

Action 2030 Report

Delivering for a better future, quicker.



Introduction

Action 2030 was launched in April 2023 and is ScottishPower's first-ever Sustainable Development Strategy, setting out our vision and ambitions for the positive change that we can deliver together by the end of the decade.

As part of the global Iberdrola group, ScottishPower has matched its purpose to the UN Sustainable Development Goals (SDGs) and embedded them throughout our business strategy.

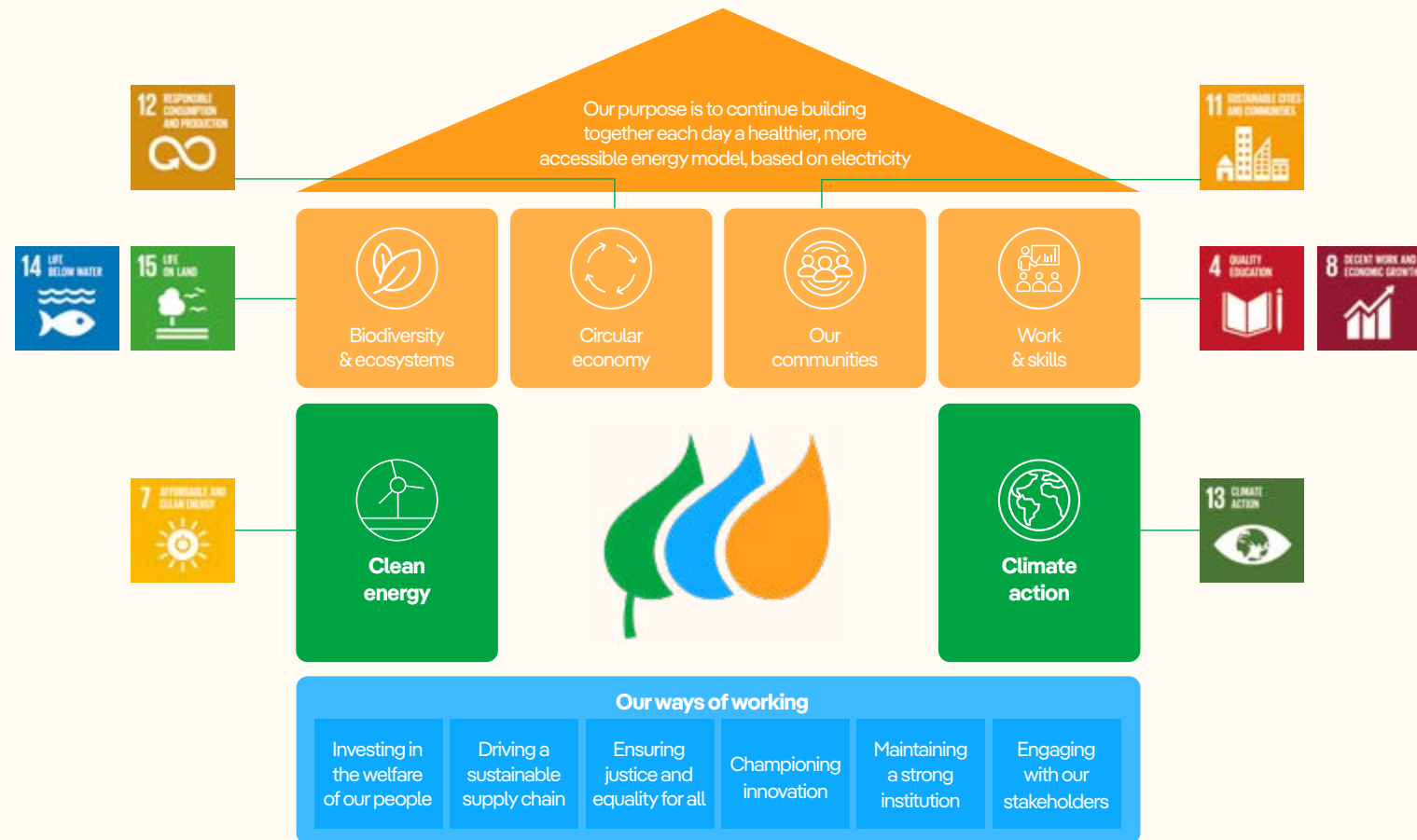
As a clean, renewable energy utility serving millions of customers across the UK, employing thousands of staff and investing billions of pounds in the UK economy, we recognise the responsibility to use every opportunity we can to contribute to the global effort to meet the UN SDGs

Two SDG goals link directly to ScottishPower's purpose and are the areas where we have the potential to make the greatest impact. These are SDG7, affordable clean energy, and SDG13, climate action. These goals match our business ambitions to generate renewable energy, connect to our customers, and provide them with the solutions that allow them to cut the

environmental footprint of their homes and businesses. Our commitment to the UN SDGs influences not only our actions but also our approach. We integrate sustainable development into our internal operations, supply chain standards, and relationships with customers and stakeholders.

All this and much more is reflected in Actions 2030 where 6 themes have been identified and link directly to the UN SDGs. Each theme articulates our vision and, backed up by 28 targets, sets out a clear pathway indicating the potential contribution of everyone at ScottishPower to make a positive impact that will ensure we continue to deliver for a sustainable future.

We are already making an impact across all six sustainability themes. This report provides an update on progress against each of the 28 targets as of 31st December 2023.



Update

By the end of 2023, the following two targets were achieved.



Raising **£40 million** for Cancer Research UK



Recruit over **1,000** people into green jobs by the end of 2023

2030 Targets



Clean Energy

Vision 2030: ScottishPower is leading the UK's transition to cleaner and more affordable energy.

Treble onshore Renewables capacity by 2030.

Throughout 2023 we have continued to look to develop the portfolio and make progress receiving consent to repower and modernise turbines increasing capacity whilst reducing footprint.

Treble offshore Renewable capacity by 2030.

Through our East Anglia One and West of Duddon Sands windfarms we currently have capacity of 1.1 GW. East Anglia Two and One North are in development, whilst East Anglia Three is due to start construction during 2024.

Deliver 500 MW of Green Hydrogen capacity by 2030.

We were successful in being offered government contracts for two initial projects to support decarbonisation of industry & transport. Further projects in development for participation in recently announced future rounds.

Provide 4.8 million Smart Solutions by 2030.

In 2023 we launched new additional solutions including a solar buy back tariff and home emergency insurance bundle. An enduring marketing campaign commenced in November 2023 to increase awareness of ScottishPower Smart Solutions.

Investing £4.5 billion in Networks by 2028.

Our Energy Network transmission and distribution investment is on target with our plans and will accelerate in 2024 as we look to modernise the network for future demands.



Climate action

Vision 2030: ScottishPower has reduced its direct and indirect value chain greenhouse gas footprint in line with climate science, while strengthening our business adaptation and resilience to climate change.

Reduce scope 1, 2, and scope 3 GHG emissions from fuel and energy related activities and use of sold products 64% by 2030.

We launched our GHG Emissions Reduction Plan ("ERP"), laying out our actions to deliver science-based greenhouse gas reductions.

Reduce absolute scope 1 and 2 GHG emissions 47% by 2030 from a 2019 base year.

Our scope 1 & 2 combined emissions increased by 12% during 2023, due to increased UK grid mix intensity. However, we have achieved a 23% reduction since 2019 and we are on track to achieve our 2030 target.

Reduce scope 3 (cat 3) emissions from all sold electricity 100% per MWh by 2030 from a 2019 base year.

We achieved 5% reduction in scope 3 all sold electricity emissions this year, and these emissions have decreased by 6% since 2019 despite challenging energy market conditions.

Reduce absolute scope 3 GHG emissions from use of sold products by 28%.

We achieved a 13% reduction in scope 3 use of gas sold emissions this year and we have achieved 29% reduction since 2019, surpassing our 2030 target.

100% sustainable light vehicle fleet by 2030.

In parallel with our strategy on vehicle transition and the needs of the business, we are currently determining our requirements for EV charger deployment.



Biodiversity and ecosystems

Vision 2030: ScottishPower has delivered a net positive impact on biodiversity and ecosystems.

Deliver net positive impact on biodiversity by 2030.

Following COP15, in December 2022, we piloted a biodiversity metric, started development of detailed biodiversity action plans, and set up our Nature Working Group

Conserve, restore and plant 5 million trees by 2030 against a 2020 baseline.

We have conserved, restored, and planted 890,000 trees since our 2020 baseline.

2030 Targets



Circular economy

Vision 2030: ScottishPower has minimised resource use and waste and established circular processes that keep materials in use at high value for the long term.

Develop a detailed circular economy action plan by 2025.

We completed a circular economy baselining and opportunities project and set up our Circular Economy Working Group to drive the development of our action plan.

Zero waste to landfill by 2030.

We achieved 95% diversion from landfill exceeding our 2023 target of 91%.

100% wind turbine blade recycling by 2030*.

We further developed our understanding of existing and emerging opportunities for blade recycling via research, consultation, and participation in two collaborative industry bodies.

Achieve 50% sustainable steel use by 2030 and 100% net zero steel by 2050.

Work has commenced to assess our current steel position, and review supply chain capability and readiness to support the implementation of a sustainable steel policy.

* subject to finding a commercially viable solution



Our communities

Vision 2030: ScottishPower is actively developing resilient, empowered communities with our partners.

33% increase in employee volunteering by 2030.

Strong progress has been made in 2023 towards our target via increased reporting, more large group volunteering events and inclusion of family and friends in volunteering events.

Raising £40 million for Cancer Research UK.

We have achieved our goal of £40 million raised for Cancer Research UK in Q4 of 2023 as part of our long-standing partnership which began back in 2012.

£25 million benefits to vulnerable and disadvantaged customers in fuel poverty and to support the transition to net zero in our Distribution Network by 2028.

We are progressing against plan and currently working on formalising the commercial contracts that will allow acceleration of delivery in 2024.

Installation of 12,650 Public EV charging points by 2030.

We are in the process of establishing a new framework of hardware providers and installation partners to build on the available chargers already deployed, and to scale up delivery of these assets from 2024.

Deliver over £100m in community benefit funding to communities over the lifetime of our onshore windfarms.

In line with our planned projections, for 2023-year end, we have just hit the £60 million milestone of community benefit contributions.



Work and skills

Vision 2030: ScottishPower has a high performing representative workforce and a resilient supply chain capable of meeting our current and future needs.

Access to Mental Health Awareness training for all Line Managers by 2025.

Training has commenced and is progressing on track, with over 31% of Line Managers having undertaken awareness training.

≥90% Purchases from sustainable suppliers by 2030.

Having implemented a purchasing model to monitor, and support the development of, the sustainability credentials of suppliers we are already exceeding the 90% target.

>36% female representation at middle management roles by 2030.

At the end of 2023 the proportion of women in responsible roles was 33% (2022 31.9%).

>35% female representation in Senior management roles by 2030.

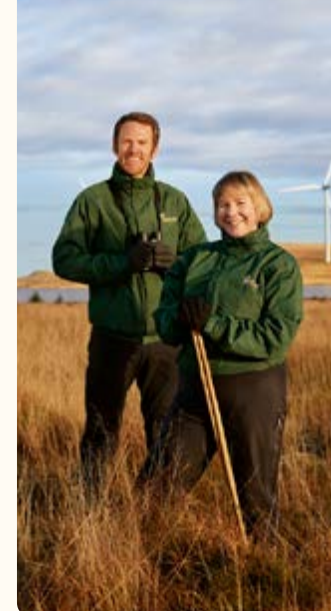
At the end of 2023 the proportion of women in senior management position was 33.7% (2022 32.9%).

Employee training > 55 hours per year

55 hours of training per employee is a material increase in our commitment and investment in our people. At the end of 2023 we are at 60.5% against our target of 55 hours per employee.

Recruited over 1,000 people by the end of 2023.

In 2022, we launched a recruitment drive for 1,000 green jobs by end of 2023 and at the end of the year had recruited 1,500 roles.



Looking ahead

Although Action2030 is only one year old we are committed to ensuring it remains ambitious and driving positive outcomes for society and the environment we depend on.

To support this, we will review and where necessary update our 28 targets in 2025. Alongside this process of review, we will complement our existing Action2030 Strategy and our Emissions Reduction Plan by publishing a Circular Economy Plan and a Nature Action Plan.



320 St Vincent Street, Glasgow G2 5AD
scottishpower.com