/26, a significant improvement from 8.4 in the previous year. As demand for new electricity connections continues to grow to support Great Britain's transition to net zero, we have taken further steps to improve the service we provide to customers throughout their connections journey. These include:

- Reviewing and cataloguing our customer-facing communications, redesigning key forms and letters, and standardising processes across our licence areas, including changing how connection agreements are transferred to a new customer in SHEPD, using a process that transfers both the rights and obligations under the agreement (novation), to provide a more transparent and straightforward customer journey.
- Improving our diversions and disconnections processes by addressing gaps and inconsistencies, helping to improve clarity, reduce delays and deliver a more efficient customer experience.
- Refreshing our Customer Journey maps to ensure our processes remain aligned with industry developments and evolving customer needs.

We continue to have improvement strategies in place to build on this progress and work towards our end-of-RIIO-ED2 customer satisfaction target of 9/10 or above. Our Major Connections Annual Report, published in July 2026, provides further detail on the service delivered to Major Connections customers during 2025/26, based on the Major Connections Customer Satisfaction Survey (MCCSS), and the actions we are taking to continue improving the customer experience. The report is available on our website:

ssen.co.uk/globalassets/library/major-connections-incentive/ssen-distribution---major-connections-annual-report---2025-26.pdf

★★★

By 2028, meet our targets and further reduce average Time to Connect by 1 day in SHEPD and 2 days in SEPD compared to 2019/20. (LC6)

This commitment covers our Time to Quote (TTQ) and Time to Connect (TTC) performance for both single-service connections (LVSSA) and multiple-service connections (LVSSB).

As the table sets out, SHEPD continued to perform strongly during 2025/26, outperforming its Time to Quote targets for both single service connections (LVSSA) and multiple-service connections (LVSSB). Improvements introduced in previous years are now embedded into business-as-usual processes, alongside continued development of self-service options for customers. SHEPD also outperformed its Time to Connect targets for both LVSSA and LVSSB, reflecting the continued embedding of process efficiencies and improvements in the delivery of Minor Connections.

SEPD continued to improve Time to Quote performance for both LVSSA and LVSSB. This reflects the continued embedding of improvements introduced in previous years and close working with the applications team to process Minor Connections applications efficiently. Time to Connect performance in SEPD also improved. As the table shows, LVSSA moved ahead of target, while LVSSB improved compared with 2024/25 but remains above target. We are continuing to focus on improvements in this area.

SHEPD	Target	Performance
TTQ LVSSA	3.26	1.06
TTQ LVSSB	5.47	2.00
TTC LVSSA	28.54	10.39
TTC LVSSB	22.15	14.61

SEPD	Target	Performance
TTQ LVSSA	3.26	1.44
TTQ LVSSB	5.47	3.35
TTC LVSSA	28.54	27.18
TTC LVSSB	35.44	44.67

★★★★ Complete ★★★☆ Ahead of target ★★☆☆ On track ★☆☆☆ Behind target

3: ACCELERATING PROGRESS TOWARDS A NET ZERO WORLD

★★

Meet our obligations under GSoPs for connections on an ongoing basis and aim to reduce the number of failures over the period. (LC7)

In 2025/26, GSoP performance improved across both licence areas, with failures reducing by 47% in SHEPD and 61% in SEPD. This improvement has been supported by continued process improvements and training at the front end of the connections process. Additional controls have also been introduced to identify the root causes of GSoP failures and ensure appropriate mitigating actions are completed.

We remain focused on sustaining these improvements and continuing to reduce the number of GSoP failures over the remainder of RIIO-ED2.

★★

Produce and report annually on an Environmental Action Plan (EAP). (S1)

Our Annual Environmental Reports for each year of RIIO-ED2 can be found here: ssen.co.uk/environment-docs.

These detail our performance across RIIO-ED2 to date.

★★

Complete works at c. 73 sites across our network in line with ETR138. (S10)

In 2025/26, we completed our RIIO-ED2 flood survey programme across both licence areas, delivering 22 surveys in SHEPD and 6 in SEPD. Completing these surveys early, and with cost efficiencies, has helped identify and prioritise the remedial works required over the remainder of RIIO-ED2.

We also completed flood remedial works at five substations in each licence area as planned. These works were informed by the recommendations from the flood risk surveys and are helping bring sites into compliance with ETR138.

Overall, we remain on track to deliver our flood mitigation commitments by the end of RIIO-ED2.

★★★

Sign up 80% of our supply chain (by value) by 2028 to our Sustainable Supplier Code. (S11)

During 2025/26, 67.04% of our supply chain by spend was signed up to our Sustainable Supplier Code, representing continued progress towards our target of 80% by 2028. Through ongoing supplier engagement, including knowledge-sharing webinars and face-to-face events, we are encouraging wider adoption of the Code and supporting suppliers on their sustainability and net zero journeys.

We remain on track to meet, and aim to exceed, our RIIO-ED2 commitment.

★★★★ Complete ★★★☆ Ahead of target ★★☆☆ On track ★☆☆☆ Behind target

3: ACCELERATING PROGRESS TOWARDS A NET ZERO WORLD

★★

Electrify 80% of our core vehicle fleet by 2028, where supply allows, reducing our average road mileage by 15% (from pre COVID-19 levels) and limit air travel where possible. (S12)

Electrifying our core vehicle fleet

During 2025/26, we continued to electrify our fleet. By March 2026, 65.91% of company cars were electric, while electric vehicles represented 12.69% of small vans within our EV100 commitment. We placed orders for 80 fully electric commercial vehicles for delivery in 2026/27, alongside continued investment in charging infrastructure.

Progress remains strongest for company cars. Larger vans, 4x4s and HGVs remain more difficult to electrify because suitable models do not yet consistently meet our operational requirements for range, payload, towing capability and specialist conversions. We continue to identify suitable solutions, working collaboratively with other DNOs and the Energy Networks Association. This work supports our RIIO-ED2 commitment to electrify 80% of our core vehicle fleet by 2028, where supply allows.

HVO

Hydrotreated Vegetable Oil (HVO) continues to provide a lower-emission alternative for vehicles that cannot yet be electrified. Following a successful trial covering approximately 297,000 miles across operational vehicles in Poole and Perth, which reported no adverse operational impacts, the programme moved into wider deployment during 2025/26.

Reducing average road mileage

Average road business mileage increased by 13% compared with 2024/25. However, mileage remains 17% below the 2019/20 baseline, meaning we continue to outperform our RIIO-ED2 commitment to achieve a 15% reduction. We continued to use flexible working arrangements and digital technologies for virtual engagement, while challenging the necessity of road travel.

Limiting air travel

The number of return flights undertaken during 2025/26 equated to 0.22 per employee, a significant decrease from 2024/25 and well ahead of our RIIO-ED2 target of no more than 0.4 return flights per employee. We continued to use virtual meeting platforms, deliver travel awareness communications and challenge the necessity of air travel.

★★

Complete undergrounding of up to 83km of lines. (S13)

Visual amenity undergrounding schemes are stakeholder-driven, with projects focused on removing overhead lines in designated sensitive landscapes.

In SHEPD, applications have continued to progress following engagement with local councils in National Scenic Areas. During 2025/26, one scheme was completed, delivering 0.31km of underground cable. A further scheme was in its final stages of execution at year end, with 1.24km installed, and will be reported as complete in 2026/27. Five schemes covering 10.14km were in design, while three schemes covering 1.9km remained under assessment.

In SEPD, three projects were in execution during 2025/26, with 1.61km of underground cable installed. A further 14 projects are progressing through refinement, delivery and close-out, taking the updated programme to 17 projects representing approximately 32.2km of proposed underground cable. Subject to the necessary legal permissions being secured, the programme is currently forecast for delivery within RIIO-ED2.

★★

Set an ambitious 1.5 degree SBT (including losses) requiring at least a 35% reduction in our carbon footprint by 2028. (S2)

SSEN Distribution achieved its 2025/26 Business Carbon Footprint target. Against a Science-Based Target of a 25% reduction from the 2019/20 baseline, we achieved a 31% reduction in emissions, including network losses.

Fuel consumption increased in some areas, including Embedded Generation, Mobile Generation and Operational Transport, alongside increased electricity consumption. These increases were more than offset by a 14.5% reduction in the grid electricity emissions factor and the continued shift to HVO in Mobile Generation, contributing to the reduction in our overall footprint. Emissions associated with network losses decreased by 14.1%.

Our total Business Carbon Footprint, including losses, was 297,089 tCO_2e in SEPD and 106,098 tCO_2e in SHEPD.

★★

Plant up to 17 hectares of seagrass meadows during RIIO-ED2, aiding biodiversity recovery, supporting climate adaptation pathways, and providing carbon sequestration as an alternative to offsetting. (S14)

In 2025/26, we delivered 0.48 hectares of seagrass planting against an annual target of 0.5 hectares, achieving 96% of the year's target through our partnership with the Scottish Marine Environmental Enhancement Fund (SMEEF).

We are continuing to progress the wider RIIO-ED2 programme across both licence areas. In Scotland, further projects are being progressed through SMEEF to support delivery of the 14-hectare SHEPD programme. In SEPD, we are partnering with Project Seagrass to deliver 3 hectares of seagrass planting across four sites in the Solent and around the Isle of Wight, with delivery commencing from 2026.

We remain on track to achieve the overall 17-hectare RIIO-ED2 target, subject to successful project and contract delivery.

★★

Reduce emissions from our assets by a minimum of 35%, and begin reducing our holdings. (S3)

In 2025/26, SF_6 emissions for SSEN Distribution totalled 163.31kg, representing an 18% reduction in leakage rate as a percentage of bank compared with 2019/20. As our network grows, some new assets containing SF_6 may still be required until suitable alternatives are available. We continue to work with the supply chain and the ENA to develop alternatives, while improved monitoring and analysis is helping us identify our poorest-performing assets and target investment where it can have the greatest impact.

We remain focused on reducing SF_6 emissions and progressing towards our 35% reduction objective by the end of RIIO-ED2.

★★★★ Complete ★★★☆ Ahead of target ★★☆☆ On track ★☆☆☆ Behind target

3: ACCELERATING PROGRESS TOWARDS A NET ZERO WORLD

★★

Implement a strategy to efficiently manage losses on our network in the long-term: Re-classify losses as a Scope 2 emission and act to reduce actual losses. (S4)

During 2025/26, we continued to reduce network losses through the targeted installation of lower-loss assets, including transformers. We also progressed the Innovating Losses Analysis and Detection (I-LAD) innovation project into its trial phase and developed an enhanced technical losses baseline at individual asset level. As a result of these targeted interventions, we achieved a calculated losses saving of 29,041 MWh during 2025/26, taking the cumulative saving across RIIO-ED2 to 49,690 MWh.

★★

Reduce reliance on diesel back-up generation, exploring local solutions and flexibility opportunities from the start of ED2. (S6)

Ofgem approved our long-term strategy for Islay and Jura, allowing us to continue our investment plans in the area to meet future needs and remove reliance on Bowmore Power Station. The Shetland Enduring Solution continued to progress, with the project entering its final testing phase. Once complete, the islands will be fully supplied via the mainland link, with Lerwick Power Station moving to a standby role. We estimate that 22,000kg CO2e was avoided in 2025/26 through the use of flexibility services to support island communities during faults and planned outages, assuming this displaced diesel generation.

★★

Remove all PCB-contaminated assets from our network by 31 December 2025. (S8)

During 2025/26, we completed 4,106 PCB-related interventions, including oil testing, asset replacements and oil changes. At year end, 126 assets remained outstanding for intervention. Some of these were delayed by third-party consents and access constraints, while others were previously classified as low risk but have since been reclassified as high risk following updates to the statistical model used for identifying PCB affected pole mounted transformers.

We remain focused on completing the outstanding interventions and continue to manage the residual risk across the remaining pre-1987 PMT population. We are also progressing the LANCET tool, which will enable in-situ oil sampling from live PMTs. This should reduce the need for outages solely to take samples, while allowing interventions and any required asset replacements to be targeted more quickly and efficiently.

★★★

Reduce emissions by replacing mobile generators wherever economically possible with lower carbon alternatives, or by using alternative lower-carbon fuel types by 2028. (S5)

Our mobile generation provides electricity to customers during temporary fault repairs and planned works on the distribution network.

During 2025/26, we continued to increase the use of Hydrotreated Vegetable Oil (HVO), which accounted for 99.3% of mobile generation fuel consumption by year end. This resulted in a 94.7% reduction in Scope 1 Greenhouse Gas (GHG) emissions associated with mobile generation.

★★

Deliver 258 hectares of woodland creation and 522 hectares of peatland restoration. We expect this could remove up to 65,000 tCO_2 by the end of RIIO-ED2. (S7)

During 2025/26, four woodland creation projects across SHEPD and SEPD were either completed or progressed in line with contracted delivery. These included projects with Heal Rewilding, Forest Carbon, the National Trust for Scotland and the Evenlode Landscape Recovery Project. Three peatland restoration projects were also either completed or progressed during the year, in line with contracted delivery. These included projects with Palladium, RSPB and Freshwater Habitats Trust.

Delivery across both programmes continues to progress in line with contracted milestones.

★★

Replace at least 20.9km of fluid-filled cables on our network. (S9)

We remain on track to meet this commitment, with 10.66km of fluid-filled cable removed from service during 2025/26, bringing the cumulative total across RIIO-ED2 to 12.275km. Over the remainder of RIIO-ED2, a further 37.35km of fluid-filled cable disposals are planned in SEPD. Our investment is based on network criticality, the condition of the assets and the potential environmental impact should an asset fail.

★★★★ Complete ★★★☆ Ahead of target ★★☆☆ On track ★☆☆☆ Behind target

3: ACCELERATING PROGRESS TOWARDS A NET ZERO WORLD

★★

Support Local Authorities' energy and heat strategy development through provision of relevant data sets and annual engagement on our DFES scenarios. (WS2)

During 2025/26, we took an accelerated approach to developing our Distribution Future Energy Scenarios (DFES) to align with NESO's timelines for the transitional Regional Energy Strategic Plans. By focusing on datasets where there had been material changes, we were able to publish the DFES around two months earlier than in 2024/25.

Local authorities were also able to provide input into the DFES through our Local Energy Net Zero Accelerator. In addition, we worked with National Grid Electricity Distribution (NGED) and UK Power Networks (UKPN) to align data submission formats across DNOs, allowing local authorities spanning multiple licence areas to submit their data once.

★★

Provide additional targeted support to Local Authorities, within our licence areas, to develop a coordinated and effective delivery strategy for Whole System and Net Zero initiatives that interact with our network. (WS3)

Building on the work started in 2024/25, Winchester became the first local authority in GB to publish a fully digitised Local Area Energy Plan (LAEP), developed using our Local Energy Net Zero Accelerator (LENZA). We also continue to provide regular support to local authorities through surgeries and our monthly newsletter.

★★

Provide an integrated and collaborative digital platform where stakeholders can access key network data, understand our coordinated investment strategies, and view our local net zero delivery plans. (WS5)

During 2025/26, we continued to enhance SSEN Distribution's Data Portal, building on its launch in 2024. Improvements included enhanced navigation and search, new visualisations including the Central Network Viewer, automated data updates, data quality insights, newsfeeds, mapping tools and an expanded range of datasets. These improvements have made network information more accessible, transparent and actionable for users, with Data Portal users increasing by 22% compared with last year.

★★

Build new control rooms to further facilitate the transition to DSO and net zero. (CR1)

Delivery of our control room programme continued to progress during 2025/26.

At Tay House, the construction contract was awarded, with construction progressing through 2026/27. At Proxima Park, preparations for construction continued during the year, with the main construction contract progressing towards award and mobilisation expected to follow.

★★

Publish an annual Innovation Deployment Customer Report to improve the transparency of the benefits of our innovation programme. (I1)

We have published an annual Innovation Focus Report in each year of RIIO-ED2, with three reports published to date. The reports demonstrate how our innovation priorities are linked to individual innovation projects and the steps we are taking to deploy learning from those projects into business-as-usual activity. This helps improve transparency around the benefits that innovation deployment delivers for customers.

Please see publications at: ssen-innovation.co.uk/wp-content/uploads/2026/05/SSEN-Focus-Report-2025-330x210mm-v5d_i-1.pdf

★★★★ Complete ★★★☆ Ahead of target ★★☆☆ On track ★☆☆☆ Behind target

GLOSSARY

BROAD MEASURE OF CUSTOMER SATISFACTION (BMCS)
A customer satisfaction survey designed to drive improvements in the quality of the overall customer experience by capturing and measuring customers' experiences of contact with their DNO across the range of services and activities the DNOs provide.

BUSINESS CARBON FOOTPRINT (BCF)
Total amount of greenhouse gas emission caused directly and indirectly by a business or activity.

CUSTOMER INTERRUPTIONS (CI)
The number of customers who experienced an interruption per year. This is the number of customers whose supplies have been interrupted, per 100 customers per year over all incidents, where an interruption of supply lasts for three minutes or longer, excluding re-interruptions to the supply of customers previously interrupted during the same incident.

CUSTOMER MINUTES LOST (CML)
The duration of interruptions to supply per year. This is the average customer minutes lost (CML) per customer per year, where an interruption of supply to customer(s) lasts for three minutes or longer.

DISTRIBUTED GENERATION (DG)
Distributed generation (DG) is an electricity-generating plant connected to a distribution network rather than the transmission network.

DISTRIBUTION FUTURE ENERGY SCENARIOS (DFES)
The Distribution Future Energy Scenarios outline the range of credible futures for the growth of the distribution network.

ENERGY NETWORKS ASSOCIATION (ENA)
The industry body funded by UK gas and electricity transmission and distribution licence holders.

FLUID-FILLED CABLE (FFC)
Pressurised fluid-filled underground cables – the fluid acts as an electrical insulator.

GUARANTEED STANDARD OF PERFORMANCE (GSoP)
Minimum service levels, covering a range of scenarios including interruption time, responding to voltage complaints, or notice of planned interruptions, which we are required to meet. If we fail to meet these standards, we must make a payment to the affected customer(s).

HIGH VOLTAGE (HV)
Voltages over 1kV up to, but not including, 33kV.

LOSSES
The difference between units entering and units exiting the DNO network through different connection points.

LOW CARBON TECHNOLOGIES (LCTS)
Technologies such as electric vehicles, heat pumps, solar panels.

LOW VOLTAGE (LV)
This refers to voltages up to, but not including, 1kV.

MEGAWATT (MW) AND GIGAWATT (GW)
Units of power. One megawatt equals one million watts. One gigawatt equals 1,000 megawatts, or one billion watts.

PRICE CONTROL
The control developed by the regulator to set targets and allowed revenues for network companies.

PRIORITY SERVICES REGISTER (PSR)
A service for all customers in an electricity distribution area that are of pensionable age, disabled, chronically sick, require special communication needs, depend on electricity for medical reasons, or have children under 5, or require certain information and advice in alternate formats and languages.

REVENUE PROTECTION
The prevention, detection and recovery of losses caused by interference with electricity supplies (Non-Technical).

RIIO-ED2
The current price control period, running from 1 April 2023 to 31 March 2028.

SULPHUR HEXAFLOURIDE (SF_6)
A gas that is used as both an insulating and arc extinction medium in electrical plants.

TRANSFORMERS
An electrical device that transfers electricity between two or more circuits.

TRANSMISSION CONNECTION POINT CHARGES (TCPC)
Charges payable by DNOs levied by a Transmission Licensee as connection charges, due to the number or nature of connections between the Distribution System and the GB Transmission System.

UNRESTRICTED DOMESTIC TARIFF
The Unrestricted Domestic Tariff Charge is the proportion of the electricity bill customers paid to us for using the electricity network. This is billed via the customers' supplies.

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