



Notice of Annual General Meeting 2015

Dear Shareholder

I am pleased to invite you to our Annual General Meeting (AGM) which will be held at the Perth Concert Hall, Mill Street, Perth PH1 5HZ on Thursday, 23 July 2015 at 12 noon.

The AGM is an important event and it is the Board's opportunity to present the Company's performance and strategy to our shareholders and to listen and respond to your questions. The formal Notice of AGM is set out on pages 2 and 3.

Explanatory notes on all the business to be considered, including biographical details of the Directors and on your rights to attend and vote, are set out on pages 4 to 12. The Terms and Conditions of the Scrip Dividend Scheme, including details on how to participate, are set out on pages 13 to 18.

Voting arrangements

Voting at the AGM will be conducted by way of a poll. I would encourage all shareholders to vote on the resolutions being proposed at the AGM by either:

- attending the AGM in person;
- voting online at www.sse.com; or
- completing and returning the Form of Proxy.

CREST members may choose to use the CREST electronic proxy appointment service.

All voting instructions should be made as soon as possible and by no later than 12 noon on 21 July 2015. Full details of voting procedures are set out on pages 10 and 11.

Recommendation

The Board believes that Resolutions 1 to 17 contained in the Notice of AGM are in the best interests of the Company and its shareholders as a whole. Accordingly, the Directors unanimously recommend that you vote in favour of the resolutions as they intend to do in respect of their own beneficial holdings.

The Directors consider Resolution 18 to be in the best interests of the Company and its shareholders as a whole, but, as all the Directors have an interest in the subject-matter of the Resolution, they do not consider it appropriate that they make a recommendation to shareholders as to how they should vote on Resolution 18, other than that shareholders should vote on it. The Directors will not vote on Resolution 18.

Yours faithfully

A handwritten signature in black ink, appearing to read 'Lord Smith of Kelvin'.

Lord Smith of Kelvin
Chairman

SSE plc

Registered in Scotland No.: 117119

Registered Office: Inveralmond House, 200 Dunkeld Road, Perth PH1 3AQ

This document is important and requires your immediate attention.

If you are in any doubt as to the action you should take, you should seek your own advice from an independent professional adviser.

If you have sold or otherwise transferred all your shares in SSE plc, you should pass this Notice and any documents that came with it to the person through whom the sale or transfer was made for transmission to the purchaser or transferee.

Notice of Annual General Meeting

NOTICE IS HEREBY GIVEN that the TWENTY SIXTH ANNUAL GENERAL MEETING of SSE plc (the 'Company') will be held at the Perth Concert Hall, Mill Street, Perth PH1 5HZ on Thursday, 23 July 2015 at 12 noon for the purpose of transacting the following business:

To consider and, if thought fit, pass the following resolutions, of which Resolutions 1 to 13 and 17 will be proposed as Ordinary Resolutions, and Resolutions 14 to 16 and 18 will be proposed as Special Resolutions:

Report and Accounts

Resolution 1: to receive the Financial Statements and the Reports of the Directors and of the Auditors for the year ended 31 March 2015.

Remuneration Report

Resolution 2: to approve the 2015 Remuneration Report.

Dividend

Resolution 3: to declare a final dividend for the year ended 31 March 2015 of 61.8 pence per Ordinary Share payable on 19 September 2015.

Directors

Resolution 4: to re-appoint Alistair Phillips-Davies as a Director of the Company.

Resolution 5: to re-appoint Gregor Alexander as a Director of the Company.

Resolution 6: to re-appoint Jeremy Beeton as a Director of the Company.

Resolution 7: to re-appoint Katie Bickerstaffe as a Director of the Company.

Resolution 8: to re-appoint Sue Bruce as a Director of the Company.

Resolution 9: to re-appoint Richard Gillingwater as a Director of the Company.

Resolution 10: to re-appoint Peter Lynas as a Director of the Company.

Auditor

Resolution 11: that KPMG LLP be re-appointed Auditor of the Company, to hold office until the conclusion of the next general meeting at which Financial Statements are laid before the Company.

Resolution 12: that the Audit Committee of the Board be authorised to determine the Auditor's remuneration.

Authority to allot shares

Resolution 13: that the Directors be and are hereby generally and unconditionally authorised in accordance with section 551 of the Companies Act 2006 to exercise all

the powers of the Company to allot shares in the Company, and to grant rights to subscribe for, or to convert any security into, shares in the Company, up to an aggregate nominal amount equal to £165,512,245, such authority to apply until the earlier of the conclusion of the 2016 Annual General Meeting and close of business on 30 September 2016, except that the Company may pursuant to the authority granted make offers and enter into agreements before such expiry which would, or might, require shares to be allotted or rights to subscribe for, or convert securities into, shares to be granted after the authority ends, and the Directors may allot shares or grant rights to subscribe for, or convert securities into, shares under any such offer or agreement as if the authority had not expired.

Authority to disapply pre-emption rights

Resolution 14: that, subject to the passing of Resolution 13, the Directors be and are hereby empowered to allot 'equity securities' (as defined in section 560(1) of the Companies Act 2006) for cash pursuant to the authority conferred by Resolution 13 and/or to sell Ordinary Shares held by the Company as treasury shares for cash as if section 561(1) of the Companies Act 2006 did not apply to any such allotment or sale, such power to be limited:

- (a) to the allotment of equity securities and sale of treasury shares for cash in connection with an offer of, or invitation to apply for, equity securities to or in favour of (i) Ordinary shareholders in proportion (as nearly as may be practicable) to their existing holdings and (ii) holders of other equity securities, as required by the rights of those securities or as the Directors otherwise consider necessary, and so that the Directors may impose any limits or restrictions and make any arrangements which they consider necessary or appropriate to deal with treasury shares, fractional entitlements, record dates, legal, regulatory or practical problems in, or under the laws of, any territory or any other matter; and
- (b) to the allotment (otherwise than under paragraph (a) of this Resolution) of equity securities or sale of treasury shares up to a nominal amount of £24,826,836,

such power to apply until the earlier of the conclusion of the 2016 Annual General Meeting and close of business on 30 September 2016, save that during this period the Company may make offers, and enter into agreements, which would, or might, require equity securities to be allotted (and treasury shares to be sold) after the power ends and the Directors may allot equity securities under any such offer or agreement as if the power had not ended.

Authority to purchase own shares

Resolution 15: that the Company be generally and unconditionally authorised for the purposes of section 701 of the Companies Act 2006 to make market purchases (within the meaning of section 693(4) of the Companies Act 2006) of Ordinary Shares of 50 pence each in the Company provided that:

- (a) the maximum number of Ordinary Shares authorised to be purchased is 99,307,347;
- (b) the minimum price which may be paid for such shares is 50 pence per share which amount shall be exclusive of expenses;
- (c) the maximum price, exclusive of expenses, which may be paid for each such Ordinary Share is the higher of: (i) an amount equal to 105% of the average of the middle market quotations for an Ordinary Share in the Company as derived from the London Stock Exchange Daily Official List for the five business days immediately preceding the day on which the share is contracted to be purchased; and (ii) an amount equal to the higher of the price of the last independent trade of an Ordinary Share and the highest current independent bid for an Ordinary Share as derived from the London Stock Exchange Trading System in each case at the time the purchase is agreed; and
- (d) this authority shall expire at the earlier of the conclusion of the 2016 Annual General Meeting and close of business on 30 September 2016 (except in relation to a purchase of such shares, the contract for which was concluded before such time and which will or may be executed wholly or partly after such time and the Company may purchase Ordinary Shares pursuant to any such contract as if the power had not ended).

Notice of general meetings

Resolution 16: that a general meeting of the Company other than an Annual General Meeting may be called on not less than 14 clear days' notice.

Renewal of Scrip Dividend Scheme

Resolution 17: that:

- (a) the Directors be and are hereby authorised to offer holders of its Ordinary Shares (excluding members holding any shares as treasury shares) the right to elect to receive Ordinary Shares, credited as fully paid, instead of a cash dividend from time to time or for such period as the Directors may determine, all pursuant to the provisions of Article 90 of the Company's Articles of Association, as in force from time to time, and on such other terms and conditions as the Directors may from time to time determine, provided that the authority conferred by this Resolution shall expire at the end of the third Annual General Meeting of the Company after the date on which this Resolution is passed; and
- (b) for the purposes of any offer made pursuant to paragraph (a) of this Resolution, the Directors be and are hereby authorised, in accordance with the Company's Articles of Association, as in force from time to time, to capitalise such amount standing to the credit of any reserve or account of the Company as may be necessary and apply the same in paying up and allotting and issuing new Ordinary Shares in the Company to the ordinary shareholders who have, or are deemed to have, validly accepted such an offer in accordance with their respective entitlements.

Ratification of Dividend

Resolution 18: that:

- (a) the Company hereby ratifies and confirms:
 - (i) the payment of the amount of 60.70 pence per Ordinary Share by way of dividend on 19 September 2014 (the "Final Dividend") to shareholders on the Register of Members on 25 July 2014 (other than those who validly elected, in respect of the Final Dividend, to receive Ordinary Shares instead of a cash dividend), and the entry in the audited accounts of the Company for the year ended 31 March 2015 whereby distributable profits of the Company were appropriated to the payment of the Final Dividend;
 - (ii) the payment of the amount of 26.6 pence per Ordinary Share by way of interim dividend on 20 March 2015 (the "Interim Dividend") to shareholders on the Register of Members on 23 January 2015 (other than those who validly elected, in respect of the Interim Dividend, to receive Ordinary Shares instead of a cash dividend), and the entry in the audited accounts of the Company for the year ended 31 March 2015 whereby distributable profits of the Company were appropriated to the payment of the Interim Dividend, together, the Final Dividend and the Interim Dividend referred to above being defined as the "Dividends";
- (b) any and all claims which the Company may have in respect of the payment of the Dividends against its shareholders who appeared on the Register of Members on the relevant record date for each Dividend be released and a deed of release in favour of such shareholders be entered into by the Company in the form of the deed produced to this meeting and signed by the Chairman for the purposes of identification;
- (c) any distribution involved in the giving of any such release in relation to the Dividends be made out of the profits appropriated to each Dividend as aforesaid by reference to a record date identical to the record date for such Dividend; and
- (d) any and all claims which the Company may have against its Directors (both past and present) arising out of the payment of the Dividends be released and that a deed of release in favour of the Company's Directors be entered into by the Company in the form of the deed produced to this meeting and signed by the Chairman for the purposes of identification.

By order of the Board

Sally Fairbairn
Company Secretary
19 May 2015

Explanatory notes to the proposed resolutions

Ordinary and special resolutions

Resolutions 1 to 13 and 17 will be proposed as Ordinary Resolutions which require a simple majority of votes to be cast in favour to be passed. Resolutions 14 to 16 and 18 will be proposed as Special Resolutions which require a 75% majority of the votes to be cast in favour to be passed.

Resolution 1: Receipt of the 2015 Annual Report and Accounts

The Directors of the Company must present their Annual Report and the Accounts to the Meeting and shareholders may raise any questions on the Annual Report and Accounts under this resolution.

Resolution 2: Approval of the 2015 Remuneration Report

In accordance with the provisions of the Companies Act 2006, the Remuneration Report in the Company's Annual Report and Accounts for the year ended 31 March 2015 comprises: (1) the statement by the Remuneration Committee Chairman; (2) a copy of the Directors' Remuneration Policy which was approved at the AGM on 17 July 2014; and (3) the Annual Report on Remuneration, which sets out the remuneration paid to the Company's Directors during the year ended 31 March 2015.

The statement by the Remuneration Committee Chairman and the Annual Report on Remuneration is put to shareholders for approval by Ordinary Resolution. The resolution is advisory and does not affect the remuneration already paid to any Director.

Resolution 3: Declaration of the final dividend for 2015

A final dividend can be paid only after it has been approved by shareholders. A final dividend of 61.8 pence per Ordinary Share is recommended by the Directors for payment in cash on 18 September 2015 to shareholders on the Register of Members as at close of business on 24 July 2015, but excluding such of the shareholders in respect of whom a valid election to participate in the Company's Scrip Dividend Scheme shall have been received by the Company by 4.30pm on 21 August 2015. Shareholders for whom valid elections have been received by 4.30pm on 21 August 2015 will receive the final dividend in the form of new Ordinary Shares in the Company. Full details of the Company's Scrip Dividend Scheme are set out on pages 13 to 18, and are also available from the Company's website, www.sse.com.

Resolutions 4 to 10: Re-appointment of Directors

In accordance with provision B.7.1 of The UK Corporate Governance Code (the 'Governance Code'), all Directors of FTSE companies should be subject to election or re-election by their shareholders every year. The Company continues this practice for this year's AGM. Separate resolutions are proposed for each of the re-appointments.

The Board, its Committees and the individual Directors participate in an annual performance evaluation. Further details of the performance evaluation process are set out

on page 79 of the Annual Report 2015. The performance evaluation process confirmed the continuing independent and objective judgement of all the non-Executive Directors. The process also confirmed that the performance of all the current Directors standing for re-appointment continued to be effective and that they continue to demonstrate commitment in their respective roles. The Board recommends to shareholders the proposed re-appointment of all Directors set out in Resolutions 4 to 10. Full biographical details of each Director are set out on pages 8 and 9. The Executive Directors' service contracts and non-Executive Directors' letters of appointment are available for inspection as specified in Note 13 on page 11.

Resolution 11: Re-appointment of Auditor

The Company is required to appoint an Auditor at each general meeting at which accounts are laid before the Company, to hold office until the conclusion of the next such meeting. This resolution, on the Audit Committee's recommendation, proposes the re-appointment of KPMG LLP as Auditor of the Company.

Resolution 12: Authority for the Audit Committee to agree the Auditor's remuneration

This resolution authorises the Audit Committee, in accordance with standard practice, to agree the remuneration of the Auditor.

Resolution 13: Authority to allot shares

This resolution gives the Directors authority to allot shares, or grant rights over shares, limited to an aggregate nominal amount equal to £165,512,245 (representing 331,024,490 Ordinary Shares of 50 pence each excluding treasury shares) which, as at 19 May 2015, being the latest practicable date prior to the publication of this Notice, represented one third of the issued share capital of the Company.

The authority will expire at the earlier of the conclusion of the 2016 AGM and close of business on 30 September 2016 (the last date by which the Company must hold an AGM in 2016).

The Directors have no present intention of issuing any shares other than pursuant to existing rights under employee share schemes and the Scrip Dividend Scheme. The Directors may, however, consider issuing shares if they believe it would be appropriate to do so in respect of business opportunities that may arise consistent with the Company's strategic objectives. As at the date of this Notice, the Company did not hold any treasury shares.

Resolution 14: Disapplication of pre-emption rights

The Companies Act 2006 provides that if the Directors wish to allot any equity securities for cash (other than in connection with any employee share scheme) they must in the first instance offer them to existing shareholders in proportion to their holdings (a pre-emptive offer). There may be occasions, however, when the Directors will need the flexibility to finance business opportunities by the issue of Ordinary Shares without a pre-emptive offer to existing shareholders.

Resolution 14 will be proposed as a Special Resolution, and would give the Directors the authority to allot Ordinary Shares (or sell any Ordinary Shares which the Company elected to hold in treasury) for cash without first offering them to existing shareholders in proportion to their existing holdings.

This authority would be limited to allotments or sales in connection with rights issues or other pre-emptive offers, or otherwise up to an aggregate nominal amount of £24,826,836 (representing 49,653,672 Ordinary Shares of 50 pence each). The aggregate nominal amount represents 5% of the issued share capital of the Company as at 19 May 2015, the latest practicable date prior to the publication of this Notice.

The Directors note the current institutional shareholder guidelines not to seek to allot more than 7.5% of the issued share capital, cumulatively, in any three-year rolling period without prior consultation. The Directors have no present intention of exercising this authority in the year ending 31 March 2016.

Subject to shareholder approval, the authority under this Resolution will expire at the earlier of the conclusion of the 2016 AGM and close of business on 30 September 2016.

Resolution 15: Purchase of own shares

In certain circumstances it may be advantageous for the Company to purchase its own Ordinary Shares and Resolution 15 will, if approved, renew the Company's authority from shareholders to make such purchases until the earlier of the conclusion of the 2016 AGM and close of business on 30 September 2016. Purchases will only be made if the Directors believe that to do so would result in an increase in the Group's earnings per share and would be in the best interests of shareholders generally.

The Resolution, which will be proposed as a Special Resolution, specifies the maximum number of shares which may be acquired (10% of the Company's issued share capital as at 19 May 2015) and minimum and maximum prices at which they may be bought. There are options outstanding at the date of this Notice over approximately 7.2 million Ordinary Shares, representing 0.73% of the issued share capital; if the authority given by Resolution 15 were to be fully used, these options would represent 0.81% of the share capital in issue on that date.

Any shares purchased in this way will either be cancelled (and the number of shares in issue reduced accordingly) or held in treasury. Shares held in treasury may subsequently be sold for cash (within the limit of the shareholder pre-emption disapplication contained in Resolution 14), cancelled, or used for the purposes of employee share schemes. The Directors believe that it is desirable for the Company to have this flexibility. No dividends will be paid on shares whilst held in treasury and no voting rights will be exercisable in respect of treasury shares. Treasury shares transferred for the purposes of the Company's employee share schemes will count towards the limits in those schemes on the number of New Shares which may be issued.

No Ordinary Shares were purchased by the Company during the year ended 31 March 2015. The Company does not currently hold any treasury shares.

Resolution 16: Notice period for general meetings

Resolution 16 will be proposed as a Special Resolution and would allow the Company to hold general meetings (other than annual general meetings) on 14 days' notice.

Annual general meetings must always be called with at least 21 days' notice but other general meetings of the Company may be called on less notice if shareholders agree to a shorter period. At the AGM in 2014, a resolution was passed which allowed the Company to hold general meetings (other than annual general meetings) on 14 days' notice. The Board is proposing a similar resolution to renew the authority granted last year. The approval will be effective until the Company's next AGM, when it is intended that the approval will be renewed.

This shorter notice period would not be used as a matter of routine. Instead, the Board will consider on a case by case basis whether the flexibility offered by the shorter notice period would be in the best interests of shareholders generally, taking into account the circumstances and business of the meeting.

Resolution 17: Renewal of Scrip Dividend Scheme

The Directors are proposing that the Company renew the authority (originally granted at the 2010 AGM) to operate an optional Scrip Dividend Scheme to commence with the proposed final dividend for the year ended 31 March 2015 which is payable on 18 September 2015. The Scrip Dividend Scheme gives shareholders the right to elect to receive new Ordinary Shares in the capital of the Company (credited as fully paid) instead of cash. The Directors believe that the offer of the Scrip Dividend Scheme is advantageous and allows shareholders to increase their shareholding in the Company in a simple manner without paying dealing costs or stamp duty. The Scrip Dividend Scheme also gives the Company greater flexibility in managing its capital resources by retaining cash within the business. The Scrip Dividend Scheme is subject to shareholder approval. In line with relevant investor protection guidelines, the authority contained in Resolution 17 is sought for three years, and will therefore expire on the day of the annual general meeting to be held in 2018. Unless circumstances change, the Directors would expect to seek an extension of this authority before it expires.

Details of how the Scrip Dividend Scheme operates are explained in the Terms and Conditions which forms part of this document, and can also be found on www.sse.com. If renewed, the Scrip Dividend Scheme will continue to allow existing participants to receive Ordinary Shares for every cash dividend entitlement where the Scrip alternative is offered, unless and until they notify the Company otherwise. Shareholders who wish to participate in the Scrip Dividend Scheme will need to complete a Scrip Dividend Mandate Form in accordance with the Terms and Conditions. Shareholders

Explanatory notes to the proposed resolutions continued

who hold their Ordinary Shares in CREST can only participate in the Scrip Dividend Scheme by use of the CREST Dividend Election Input Message. Evergreen instructions are not permitted and shareholders must complete a Dividend Election Input Message on each occasion otherwise any dividend entitlement will be paid in cash.

The number of New Shares that shareholders will be entitled to receive under the Scrip Dividend Scheme will be calculated by reference to the amount of the cash dividend, the number of shares held and the Scrip Reference Share Price. The Scrip Reference Share Price is the average closing middle market quotations for the Company's shares over five dealing days commencing on the ex-dividend date for each dividend. In accordance with the Articles of Association of the Company, approval is sought to capitalise sums standing to the credit of the reserves of the Company, including the share premium account. This would enable the Directors to apply such sums in paying up in full the nominal amounts of New Shares allotted to shareholders pursuant to the elections under the Scrip Dividend Scheme.

If renewed by shareholders, the Scrip Dividend Scheme will operate for the final dividend of 61.8 pence per share for the year ended 31 March 2015, payable on 18 September 2015, and for future dividends during the period when the Scrip Dividend Scheme is in effect. An expected timetable of events in relation to the final dividend for the year ended 31 March 2015 is set out below. Information in respect of future Scrip Dividends will be announced on the London Stock Exchange and made available on the Company's website: www.sse.com.

Scrip Dividend timetable for the final dividend for the year ended 31 March 2015

23 July 2015	Ex-dividend date
24 July 2015	Record date
23 to 29 July 2015	Scrip Reference Share Price calculation period
30 July 2015	Scrip Reference Share Price announced
21 August 2015	Last date for receipt of Scrip elections
18 September 2015	Dividend payment/issue of New Shares

If every shareholder elects to participate in the Scrip Dividend Scheme for their entire holding, based on the proposed final dividend of 61.8 pence per share and an indicative share price of £16.96 (closing price as at 19 May 2015), the maximum number of shares that could be awarded would be 36,186,285 representing approximately 3.64% of the issued share capital of the company as at 19 May 2015. If no elections for the Scrip Dividend Scheme are received, based on the proposed final dividend of 61.8 pence per share and the issued share capital as at 19 May 2015, being the last practical date before the publication of this Notice, the total cash dividend payable to shareholders will be £613.7m.

Resolution 18: Dividend Ratification

The Board has recently become aware of a technical issue with regard to the Company's procedure for the payment of the final dividend to shareholders in September 2014 and the interim dividend to shareholders in March 2015 (together, the "Dividends").

The Company has always filed its accounts on time as required by the Companies Act 2006 ("CA 2006") and had sufficient profits and funding in place to pay its dividends. However, under CA 2006, a public company can only pay a dividend out of its distributable profits as shown in the last accounts filed with Companies House. A public company can file interim accounts with Companies House showing a more recent distributable profit position if the last filed accounts do not show sufficient distributable profits.

When the Company paid each of the Dividends, although it had sufficient distributable reserves to make each payment at each payment date, interim accounts showing the requisite level of distributable profits had not been filed with the Registrar of Companies and as a result, each Dividend was paid in technical infringement of CA 2006.

The Company has been advised that it may have claims against past and present shareholders who were recipients of the Dividends to recover the amount paid by way of the dividends. Similarly, the Company has also been advised that it may have claims against Directors of the Company at the time the decision was taken to pay each of the Dividends or who have subsequently been appointed.

It is clearly not the intention of the Company that any such claims should be made by the Company against either its shareholders or its Directors. The position can be remedied by the shareholders passing a resolution which puts shareholders and directors into the position in which they were always intended to be. Resolution 18, which is proposed as a Special Resolution, will ratify the appropriation of profits to the payment of each Dividend, waive any rights of the Company against both past and present shareholders of the Company who received the Dividends, waive any rights of the Company against past and present directors of the Company in respect of each Dividend, and approve the Company entering into deeds of release in favour of such shareholders and directors. Copies of the form of the deeds of release are available for inspection in the manner described in paragraph 13 of the Important notes.

By virtue of the deeds of release, the Company will release the shareholders who appeared on the Register of Members on the record date for the Dividends from any and all claims which it has or may have in respect of the payment of the Dividends and will release the past and present directors of the Company from any and all claims which it has or may have arising at any time in respect of the payment of the Dividends.

As a result of their interest in its subject-matter, the Directors will not vote on Resolution 18.

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Board of Directors



Richard Gillingwater CBE
Deputy Chairman and
Senior Independent Director



Alistair Phillips-Davies
Chief Executive



Gregor Alexander
Finance Director

Nationality	UK	UK	UK
Date of appointment	Non-Executive Director since May 2007. Senior Independent Director since July 2012. Deputy Chairman since January 2015.	Appointed an Executive Director in January 2002 and appointed Chief executive in July 2013.	Appointed Finance Director in October 2002.
Committee membership	Chairman of the Remuneration Committee. Member of the Nomination and Audit Committees.	Member of the Nomination Committee.	Member of the Nomination Committee.
Background	<p>Richard was, most recently, Dean of Cass Business School, London. Prior to this 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.</p> <p>He has previously served as Chief Executive then Chairman of the Shareholder Executive. He has been the Chairman of CDC Group and a non-Executive director of P&O, Debenhams, Tomkins, Qinetiq Group and Kidde.</p>	<p>Alistair has over 18 years' service with the Group, having joined Southern Electric plc in 1997. Prior to that he worked for HSBC and National Westminster Bank in corporate finance and business development roles in London and New York.</p> <p>He has extensive experience in the energy sector and in growing businesses in the Wholesale, Retail and Enterprise and other commercial areas of SSE. In addition he has led many of the Group's most significant transactions since the merger in 1998 which formed the Group.</p> <p>As Chief Executive he is responsible for delivering the strategy of the Group and leading on safety; operational performance; and development of the people and culture agendas in SSE.</p> <p>He is a chartered accountant and former Chairman of the Energy Retail Association.</p>	<p>Gregor has over 24 years' service with the Group, having joined Scottish Hydro-Electric plc in 1990. He is a chartered accountant.</p> <p>Gregor has SSE Board-level responsibility for Finance, Investor Relations, Risk, Audit and Insurance, Procurement and Logistics, IT, and Corporate Business Services.</p> <p>He is the sponsoring Board member for SSE's businesses in Ireland, Chairman of the Scottish and Southern Energy Power Distribution Board and Chairman of 50%-owned Scotia Gas Networks Ltd.</p>
Key appointments	<p>Chairman of Henderson Group plc. Senior Independent Director of Helical Bar plc. He has resigned as Senior Independent Director of Hiscox Ltd with effect from 20 May 2015 and as a non-Executive Director of Wm Morrison Supermarkets plc with effect from 4 June 2015, in order to ensure that he has the appropriate capacity to Chair SSE.</p> <p>Pro-Chancellor of the Open University.</p>	<p>Director of Energy UK and member of the Accenture Global Energy Board.</p>	<p>Non-Executive Director of Stagecoach Group plc.</p>



Jeremy Beeton CB
Non-Executive Director



Katie Bickerstaffe
Non-Executive Director



Dame Susan Bruce DBE
Non-Executive Director



Peter Lynas
Non-Executive Director

UK

Non-Executive Director since July 2011.

UK

Non-Executive Director since July 2011.

UK

Non-Executive Director since September 2013.

UK

Non-Executive Director from 1 July 2014.

Chairman of the Safety, Health and Environment Advisory Committee. Member of the Remuneration and Nomination Committees.

Member of the Nomination and Remuneration Committees.

Member of the Audit, Nomination and Safety, Health and Environment Advisory Committees.

Chairman of the Audit Committee. Member of the Nomination Committee.

Jeremy was the 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, where he had responsibility for the management and delivery of Bechtel's civil engineering projects in infrastructure and aviation business lines.

Jeremy is a civil engineer.

From 2008 to 2012, Katie served as Director of Marketing, People and Property (Dixons).

Previously she was Managing Director of Kwik Save Ltd and Group Retail Director and Group HR Director at Somerfield plc.

Her earlier career included roles at Dyson Ltd, PepsiCo Inc and Unilever PLC.

Sue has had an extensive career in local government and has held a number of senior positions including Chief Executive at East Dunbartonshire Council and Aberdeen City Council before taking up the role of Chief Executive at the City of Edinburgh Council. Sue has given notice of her retirement from local government and she will leave by October 2015 in her 40th year of service.

Sue has an M.Phil. Politics/ Government; LLB, Scots Law; D. Univ (Hon) and is a Fellow of the RSA.

Peter 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.

He was a Board director of Marconi's European joint venture companies, Alenia Marconi Systems and Matra Marconi Space, and has been a Chairman of the trustee board of a major pension scheme.

Peter is a Fellow of the Chartered Association of Certified Accountants.

Member of the Court of Strathclyde University.

Sits on the Advisory Board of PwC, the Supervisory Board of Imtech and is Chairman of Merseylink Ltd.

Non-Executive Director of A Proctor Group Ltd and non-Executive Director of John Laing Group plc.

Chief Executive, UK and Ireland Dixons Carphone plc.

Chief Executive, The City of Edinburgh Council; non-Executive Director of The Scottish Council for Development and Industry; Chair of Young Scot; Visiting Professor, The International Institute of Public Policy, University of Strathclyde.

Group Finance Director of BAE Systems plc and a member of the BAE Systems Inc Board in the US.

Important notes

The following notes explain your general rights as a shareholder and your right to attend and vote at the meeting or to appoint someone else to vote on your behalf.

1. Issued share capital and total voting rights

As at 19 May 2015 (being the last practicable day prior to the printing of this Notice) the issued share capital of the Company consisted of 993,073,475 Ordinary Shares, with a nominal value of 50p each and carrying one vote each. Accordingly, the total voting rights in the Company as at 19 May 2015 are 993,073,475.

2. Entitlement to attend and vote

Pursuant to Regulation 41 of the Uncertificated Securities Regulations 2001, and section 360B(2) of the Companies Act 2006, the Company specifies that only shareholders registered in the Register of Members of the Company as at 6pm (BST) on 21 July 2015 or, in the event that the AGM is adjourned, registered in the Register of Members of the Company 48 hours before the time of the adjourned meeting(s), shall be entitled to attend and vote at the AGM in respect of the number of Ordinary Shares registered in their name at that time. Save in relation to any adjourned meeting(s), changes to entries on the Register of Members of the Company after 6pm (BST) on 21 July 2015 shall be disregarded in determining the rights of any person to attend and vote at the AGM.

3. Voting at the AGM

Voting on each of the resolutions to be put to the AGM will be taken on a poll, rather than a show of hands, to reflect the number of shares held by a shareholder, whether or not the shareholder is able to attend the meeting. At the registration desk, shareholders will be provided with an electronic voting device and guidance note. As soon as practicable following the AGM, the results of the voting will be announced via a Regulatory Information Service and also placed on the Company's website www.sse.com.

4. Proxies

A shareholder entitled to attend, speak and vote at the AGM may appoint one or more proxies to attend, speak and vote at the AGM on their behalf provided that (if more than one) each proxy is appointed to exercise the rights attached to different shares held by the shareholder. A proxy need not be a shareholder of the Company. In the case of joint shareholders, the vote of the first named in the Register of Members of the Company who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the votes of other joint holders.

Appointing a proxy will not prevent a shareholder from attending in person and voting at the meeting (although voting in person at the meeting will terminate the proxy appointment).

5. Appointment of proxy using the hard-copy Form of Proxy

A Form of Proxy which may be used to make such appointment and give proxy instructions accompanies this Notice.

To be valid, the appointment of a proxy, and the original or duly certified copy of the power of attorney or other authority (if any) under which it is signed or authenticated, should reach the Registrar, Capita Asset Services, Shareholder Solutions, 34 Beckenham Road, Beckenham BR3 4TU no later than 12 noon on 21 July 2015 (or, if the meeting is adjourned, 48 hours before the time fixed for holding the adjourned meeting).

If you appoint more than one proxy, additional Form(s) of Proxy can be obtained by contacting Capita Asset Services on 0345 143 4005 (calls cost 10p per minute plus network extras, lines are open Monday to Friday 9am to 5.30pm).

6. Electronic appointment of proxy

You can appoint a proxy electronically by accessing our website www.sse.com and clicking on the AGM 2015 link on the homepage. You will be asked to enter your Investor Code printed on the Form of Proxy and to agree to certain terms and conditions. On submission of your vote you will be issued with a reference number. For an electronic proxy appointment to be valid, it must be received by the Registrar no later than 12 noon on 21 July 2015. Should you complete your Form of Proxy electronically and then post a hard copy, the form that arrives last will be counted to the exclusion of instructions received earlier, whether electronic or postal. Please refer to the terms and conditions of the service on the website.

7. Appointment of proxies through CREST

CREST members who wish to appoint a proxy or proxies through the CREST electronic proxy appointment service may do so by using the procedures described in the CREST Manual. CREST Personal Members or other CREST Sponsored Members, and those CREST members who have appointed a service provider(s), should refer to their CREST sponsor or voting service provider(s), who will be able to take the appropriate action on their behalf.

In order for a proxy appointment or instruction made using the CREST service to be valid, the appropriate CREST message (a 'CREST Proxy Instruction') must be properly authenticated in accordance with Euroclear UK & Ireland Limited's specifications, and must contain the information required for such instruction, as described in the CREST Manual (available via www.euroclear.com/CREST).

The message, regardless of whether it constitutes the appointment of a proxy or is an amendment to the instruction given to a previously appointed proxy must, in order to be valid, be transmitted so as to be received by the issuer's agent (ID RA10) by 12 noon on 21 July 2015. For this purpose, the time of receipt will be taken to be the time (as determined by the time stamp applied to the message by the CREST Application Host) from which the issuer's agent is able to retrieve the message by enquiry to CREST in the manner prescribed by CREST. After this time any change of instructions to proxies appointed through CREST should be communicated to the appointee through other means.

CREST members and, where applicable, their CREST sponsors, or voting service providers should note that Euroclear UK & Ireland Limited does not make available special procedures in CREST for any particular message. Normal system timings and limitations will, therefore, apply in relation to the input of CREST Proxy Instructions. It is the responsibility of the CREST member concerned to take (or, if the CREST member is a CREST personal member, or sponsored member, or has appointed a voting service provider, to procure that their CREST sponsor or voting service provider(s) take(s)) such action as shall be necessary to ensure that a message is transmitted by means of the CREST system by any particular time. In this connection, CREST members and, where applicable, their CREST sponsors or voting system providers are referred, in particular, to those sections of the CREST Manual concerning practical limitations of the CREST system and timings.

The Company may treat as invalid a CREST Proxy Instruction in the circumstances set out in Regulation 35(5)(a) of the Uncertificated Securities Regulations 2001.

8. Corporate representatives

Any corporation which is a shareholder can appoint one or more corporate representatives who may exercise on its behalf all of its powers as a shareholder provided that they do not do so in relation to the same shares.

9. Nominated persons

Any person to whom this notice is sent who is a person nominated under section 146 of the Companies Act 2006 to enjoy information rights (a 'Nominated Person') may, under an agreement with the shareholder by whom they were nominated, have a right to be appointed (or to have someone else appointed) as a proxy for the AGM. If a Nominated Person has no such proxy appointment right or does not wish to exercise it, they may under such an agreement, have a right to give instructions to the shareholders as to the exercise of voting rights. The statement of the rights of shareholders in relation to appointment of proxies in paragraph 4 of these notes does not apply to Nominated Persons. The rights described in this paragraph can only be exercised by shareholders of the Company.

10. Right to ask questions

Any shareholder or appointed proxy/proxies attending the AGM has the right to ask questions. Shareholders may also submit questions in writing in advance of the AGM to the Company Secretary at the Company's registered office. The Company must cause to be answered any such question relating to the business being dealt with at the AGM but no such answer need be given if (a) to do so would interfere unduly with the preparation for the AGM or involve the disclosure of confidential information, (b) the answer has already been given on a website in the form of an answer to a question, or (c) it is undesirable in the interests of the Company or the good order of the AGM that the question be answered.

11. Publication of audit concerns on the Company's website

Under section 527 of the Companies Act 2006 shareholders meeting the threshold requirements set out in that section have the right to require the Company to publish on a website a statement setting out any matter relating to: (i) the audit of the Company's accounts (including the Auditors' Report and the conduct of the audit) that are to be laid before the AGM; or (ii) any circumstances connected with an Auditor of the Company ceasing to hold office since the previous meeting at which the Annual Report and Accounts were laid in accordance with section 437 of the Companies Act 2006. Where the Company is required to place a statement on a website under section 527 of the Companies Act 2006, it must forward the statement to the Company's Auditors not later than the time when it makes the statement available on the website. The business which may be dealt with at the AGM includes any statement that the Company has been required under section 527 of the Companies Act 2006 to publish on a website.

12. Information available on the Company's website

Copies of the Notice of Annual General Meeting 2015, the Annual Report and Accounts 2015, terms and conditions of the Scrip Dividend Scheme and other information required by section 311A of the Companies Act 2006 can be found at www.sse.com.

13. Documents available for inspection

Copies of Directors' service contracts, non-Executive Directors' letters of appointment, and in connection with Resolution 18, the Deed of Release in favour of Shareholders and the Deed of Release in favour of the Company's Directors will be available for inspection at the registered office of the Company during normal business hours on any weekday (public holidays excepted) from the date of this Notice until the date of the AGM and thereafter at the place of the AGM from 11.30am until the conclusion of the AGM.

14. Communication

You may not use any electronic address provided in either this Notice or any related documents (including the Form of Proxy) to communicate with the Company for any purposes other than those expressly stated.

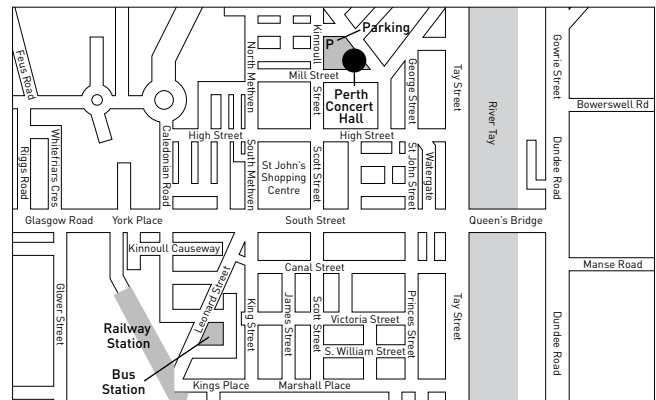
Important notes continued

Location map

Perth Concert Hall, Mill Street, Perth PH1 5HZ

Perth Concert Hall is situated close to the River Tay and is within walking distance of both the Railway Station and Bus Station.

- If travelling by car, follow signs for the city centre.
There is a car park at the rear of the Concert Hall. This is accessed from Kinnoull Street. This 550-space multi-storey car park is open from 7am-midnight Monday to Saturday. It is a pay-and-display car park meaning that the charge must be paid on arrival.
- A Park+Ride facility for 250 vehicles is available at the Broxden roundabout. This is situated at the junction of the M90/A9 bypass with the A9 Stirling Road.
- A second Park+Ride operates from a car park adjacent to the A94 at the north end of Scone.



Terms and Conditions of the SSE plc Scrip Dividend Scheme

This document is important. If you are in any doubt as to the action you should take, you should seek your own advice from an independent professional adviser.

1. What is The SSE plc Scrip Dividend Scheme?

The SSE plc Scrip Dividend Scheme (the Scrip Dividend Scheme) is a scheme designed to enable Shareholders of SSE plc to receive New Shares instead of cash dividends. This enables Shareholders to increase their shareholdings in SSE plc without incurring dealing costs or stamp duty.

Shareholder approval to offer the Scrip Dividend Scheme was first granted at the Company's Annual General Meeting (the AGM) on 22 July 2010. The renewal of the Scrip Dividend Scheme is subject to shareholder approval, which is being sought for a period of three years, after which the authority will need to be renewed.

Conditions to the Scrip Dividend Scheme

The allotment and issue of New Shares pursuant to the Scrip Dividend Scheme is, at all times, conditional upon:

- all authorities in respect thereof being in full force and effect, including the passing of any resolution of the Company required by law, regulations or the Company's Articles of Association; and
- the admission to the Official List of the United Kingdom Listing Authority and to trading on the Main Market of the London Stock Exchange of such New Shares.

If, for any reason, these conditions are not satisfied such that the Company cannot allot and issue New Shares pursuant to the Scrip Dividend Scheme in respect of any dividend, participants will receive cash (as opposed to New Shares) in respect of that dividend.

2. Who can join the Scrip Dividend Scheme?

All UK shareholders can join the Scrip Dividend Scheme. Overseas Shareholders may be eligible to participate – please refer to Question 14.

3. How do I join the Scrip Dividend Scheme?

You can join the Scrip Dividend Scheme by completing a Scrip Dividend Mandate Form (which may be amended from time to time) and sending it to Capita Asset Services at the address given at Question 20. A Scrip Dividend Mandate Form may be obtained from the Company's website www.sse.com or upon request from Capita Asset Services.

Alternatively, you can join the Scrip Dividend Scheme online by completing the electronic equivalent of the Scrip Dividend Mandate Form via www.sse-shares.com.

Scrip Dividend Mandate Forms (hard copy and electronic) must be received by Capita Asset Services no later than 4.30pm on such date that is at least 20 business days before the dividend payment date for the relevant dividend to be eligible to receive New Shares instead of cash for that, and subsequent, dividends. Forms received after that time will be applied in time for the next dividend. Please note that no acknowledgement of receipt of Scrip Dividend Mandate Forms will be issued.

Scrip Dividend Mandate Forms, once completed, remain in force for all future dividends until cancelled in writing. For further details see Question 17.

Shareholders who hold their Ordinary Shares in CREST can only elect to receive dividends in the form of New Shares by use of the CREST Dividend Election Input Message. Any Scrip Dividend Mandate Forms or other forms of instruction received from CREST holders will not be accepted and ignored. For further details please refer to Question 4.

4. What if my Ordinary Shares are held in CREST?

If your shareholding is in uncertificated form in CREST (and was in uncertificated form as at the relevant record date), you can only elect to receive your dividend in the form of New Shares by means of the CREST procedure to effect such an election. No other method of election will be permitted under the Scrip Dividend Scheme and will be rejected. CREST shareholders, by effecting their elections by means of the CREST procedure, will be taken to have confirmed their election to participate in the Scrip Dividend Scheme and to have confirmed their acceptance of these terms and conditions, as amended from time to time.

If you are a CREST sponsored member, you should consult your CREST sponsor, who will be able to take appropriate action on your behalf. All elections made via the CREST system should be submitted using the Dividend Election Input Message in accordance with the procedures as stated in the CREST Reference Manual.

The Dividend Election Input Message submitted must contain the number of shares on which the election is being made. If the relevant field is left blank or completed with zero, the election will be rejected. If you enter a number of shares greater than the holding in CREST on the relevant record date, the election will be applied to your total holding as at the relevant record date for the dividend. Evergreen elections will not be permitted. If you wish to receive New Shares instead of cash in respect of future dividends for which a Scrip Dividend alternative is offered, you must complete a Dividend Election Input Message on each occasion otherwise you will receive your dividend in cash. Elections via CREST should be received by CREST no later than 4.30pm on such date that is at least 20 business days before the dividend payment date for the relevant dividend in respect of which you wish to make an election.

Once an election is made using the CREST Dividend Election Input Message it cannot be amended. Therefore, if a CREST shareholder wishes to change their election, the previous election would have to be cancelled.

5. How many New Shares will I receive under the Scrip Dividend Scheme?

Your entitlement to New Shares will be calculated by taking the amount of cash dividend to which you are entitled (plus any residual cash brought forward from a previous Scrip

Terms and Conditions of The SSE plc Scrip Dividend Scheme continued

Dividend) and dividing it by the Scrip Reference Share Price. The Scrip Reference Share Price is the average of the closing middle market quotations for the Company's Ordinary Shares, as derived from the London Stock Exchange Daily Official List, for the five dealing days commencing on the relevant ex-dividend date. Details of the Scrip Reference Share Price will be announced on the London Stock Exchange and posted on the Company's website www.sse.com.

The formula which will be used is as follows:

$$\begin{array}{l} \text{Number of Ordinary Shares held at relevant dividend record date} \\ \text{multiplied by} \\ \text{the cash dividend rate} \\ \text{added to} \\ \text{any fractional cash entitlement carried forward from last dividend} \\ \text{divided by} \\ \text{the Scrip Reference Share Price} \end{array}$$

See example below:

Example

Number of Ordinary Shares held	1000
Dividend paid per Ordinary Share	61.8p (£0.618)
Scrip Reference Share Price ¹	£16.96

Step 1 – calculate maximum cash available

Cash dividend payable:	
1000 x £0.618	£618

Step 2 – calculate number of New Shares to be issued

Maximum cash available (Step 1) divided by the Scrip Reference Share Price: 618 ÷ 16.96	36.44 shares
Number of whole New Shares acquired	36 shares
Value of New Shares acquired (number of shares multiplied by the Scrip Reference Share Price): 36 x £16.96	£610.56

Step 3 – calculate residual cash balance carries forward

Maximum cash available (Step 1) less value of New Shares (Step 2)	£7.44
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Note

¹ This Scrip Reference Share Price used in this example is the closing price as at 19 May 2015, the date of the Notice of Meeting. This price is indicative for illustrative purposes only. The Scrip Reference Share Price will be calculated according to the Terms and Conditions of the Scrip Dividend Scheme.

6. What will happen with any Scrip Dividend Scheme cash balance?

No fraction of a New Share will be allotted and calculation of entitlement to New Shares will always be rounded down to the nearest whole share. Any residual cash balance will be carried forward to be included in the calculation of the next dividend. For shareholdings in CREST, residual cash balances of £3.00 or more will be paid to CREST shareholders in cash (by cheque) on or as soon as practicable to dividend payment date. Any residual amount of £2.99 or less will be paid to a charity of the Company's choice. No interest will be paid on any residual cash balances.

If you withdraw from the Scrip Dividend Scheme or sell or transfer your entire holding of Ordinary Shares, or if the Company terminates the Scrip Dividend Scheme, any cash balance of £3.00 or more will be paid to any such Shareholder in cash (by cheque) on or as soon as practicable after the cancellation. Where any such residual amount is £2.99 or less such sums will be paid to a charity of the Company's choice.

7. How will I know how many New Shares I have received?

You will receive a statement, along with your New Share certificate, showing the number of New Shares allotted, the relevant Scrip Reference Share Price and the total cash equivalent of the New Shares for tax purposes. If your cash dividend entitlement, together with any residual cash entitlement brought forward, is insufficient to acquire at least one New Share, your statement will explain that no New Shares have been issued and will show the total amount of cash to be carried forward.

CREST holders will have their member accounts credited directly with the New Shares on the dividend payment date or as soon as practicable thereafter and will separately receive a statement showing the number of New Shares allotted, the relevant Scrip Reference Share Price and the total cash equivalent of the New Shares for tax purposes.

8. Will I have to apply again for the Scrip Dividend Scheme for the next dividend?

No. Your completed Scrip Dividend Mandate Form will apply for all future dividends for which a Scrip Dividend is offered. For the avoidance of doubt, existing Scrip Dividend Mandate Forms executed by shareholders previously will remain effective and will apply to future dividends for which a Scrip alternative is offered unless the mandate is cancelled in accordance with these terms and conditions.

Shareholders holding via CREST will, however, need to elect for each dividend by means of the Dividend Election Input Message.

9. Are my new Scrip Dividend Shares included in the next Scrip Dividend?

Provided you continue to hold them at the relevant dividend record date, all New Shares will automatically increase your shareholding on which the next entitlement to a Scrip Dividend alternative will be calculated. Where your cash dividend is insufficient to acquire New Shares, funds representing your fractional cash entitlement will be accumulated for your benefit. These funds will be added to the cash amount of any subsequent dividends (in respect of which a Scrip Dividend alternative is offered) and applied in calculating your entitlement under that offer. Please note that there will be no accumulation of fractional cash entitlement for shareholdings in CREST.

All accumulated fractional cash entitlements of a value of £2.99 or less will, if you cancel your mandate or dispose of your entire shareholding, be paid to a charity of the Company's choice.

10. Will my New Shares under the Scrip Dividend Scheme have the same voting rights as my existing Ordinary Shares?

Yes. New Shares will carry the same voting rights as your existing Ordinary Shares.

11. When will I receive my share certificate?

Subject to the New Shares being admitted to the Official List of the United Kingdom Listing Authority, and to trading on the London Stock Exchange, your New Share certificate will be posted to you, at your own risk, on the same date as the cash dividend is paid.

12. Does the Scrip Dividend Scheme apply to Ordinary Shares held in joint names?

Yes. The Scrip Dividend Scheme will apply to shareholding accounts in joint names, so long as all joint holders have signed the Scrip Dividend Mandate Form.

13. Can I complete a Scrip Dividend Mandate Form for part of my holding?

No. Scrip Dividend Mandate Forms will only be accepted in relation to your entire shareholding. However see Question 16 for details of separate shareholding accounts.

14. Can Overseas shareholders join the Scrip Dividend Scheme?

Yes. If you are a resident outside the UK you may treat this as an invitation to receive New Shares unless such an invitation could not lawfully be made to you without any further obligation on the part of the Company or in compliance with any registration or other legal requirements. It is the responsibility of any person resident outside the UK wishing to elect to receive New Shares to be satisfied as to full observance of the laws of the relevant territory, including obtaining any government or other consents which may be required and observing any other formalities in such territories.

15. What happens if I sell/buy shares after I complete a Scrip Dividend Mandate Form?

If you sell some of your Ordinary Shares before a record date for a dividend, the Scrip Dividend Scheme will apply to the remainder of your Ordinary Shares.

If you buy any additional Ordinary Shares after a record date, these additional shares will not be eligible to receive the cash dividend or New Shares, but will be eligible for future dividends without a new Scrip Dividend Mandate Form being completed so long as they are registered in the same way as your existing shareholding. If your Ordinary Shares are not registered in the same way, you may request your shareholding accounts to be amalgamated and/or you may complete a new Scrip Dividend Mandate Form in respect of your new shareholding.

16. What happens if I have more than one holding?

Holding shares in different accounts is a means by which you may select different preferences for dividend payments. For example, if for any reason shares are registered in more than one shareholder account, then unless such multiple accounts are consolidated, they will be treated as separate. As a result separate Scrip Dividend Mandate Forms will need to be completed (and received by Capita Asset Services as set out at Question 3) for each shareholder account in order to participate in the Scrip Dividend Scheme. For the avoidance of doubt, dividends will be paid in cash for any shareholder accounts in which a Scrip Dividend Mandate Form has not been validly received by Capita Asset Services.

17. Can I cancel my instructions?

Yes, you may cancel your mandate at any time. However notice of cancellation must be given in writing to Capita Asset Services no later than 4.30pm on such date that is at least 20 business days before the relevant dividend payment date for it to be effective for that dividend. Shareholders holding through the CREST system can only cancel their mandate via the CREST system. In such circumstances Shareholders would receive cash for that dividend and subsequent dividends. A notice of cancellation will take effect upon its receipt and process by Capita Asset Services in respect of all dividends payable after the date of receipt of such notice.

Your mandate will be deemed to be cancelled if you sell or otherwise transfer your Ordinary Shares to another person but only with effect from the registration of the relevant transfer. Your mandate will also terminate immediately on receipt of notice of your death, notice of your insolvency or your inability to maintain your financial affairs due to mental incapacity. If a joint Shareholder dies, the mandate will continue in favour of the surviving joint Shareholder(s) (unless and until cancelled by the surviving joint Shareholder(s)). Funds representing fractional cash entitlements accumulated on your behalf of £2.99 or less will, on cancellation of your mandate, be paid to a charity of the Company's choice.

Terms and Conditions of The SSE plc Scrip Dividend Scheme continued

18. Can the Company change or cancel the Scrip Dividend Scheme?

Yes. The Scrip Dividend Scheme may be modified, suspended, terminated or cancelled at any time at the discretion of the Directors without notice to Shareholders individually. In the case of any modification, existing mandates (unless otherwise specified by the Directors) will be deemed to remain valid under the modified arrangements unless and until Capita Asset Services receive a cancellation in writing from you. The operation of the Scrip Dividend Scheme is always subject to the Directors' decision to make an offer of New Shares in respect of any particular dividend. The Directors also have the power, after such an offer is made, to revoke the offer generally at any time prior to the allotment of the New Shares under the Scrip Dividend Scheme. This may, in particular, be exercised if 20 business days prior to the dividend payment date, the price of an Ordinary Share of the Company has fallen 15% or more below the Scrip Reference Share Price used to calculate Shareholders' entitlements. If the Directors revoke an offer, Shareholders will receive their dividends in cash on or as soon as possible after the dividend payment date. An announcement of any cancellation or modification to the terms and conditions of participation in the Scrip Dividend Scheme will be made on our website at www.sse.com.

19. Governing Law

The Scrip Dividend Scheme is subject to the Company's Articles of Association and is governed by and its terms are to be construed in accordance with Scots law. By electing to receive New Shares the Shareholder agrees to submit to the exclusive jurisdiction of the Scottish courts in relation to the Scrip Dividend Scheme.

20. What do I do if I have any questions?

If you have any questions about the procedure for election or on how to complete the Scrip Dividend Mandate Form, please contact Capita Asset Services between 9am and 5.30pm (London time) Monday to Friday (except UK public holidays) on 0345 143 4005 (calls cost 10p per minute plus network extras) from within the UK. Calls to the helpline from outside the UK will be charged at applicable international rates. Different charges may apply to calls from mobile telephones and calls may be recorded and randomly monitored for security and training purposes. The helpline cannot provide advice on the merits of the Scrip Dividend Scheme nor give any personal financial, legal or tax advice. Additional Scrip Dividend Mandate Forms are available from Capita Asset Services on request. Alternatively you may email Capita Asset Services at sse@capita.co.uk.

Scrip Dividend Mandate Forms should be returned to the following address:

Capita Asset Services, Corporate Actions, The Registry,
34 Beckenham Road, Beckenham, Kent, BR3 4TU.

Requests to withdraw from the Scrip Dividend Scheme should be submitted in writing to the same address stated above.

21. Taxation

The tax consequences of electing to receive New Shares in place of a cash dividend will depend on your individual circumstances. If you are not sure how you will be affected from a tax perspective, you should consult your solicitor, accountant or other professional adviser before taking any action. UK resident trustees, corporate, pension funds and other Shareholders, including overseas Shareholders, are advised to contact their professional advisors regarding their own tax circumstances in relation to the Scrip Dividend Scheme. Summary information on the Company's understanding of the consequences of electing to receive New Shares, as this process applies under United Kingdom legislation and Her Majesty's Revenue and Customs is outlined, in broad terms, under Taxation separately. This summary is not exhaustive.

If you wish to receive dividends in cash in the usual way you need take no further action and should not complete or return a Scrip Dividend Mandate Form.

Definitions

Articles of Association means the Articles of Association of the Company as amended from time to time.

Capita Asset Services means the Company's Registrar, and is a trading name of Capita Registrars Limited.

CREST means the relevant system (as defined in the Uncertificated Securities Regulations 2001 (SI/3755)) in respect of which Euroclear UK & Ireland Limited is the operator.

Directors means the Directors of SSE plc.

London Stock Exchange means the London Stock Exchange plc.

New Shares means new fully paid Ordinary Shares issued under the Scrip Dividend Scheme.

Ordinary Shares means Ordinary Shares of 50 pence each in the capital of the Company.

SSE plc or Company means SSE plc.

The SSE plc Scrip Dividend Scheme or the Scrip Dividend Scheme means The SSE plc Scrip Dividend Scheme as comprised under and subject to the terms and conditions contained in this document as amended from time to time.

Scrip Dividend Mandate Form or mandate means a mandate in a form (paper or online) provided by the Company from a Shareholder to the Directors to allot New Shares under the terms of the Scrip Dividend Scheme in lieu of a cash dividend to which they may become entitled from time to time.

Scrip Reference Share Price means the price of New Shares, calculated by reference to the average of the closing middle market quotations for the Company's Ordinary Shares, as derived from the London Stock Exchange Daily Official List, for the five dealing days commencing on the relevant ex-dividend date.

Shareholder means a holder of Ordinary Shares in the Company.

UKLA means the United Kingdom Listing Authority.

UK or United Kingdom means the United Kingdom of Great Britain and Northern Ireland and its dependent territories.

Taxation

The tax consequences of electing to receive New Shares in place of a cash dividend will depend on Shareholders' individual circumstances. If Shareholders are not sure how they will be affected from a tax perspective, they should consult their solicitor, accountant or other professional adviser before taking any action.

United Kingdom taxation

The following information is provided as a general guide to current UK tax law and to the current practice of Her Majesty's Revenue and Customs, both of which are subject to change at any time, possibly with retrospective effect. It is not advice. Except where specifically stated, the information is intended to apply only to Shareholders who are resident (or in the case of an individual, domiciled and resident or ordinarily resident) in the UK for UK tax purposes, who hold Ordinary Shares as investments and who are the absolute beneficial owners of Ordinary Shares. The information may not apply to certain classes of Shareholders, such as dealers in securities, broker-dealers, insurance companies, collective investment schemes, and persons who have acquired (or are deemed for tax purposes to have acquired) their shares by reason of office or employment.

Shareholders who are in any doubt as to their tax position or who are resident or domiciled in or subject to tax in a jurisdiction other than the UK should consider their tax position and consult their own professional advisers as appropriate before participating in the Scrip Dividend Scheme.

Income tax

Generally, individuals who currently pay income tax at the basic rate will have no further liability to income tax in respect of New Shares received under the Scrip Dividend Scheme.

Individuals who are subject to income tax at the rate of 40% will be liable to pay income tax at the dividend upper rate of 32.5% on the gross income they are treated as having received. The 10% income tax deemed to have been paid can be set off as part of this liability, thereby reducing the liability to 22.5% of the amount of the gross income treated as having been received.

Individuals who are subject to income tax at the rate of 45% will be liable to pay income tax at the dividend upper rate of 37.5% on the gross income they are treated as having received. The 10% income tax deemed to have been paid can be set off as part of this liability, thereby reducing the liability to 27.5% of the amount of the gross income treated as having been received.

Terms and Conditions of The SSE plc Scrip Dividend Scheme continued

Capital gains tax

A Shareholder who is an individual resident (for tax purposes) in the United Kingdom and who elects to receive New Shares instead of a cash dividend will be treated as having acquired those New Shares for an amount equal to the cash equivalent, cash equivalent defined as the amount of the cash dividend which the Shareholder would have received, had they not elected to take New Shares, unless the market value of the New Shares on the first day of dealings on the London Stock Exchange differs substantially from the cash dividend foregone (ie differs by 15% or more of such market value), in which case the market value will be treated as the cash equivalent of the New Shares for taxation purposes.

Corporation tax

To the extent that a company which is resident (for tax purposes) in the United Kingdom elects to receive New Shares instead of a cash dividend, the issue of the New Shares should not give rise to a charge to corporation tax. No acquisition cost should be obtained for the New Shares and, consequently, the calculation of any chargeable gain or allowable loss on a future disposal of, or of part of, that company's enlarged holding should fall to be made by reference to the base cost of the original holding.

Stamp duty

No stamp duty or stamp duty reserve tax will be payable on receipt of New Shares under the Scrip Dividend Scheme.



SSE plc Scrip Dividend Mandate Form

If you wish to participate in The SSE plc Scrip Dividend Scheme, please sign and return this form to Capita Asset Services, Corporate Actions, The Registry, 34 Beckenham Road, Beckenham, Kent BR3 4TU

This document is important. If you are in any doubt as to the action you should take, you should seek your own advice from an independent professional adviser.

Name of Shareholder:	<input type="text"/>
Address incl. Postcode:	<input type="text"/>
Investor Code (IVC):	<input type="text"/>

Your Investor Code (IVC) can be located on your Share Certificate/Tax Voucher

To be effective for a particular dividend, your Scrip Mandate Form must be received by Capita Asset Services by no later than 20 business days before the dividend payment date. **If you wish to continue to receive your dividends in cash or you hold your Ordinary Shares in uncertificated form (in CREST), you should NOT complete or return this Scrip Mandate Form. Forms received in respect of an uncertificated account will not be accepted and will be rejected.**

Unless revoked, this Scrip Dividend Mandate Form will apply to all future dividends in respect of which a Scrip Dividend alternative is offered by the Directors in respect of your entire shareholding. This Scrip Dividend Mandate Form may be revoked by you at any time by writing to Capita Asset Services at the above address.

To the Directors of SSE plc

I/We the undersigned, being the registered holder(s) of Ordinary Shares in the Company*, confirm that I/we have read and understood the terms and conditions of the Scrip Dividend Scheme. I/We hereby elect to receive an allotment of New Shares instead of cash, in respect of any future dividend for which a Scrip Dividend is offered, for my/our maximum entitlement, subject to and in accordance with the Articles of Association of the Company and the terms and conditions of the Scrip Dividend Scheme as modified from time to time.

By signing this mandate form I/we confirm that I/we am/are not prohibited from receiving or electing to receive Scrip Dividends in accordance with the terms and conditions of the Scrip Dividend Scheme and the regulatory and legal requirements of any applicable overseas jurisdiction.

I/We hereby authorise you to make a payment of or to retain any cash balances to be carried forward under the Scrip Dividend Scheme in accordance with the terms and conditions of the Scrip Dividend Scheme. The Scrip Dividend Mandate Form will apply for all future dividends that are paid by the Company on all the Ordinary Shares registered in my/our name(s), until this Scrip Dividend Mandate Form is revoked by me/us by notice in writing to Capita Asset Services.

I/We authorise you to send me/us by post, at my/our own risk, a share certificate in respect of New Shares allotted and issued to me/us under the Scrip Dividend Scheme.

Signature of First-named Shareholder:	<input type="text"/>	
Signature of Second-named Shareholder:	<input type="text"/>	
Signature of Third-named Shareholder:	<input type="text"/>	
Signature of Fourth-named Shareholder:	<input type="text"/>	Date: <input type="text"/>
Daytime telephone no:	<input type="text"/>	
Email address:	<input type="text"/>	

* If you hold your SSE plc Ordinary Shares jointly with others, then you must arrange for ALL joint holders to sign this Scrip Dividend Mandate Form. In the case of a Corporation, this form should be executed under its common seal or be signed by a duly authorised official whose capacity must be stated.

