



# South Eastern Power Networks PLC Presentation

9 March 2026



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# Agenda

1. Overview of UK Power Networks, Credit Highlights and Ownership
2. UK Energy Regulation
3. Vision and Performance Overview
4. ED3
5. Treasury
6. Green Bond Framework
7. Transaction Details
8. Conclusion

# Overview of UK Power Networks

## Scope

### Regulated:

- We own and maintain electricity network infrastructure across London, the South East and East of England and make sure power flows reliably, safely, and securely. We distribute electricity and do not supply, transmit or generate it. We do not take volume or price risk
- We are the UK's biggest electricity distributor by customer numbers delivering power to 8.5 million homes and businesses
- 3 licenced regions: London Power Networks plc (LPN), Eastern Power Networks plc (EPN) and South Eastern Power Networks plc (SPN)



### Unregulated:

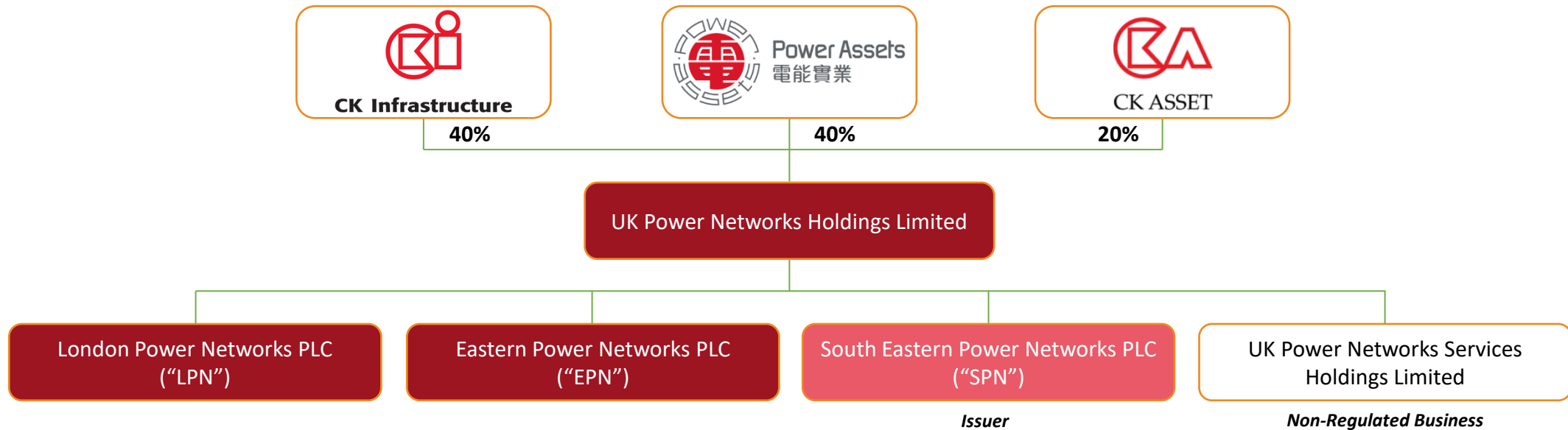
- We own, develop and maintain private energy networks and deliver major national power infrastructure projects across the UK through UK Power Networks Services Holdings Limited

## Key metrics

Measure	Data
End customers	8.5m
Population served	c. 20m
Connected Electric Vehicles	c.660,000
RIIO-ED2 totex allowance (2020/21 prices)	£4.8bn
Electricity distributed	71.1TWh
Peak Load	13.6GW
No. of Distribution Network Operator (DNO) employees (FTE)	6,388
Total length of network	192,039km
Area served	29,250km <sup>2</sup>

# Current Ownership Structure

UKPN have a history of maintaining a conservative balance sheet



## Regulated DNOs

	London Power Networks	Eastern Power Networks	South Eastern Power Networks
Rating	A3 / A- / A-	A3 / A- / A-	A3 / A- / A-
Regulatory Asset Value ("RAV")	£2,472m	£4,084m	£2,621m
Gross Borrowings	£1,388m	£2,141m	£1,508m
Customers	2.4 million	3.7 million	2.4 million
Annual Distribution	23.6TWh	30.1TWh	17.5TWh

Source: Annual Report and Financial Statements for the year ended 31<sup>st</sup> March 2025, company published Price Control Financial Models, Ofgem RIIO-2: Electricity Distribution Annual Report 2024-25 data file



Press Release  
February 25, 2026

## **ENGIE announces the acquisition of UK Power Networks, UK's best-in-class electricity distribution network**

ENGIE today announces the signing of an agreement to acquire 100% of UK Power Networks (UKPN), the best-in-class electricity distributor in the UK, for an equity value<sup>1</sup> of £10.5 billion. This acquisition marks a major milestone in ENGIE's ambition to become the best energy transition utility, by strengthening its position in regulated electricity networks. It will also bolster the Group's presence in the UK, which will become its second-largest country of activity.

The enterprise value<sup>1</sup> of the company (at 100%) stands at £15.8 billion, corresponding, for the regulated activities, to a multiple of c.1.5x the estimated Regulated Asset Value (RAV) as of end-March 2026 and an estimated 2027 EBITDA multiple of c.10x, including the additional contribution of unregulated assets.

# Overview of UKPN Acquisition

## 1 | Transaction overview

- In line with the group's infrastructure and decarbonization goals, **ENGIE is announcing the acquisition of 100% of UKPN (the "Target"), a best-in-class DNO holding company in the UK**, with a regulatory asset value (RAV) of about £9.2bn at Mar-25
  - UKPN benefits from an outstanding quality of assets, a proven track record in delivering efficient investment program, operational performance and a high-level of customer service, under the leadership of a seasoned and committed management team
- This transaction aims to **strengthen ENGIE's portfolio of regulated assets** and **increase its exposure to regulated power infrastructure**
- **This acquisition will bolster ENGIE's presence in the UK**

## 2 | Financing considerations

- **ENGIE is highly committed to maintain its strong investment grade credit profile**
- **Financing structure of the acquisition allowed to secure current BBB+/Baa1/BBB+ rating:**
  - ~€3bn capital increase, reflecting ENGIE's commitment to maintain strong investment grade credit profile
  - ~€2bn in new senior debt at ENGIE SA level
  - ~€3bn in new Hybrid securities at ENGIE SA level (in line with ENGIE's current hybrids)
  - ~€4bn in asset disposals planned for 2026–2028 to support the Group's deleveraging objectives
  - Supported by a ~€12bn bridge facility
- **The Target's current €6.4bn consolidated debt<sup>1</sup>** (excluding Shareholder Loans which are factored in the Equity Value) **will remain in place**

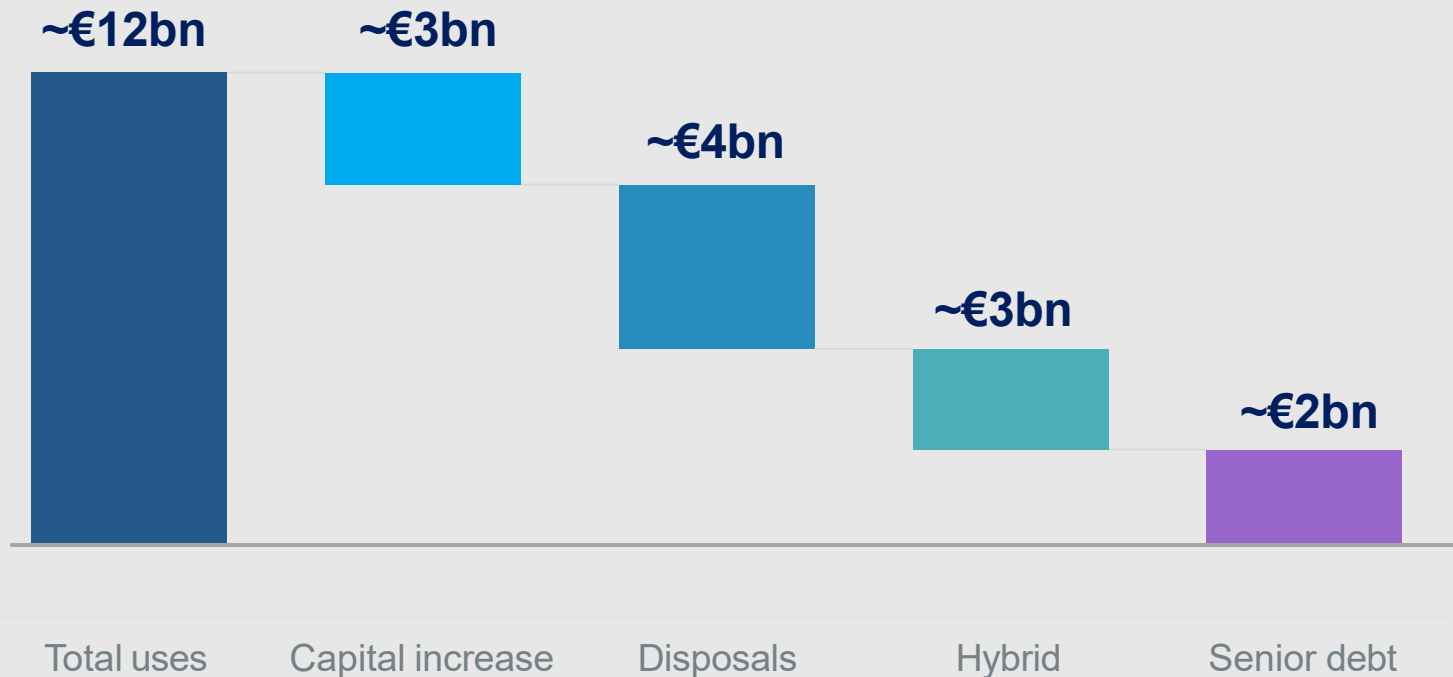
## 3 | Timeline

- **The transaction completion is expected mid-2026**, subject to customary regulatory approvals for this type of transaction

1. Based on a 1.20 GBP/EUR exchange rate

# Engie Acquisition of UKPN is fully funded

## Financing plan



- **Acquisition of 100% of share capital of UKPN**, enabling ENGIE to be exposed to all the value and cashflows generated by the company
- **Predominantly funded with equity, equity-like instruments and disposals** rather than debt<sup>1</sup>
- **~€12bn bridge facility<sup>2</sup>** negotiated with leading Tier-1 banks, **including up to €3bn**, linked to the equity financing through a **capital increase**
- **~€4bn planned asset disposals in current ENGIE's portfolio will take place throughout 2026–2028**

1. ENGIE will also complete €1bn hybrid issuance even without the acquisition; 2. Out of which c.€9bn drawn at closing

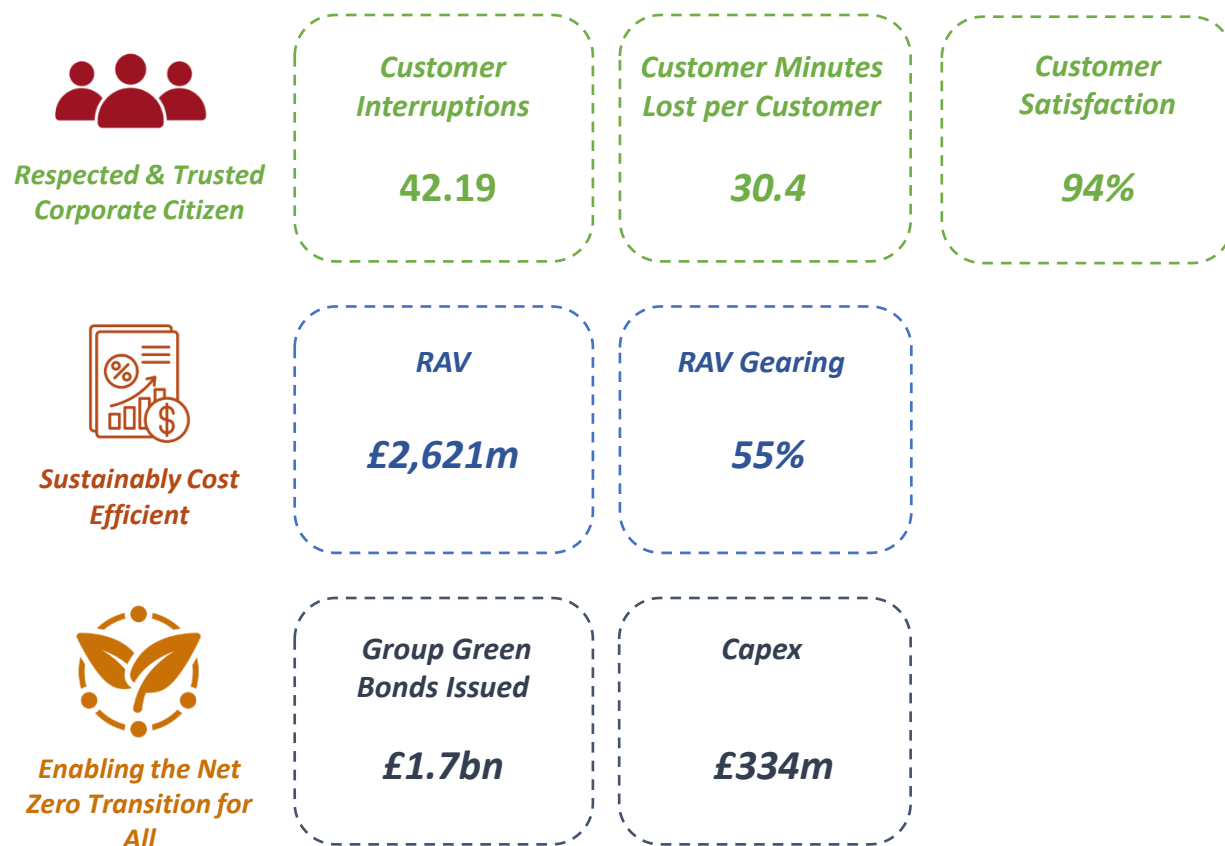
# Credit Highlights

## Key Highlights

- Leading electricity distribution provider with an **established and stable regulatory framework**
- A **diversified and experienced** group operating at scale
- Leading operational performance earning the **highest incentives** across the industry
- Well managed assets by an experienced team with deep sector knowledge
- Strong balance sheet with **conservative gearing**
- Both revenue and RAV are indexed by CPIH annually, providing Inflation protection
- Prospective owners who understand creditor concerns and are committed to a strong Investment Grade
- A3 / A- / A- credit ratings with a clear **commitment** to maintaining strong Investment Grade
- Moody's rate the 'Stability and Predictability of the Regulatory Regime' for Ofgem <sup>1</sup> as Aaa (compared to rating Ofwat <sup>2</sup> as A)
- **Key role** in facilitating the UK's Net Zero transition

<sup>1</sup> Moody's Credit Opinion 20 March 2025  
<sup>2</sup> Moody's UK Water Sector Report 18 November 2024

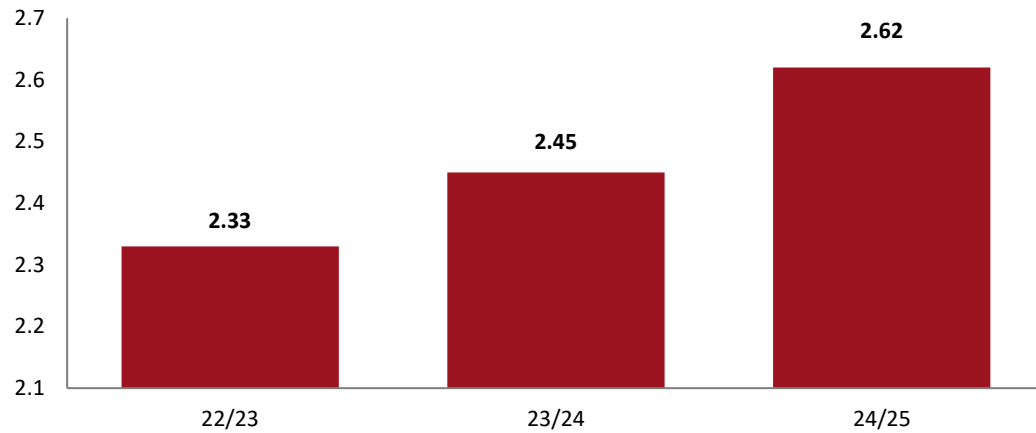
## South Eastern Power Networks Metrics



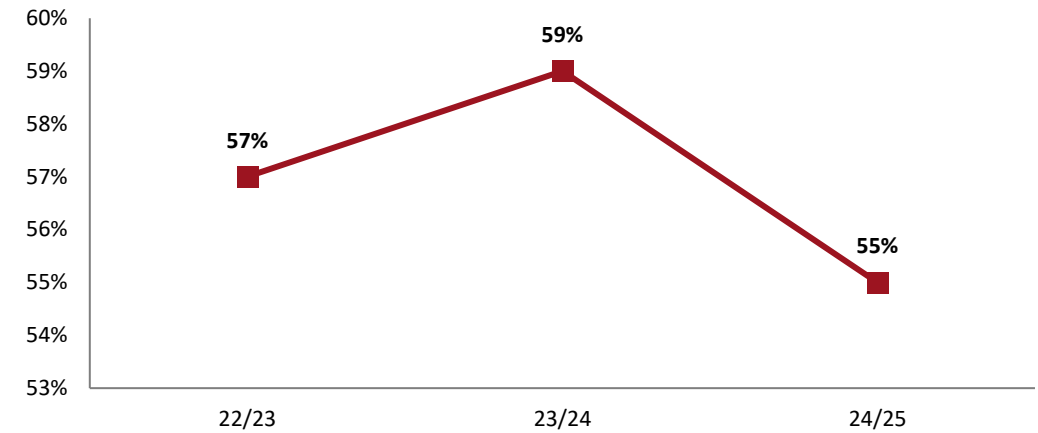
Source: Annual Report and Financial Statements for South Eastern Power Networks the year ended 31<sup>st</sup> March 2025, , Ofgem RIIO-2: Electricity Distribution Annual Report 2024-25 data file

# Key Financial Highlights – SPN

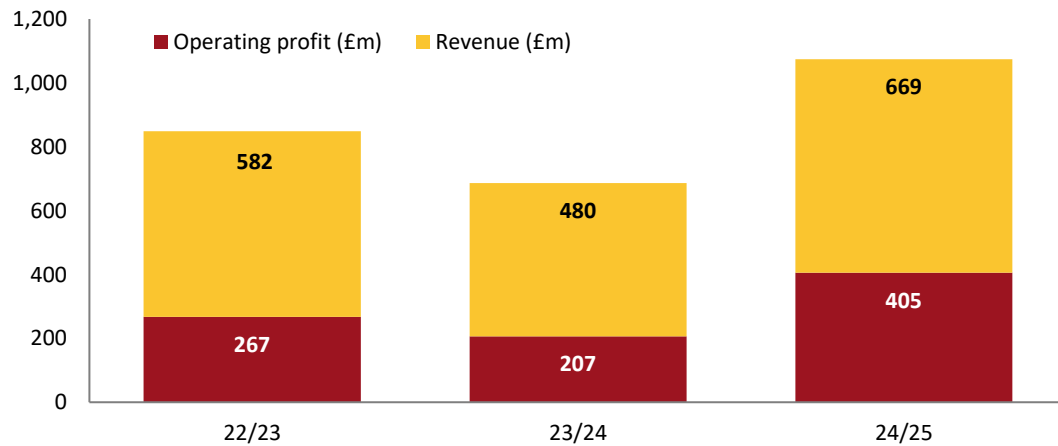
## RAV



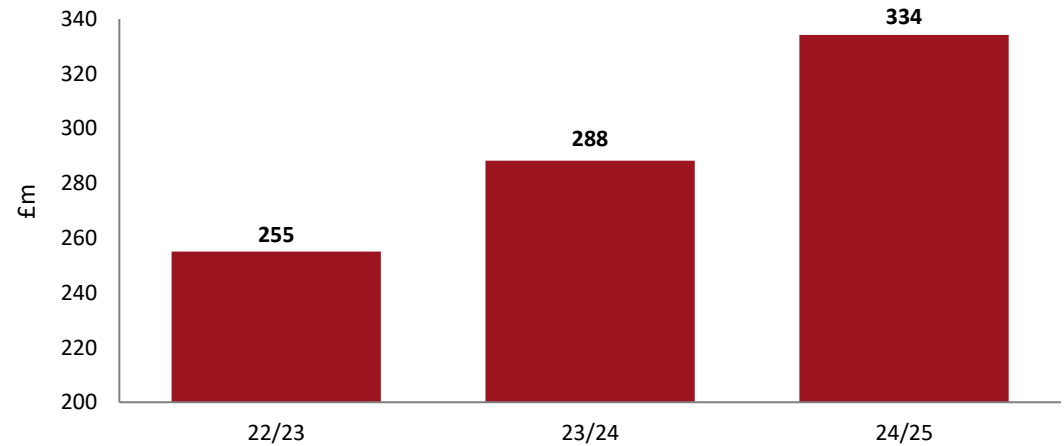
## Leverage (Net Debt/RAV)



## Revenue & Operating Profit



## Capex



# UK Energy Regulation



Department for  
Energy Security  
& Net Zero

ofgem



## Legislation

- Statutory Regulations
- Energy Strategy
- Capacity Market

## Markets

- Economic regulation of networks
- Markets
- Industry Codes
- Competition Authority

## Safety

- Legislation
- Workplace Safety
- Public Safety

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# RIIO-ED2: 1 April 2023 to 31 March 2028

## Revenue = Incentives + Innovation + Outputs

- Price control is the contract for the services we deliver to our customers
- Price control sets the amount of money we can collect from customers
- RIIO-ED2 means the second Electricity Distribution price control using the RIIO framework
- RIIO price controls are more focused on delivery of 'services' to customers
- The services we deliver are measured by Outputs

# RIIO-ED2 Vision

## An employer of choice

- The safest – with an exemplary safety record
- An organisation that employees are proud to work for
- An organisation that is diverse, inclusive and resilient
- Having a highly skilled and healthy workforce for both today and the long term
- Strong and collaborative relationships with Trade Unions

## A respected and trusted corporate citizen

- The most reliable networks
- The best customer satisfaction
- Meeting the needs of our customers in vulnerable circumstances, both now and in the future
- The most socially and environmentally responsible in our sector
- The most innovative in our sector (becoming a disruptor, combining data, technology and new ideas)
- Ensuring our supply chain is efficient, sustainable and ethical

## Sustainably cost efficient

- Delivering at the lowest possible cost for our customers
- Delivering frontier efficiency in the work that we do
- Delivering on our commitments in a collaborative way with others
- Profitable growth in our Services and Connections businesses

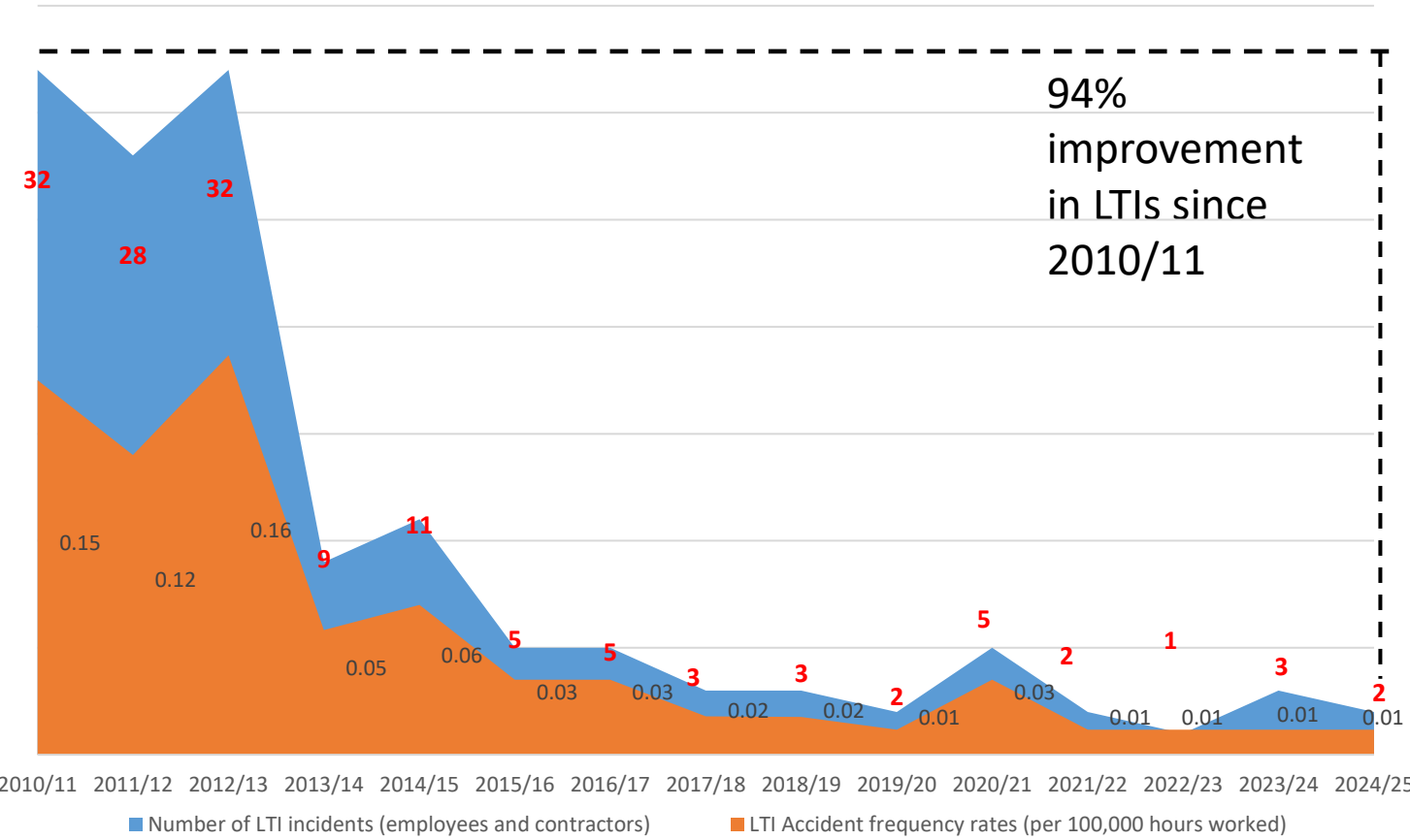
## Enabling the Net Zero transition for all

- Deliver the best low carbon technology customer satisfaction
- Maximise customer participation to optimise network utilisation.
- Collaborating with local authorities and stakeholders to unlock regional decarbonisation plans
- Provide our customers and employees with information and support to go green
- Play a leadership role in the sector to address inequality and unfairness resulting from the energy transition

To be consistently the best-performing organisation in our sector within an agreed set of values

# 2024/25 Performance Overview

## Safety – UK Power Networks



- Our safety performance continues to be the best across the GB DNOs in 2024/25
  - Achieved our joint best performance of one LTI since 2010
  - Achieved over 500 days without an employee Lost Time Incident (LTI)
- Achieved an Employee Engagement score of 778 in 2025 and were awarded the Utility of the Year for the 5th time, since 2010, at the Utility Week awards
- Retained IIP Platinum status
- We were pleased to be named 2nd Most Admired Company in Britain in our sector by the Institute of Customer Service

# Interruption Incentive Scheme (IIS) Performance Overview - SPN

## Reliability

Customer Minutes Lost	2024/25	2023/24
CML target	31.15	31.95
<b>CML performance</b>	<b>30.37</b>	<b>36.39</b>
Variance	0.78	-4.44

Customer Interruptions	2024/25	2023/24
CI target	42.54	42.80
<b>CI performance</b>	<b>42.19</b>	<b>49.52</b>
Variance	0.35	-6.72

- SPN improved performance in 2024/25 outperforming its targets on both Customer Minutes Lost and Customer Interruptions
  - 2023/24 was impacted by adverse weather which impacted the majority of the sector
- SPN earned c. £0.4m in incentive payments in 2024/25
  - SPN was penalised £3m in 2023/24
  - Overall, UKPN was £0.4m in penalty in 2024/25 compared to a penalty of £5.9m in 2023/24
  - All values are in 2020/21 prices
- Investment in Quality of Supply improvement is progressing. In 2025 we installed:
  - HV remote control at 2,481 sites
  - 235 LV reclosers
  - 3498 LV Monitors
  - reduced the number of Worst Served Customers from 17,348 customer to 9,497 customers

# Broad Measure of Customer Satisfaction Performance Overview

SPN	2024/25	2023/24
Power cuts	9.22	9.22
Connections	9.34	9.42
General enquiries	9.67	9.61
Combined score	9.37	9.40
Reward cap	9.46	9.46

- 2024/25 UKPN BMoCS performance was excellent achieving 9.42 and being ranked the number one DNO group.
  - Scottish Power was the next best DNO group with a score of 9.25
  - UKPN was also ranked No1 DNO group in 2023/24
- In 2024/25, UKPN earned £8.5m of BMoCS incentive revenue (77% of the total available)
  - SPN earned £2.3m in incentive revenue
  - All values in 2020/21 prices
- UKPN were ranked No.1 with a score of 83.8 in the January 2026 UKCSI utilities customer satisfaction index (#2 Octopus Energy) and the only utility to feature in the top 20 Best Overall Service Providers in the UK, ranked 18<sup>th</sup>

# Forecast 2024/25 Performance Overview

## Other Incentives - SPN

£m (nominal)	2024/25	2023/24
Average time to Quote/Connect (ATTQ/C)	0.62	0.26
DSO	3.13	2.51
Streetworks	0.46	0.15
Vulnerability	2.74	0.00
<b>Total</b>	<b>6.95</b>	<b>2.92</b>

- Other incentives are expected to total c. £7m in 2024/25 (2020/21 prices)
- Performance in ATTQ/C and streetworks has improved compared to 2023/24 and SPN has continued to earn 100% of the available DSO incentive
  - Available DSO incentive was lower in 2023/24
  - The vulnerability incentive is only paid out in 2024/25 and 2027/28

# Our forecast RIIO-ED2 comparative RoRE performance<sup>1</sup>

RoRE based on Notional Gearing	RIIO-ED2														
	ENWL	NPGN	NPGY	WMID	EMID	SWALES	SWEST	LPN	SPN	EPN	SPD	SPM	SSEH	SSES	GB
Equity Return on the RAV	5.5%	5.5%	5.5%	5.5%	5.5%	5.5%	5.5%	5.5%	5.5%	5.5%	5.5%	5.5%	5.5%	5.5%	5.5%
Totex outperformance	-0.1%	0.1%	-0.1%	-0.3%	0.5%	0.4%	-1.4%	0.8%	0.9%	-0.4%	-0.5%	-0.7%	-0.6%	-1.5%	-0.3%
Business Plan Incentive	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.1%	0.5%	0.0%	0.0%	0.0%	0.0%	0.0%	0.1%
Time to connect ODI	0.1%	0.0%	0.0%	0.1%	0.1%	0.1%	0.1%	0.1%	0.1%	0.1%	0.1%	0.0%	0.1%	0.1%	0.1%
Broad Measure of Customer Service ODI	0.2%	0.1%	0.1%	0.0%	0.1%	0.1%	-0.1%	0.3%	0.3%	0.3%	0.2%	0.2%	0.3%	-0.1%	0.1%
Interruptions incentive scheme ODI	0.2%	-0.2%	-0.5%	-0.1%	-0.1%	-0.1%	-0.2%	0.2%	-0.1%	-0.2%	0.3%	0.1%	-0.1%	-0.2%	-0.1%
Major connections ODI	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Consumer Vulnerability ODI	0.1%	0.1%	0.0%	0.1%	0.1%	0.1%	0.1%	0.2%	0.2%	0.2%	0.2%	0.1%	0.1%	0.1%	0.1%
Distribution System Operator ODI	0.2%	0.1%	0.1%	0.3%	0.3%	0.3%	0.3%	0.4%	0.4%	0.4%	0.0%	0.0%	0.2%	0.2%	0.2%
Dig, Fix and Go ODI (ENWL only)	0.1%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Collaborative Streetworks ODI (LPN, LPN and SPN only)	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.1%	0.1%	0.1%	0.0%	0.0%	0.0%	0.0%	0.0%
Network innovation input for RORE	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Carry-over Network innovation input for RORE	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Strategic innovation input for RORE	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Penalties and fines (Other Activities)	0.0%	-0.1%	-0.1%	0.0%	0.0%	-0.1%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
<b>RoRE - Operational performance</b>	<b>6.3%</b>	<b>5.5%</b>	<b>5.1%</b>	<b>5.5%</b>	<b>6.4%</b>	<b>6.1%</b>	<b>4.2%</b>	<b>7.7%</b>	<b>7.8%</b>	<b>5.9%</b>	<b>5.7%</b>	<b>5.2%</b>	<b>5.3%</b>	<b>4.0%</b>	<b>5.7%</b>
Debt performance - at notional gearing	0.4%	5.5%	3.7%	0.2%	1.8%	3.7%	1.8%	1.6%	3.9%	1.5%	2.2%	1.9%	2.8%	2.5%	2.2%
Tax performance - at notional gearing	0.8%	-0.8%	-0.4%	0.0%	0.0%	0.0%	0.1%	0.1%	0.1%	-0.2%	0.1%	0.2%	-0.1%	0.0%	0.1%
<b>RoRE - including financing and tax</b>	<b>7.5%</b>	<b>10.2%</b>	<b>8.4%</b>	<b>5.6%</b>	<b>8.3%</b>	<b>9.8%</b>	<b>6.1%</b>	<b>9.4%</b>	<b>11.8%</b>	<b>7.1%</b>	<b>8.0%</b>	<b>7.3%</b>	<b>8.0%</b>	<b>6.4%</b>	<b>8.0%</b>

- Over RIIO-ED2 SPN is forecast to be the best performing DNO in terms of both operational and post financing and tax Return on Regulated Equity (RoRE)
- UKPN continues to earn the highest incentive revenue in the industry
  - We expect to deliver the highest level of totex outperformance in RIIO-ED2
- In its 2024/25 Electricity Distribution Annual Report, Ofgem stated “UKPN continues to be a top performer, achieving a total ODI reward of £31.0m and consistently ranking in the top two for most incentives”

<sup>1</sup> Based on publicly available Regulatory Financial Reporting Packs

# Summary of Ofgem’s SSMC report

Ofgem published their ED3 views in the SSMC<sup>1</sup> released in October 2025. The key messages were:

- Ofgem is moving beyond pure cost minimization to strategic, sustainable, and manageable investment aligned with Net Zero and energy security goals
- Funding will be tied to deliverable outcomes rather than input-based cost allowances
- Business plans must be co-created with stakeholders and demonstrate clear customer benefit
  - Vulnerable customer support is a priority
- DNO plans must align seamlessly with NESO's whole-system planning and RESP<sup>2</sup> local energy strategies

## Timetable for ED3

Stage	Date
tRESP Output Published	▪ January 2026
Final ED3 Business Plan Guidance	▪ May 2026
ED3 Sector Specific Methodology Decision	▪ May 2026
Draft ED3 Business Plan Data Tables Submission	▪ July 2026
Final ED3 Business Plan Submission	▪ December 2026

<sup>1</sup> ED3 Sector Specific Methodology Consultation

<sup>2</sup> Regional Energy Strategic Plan

# Key points from UKPN SSMC response

More ex-ante funding for network investment provided where it can be justified in the context of what is needed by 2050

- Revised benchmarking models are key to ensure appropriate allowances e.g. faults
- Updated RPE methodology to accurately reflect DNO cost pressures

Increased used of Price Control Deliverables and delivery metrics with associated penalties for non-delivery

- Incentivise delivery of required network capacity rather than specific sites (maintain the output focus of the UK regulatory regime in key areas)

Totex Incentive Mechanism may adapt given the focus on output delivery – more focus on unit cost efficiency

- UKPN focus is on ensuring a strong cost efficiency incentive is retained for ED3 and maintaining scope for engineering efficiency in areas not covered by price control deliverables

Transmission connection issues must not be repeated in Distribution

- Connections incentive at distribution needs to be made symmetrical and high powered
- UKPN is actively engaging in connections review to shape desired outputs

Focus on appropriate financing over the long term

- Cost of equity with a sufficient differential to prevailing cost of debt
- Target minimum Baa1/BBB+ rating at notional company
- Appropriate use of financing levers to support capex spend and earnings growth

Opportunity for high-powered incentives in ED3 aligned to customer needs

- UKPN proposing an incentive package which allows high performing DNOs to earn 300-400bps above base cost of equity

# Issuer Credit Ratings

MOODY'S

Senior Unsecured Debt Rating: A3 (RFD)

*A3 rated since February  
2023*

“Moody's has today placed the A3 long-term issuer and senior unsecured ratings of EPN, LPN & SPN, the three electricity distribution network operators currently owned by UK Power Networks Holding Limited, on review for downgrade”  
27 February 2026

S&P Global  
Ratings

Senior Unsecured Debt Rating: A- (stable)

*A- rated since September  
2018*

“...we will likely view UKPN as an insulated entity within the Engie group... We understand that UKPN will continue to have separate funding and financial management from the wider Engie group, and independent operations. As such, our rating on UKPN could remain unchanged and in line with its 'a-' standalone credit profile, and a notch higher than the rating on Engie”  
5 March 2026

FitchRatings

Senior Unsecured Debt Rating: A- (stable)

*A- rated since July 2020*

“Engie S.A.'s acquisition of UK Power Networks will have no effect on the ratings of its three distribution network operators”  
5 March 2026

# Issuer Credit Ratings

Long Term / Short Term	UKPN Holdings	UKPN Services Holdings	Eastern Power Networks	South Eastern Power Networks	London Power Networks	Last publication	Last rating change date
Moody's		A3 *	A3 / P-2 *	A3 / P-2 *	A3 / P-2 *	06-Mar-26	09-Feb-23
S&P			A-	A-	A-	05-Mar-26	02-Jul-20
Fitch			A- / F2	A- / F2	A- / F2	05-Mar-26	27-Sep-18

\* All Moody's ratings are on review for downgrade

# Treasury – Cash and Liquidity – 28 February 2026

- Consolidated Cash as at 28 February 2026 was £133m
- Revolving Credit Facility (RCF) £500m undrawn

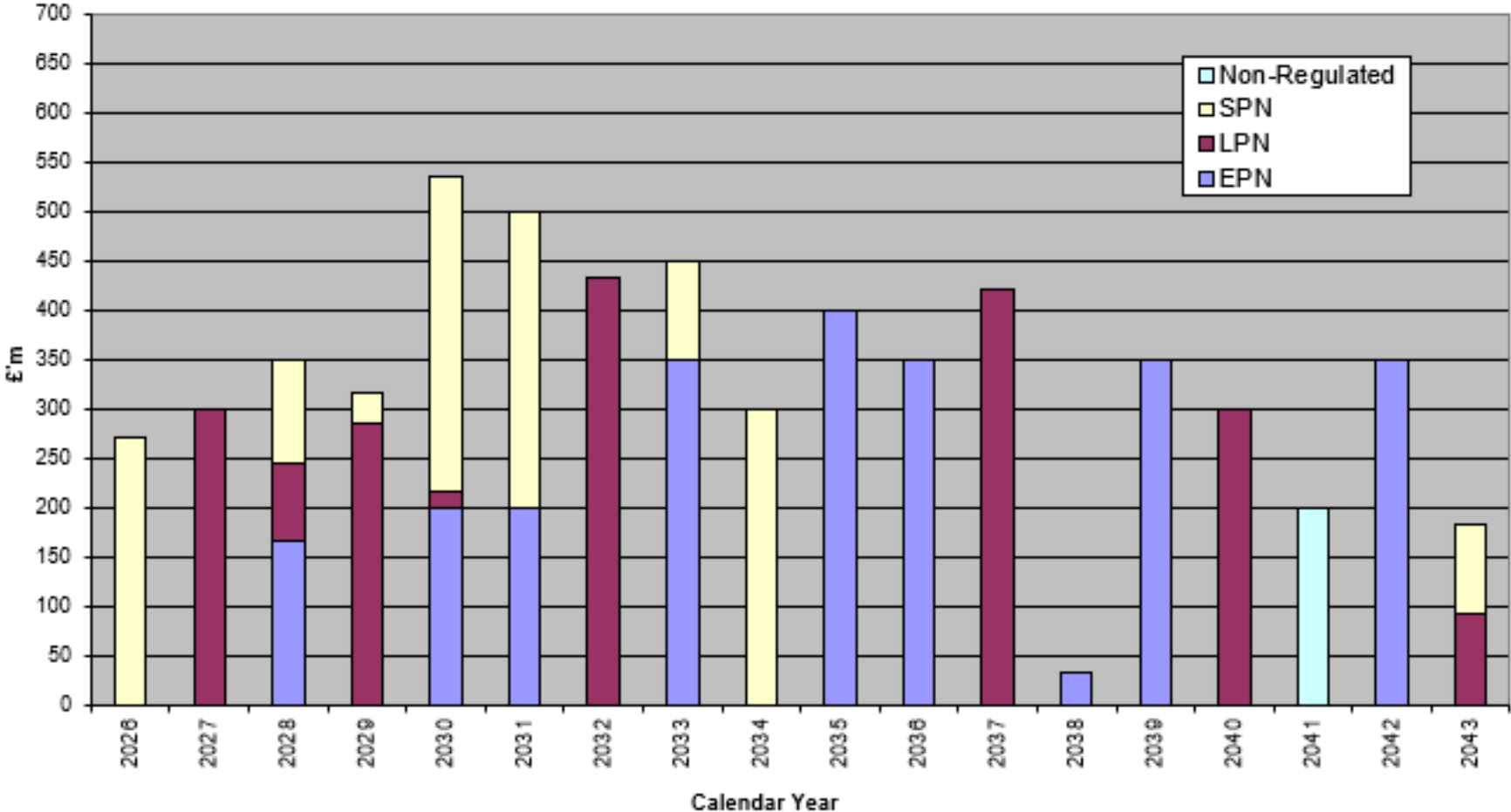
## UKPN Credit Lines at 28 February 2026

Entity	Facility	Drawn Amount £m	Undrawn Amount £m	Total £m	Maturity
EPN	RCF	-	210.0	210.0	Apr-29
LPN	RCF	-	145.0	145.0	Apr-29
SPN	RCF	-	145.0	145.0	Apr-29
		-	500.0	500.0	

- The facility matures in April 2029 with the possibility of a 1-year extension, to April 2030

# Treasury – Debt Maturity Profile










UK Power Networks Debt Maturity Profile by Entity



# Green Bond Framework

We recognise that we have an important role to play in safeguarding the environment in which we operate. We have robust policies and procedures in place to ensure we comply with all relevant environmental legislation

Our **Green Bond Framework was issued in July 2021** and was **verified by DNV** who provided a Second Party Opinion that confirmed ICMA Green Bond Principles alignment

Eligible GBP Project Category	Use of Proceeds Eligibility Criteria	Applicable SGDs	Potential Impact Reporting Metrics
<b>Renewable Energy</b>	Investment in electricity distribution networks dedicated to: <ul style="list-style-type: none"> <li>- Connecting to renewable energy sources, such as solar, wind or small hydro</li> <li>- Capacity and grid reinforcement for heat decarbonisation</li> <li>- Creating / expanding an existing direct connection between a production plant less CO2 intensive than 100g CO2e/kWh</li> <li>- On site renewable generation for our own operational consumption</li> </ul>		<ul style="list-style-type: none"> <li>- Capacity and number of Low Carbon Technologies connected to our networks (in MW)</li> <li>- Added Renewables Capacity (versus previous year) MW</li> <li>- Annual GHG emissions reduced/avoided in tonnes of CO2 equivalent (tCO2e)</li> </ul>
<b>Energy Efficiency</b>	Technologies/infrastructure that result in increased energy-efficiency by at least 30% and/or reduce electricity grid losses: <ul style="list-style-type: none"> <li>- Retrofits / Smart Equipment / Non SF6 switchgear technology</li> </ul>	 	<ul style="list-style-type: none"> <li>- Annual GHG emissions reduced/avoided (tCO2e)</li> <li>- Cumulative Network loss reduction</li> <li>- Number of Smart grid components installed</li> </ul>
<b>Pollution Prevention and Control</b>	Investments in waste prevention, collection and recycling including but not limited to: <ul style="list-style-type: none"> <li>- Removal of polychlorinated biphenyl (PCB) from the network</li> <li>- Investments in mobile generators to reduce Nox</li> <li>- Infrastructure improvements to prevent oil leaks from fluid filled cables and transformers</li> </ul> <p>Circular economy initiatives, adapted products, production, technologies and processes; and/or certified eco-efficient products</p>		<ul style="list-style-type: none"> <li>- Annual absolute (gross) amount of waste that is separated and/or collected, and treated (including composted) or disposed of (in tonnes p.a. and in % of total waste)</li> <li>- Leakage reductions from fluid filled cables (actual volumes)</li> </ul>
<b>Green Buildings</b>	Acquisition or construction of existing or new commercial buildings that have achieved or expect to achieve the below certification: BREEAM ≥ "Very Good" or LEED: ≥ "Gold" NABERS, or similar recognised standard		<ul style="list-style-type: none"> <li>- Energy efficiency gains in MWh or % versus baseline</li> <li>- Annual GHG emissions reduced/avoided (tCO2e)</li> <li>- Annual energy savings (MWh pa)</li> </ul>
	Renovations of existing buildings that achieve energy savings of at least 30% in comparison to the baseline performance before the building renovation		
<b>Climate Change Adaptation</b>	Enhancing the protection of distribution networks from the impacts of climate change		<ul style="list-style-type: none"> <li>- Number of substations protected from flooding</li> <li>- Qualitative case studies on adaptation projects</li> </ul>
	Protecting the overhead lines network from extreme weather events caused by climate change		
<b>Environmentally Sustainable Management of Living Natural Resources and Land Use</b>	Reduce the impact on land and terrestrial biodiversity, such as: <ul style="list-style-type: none"> <li>- Sustainable management and value enhancement of our land</li> <li>- Biodiversity net gain improvements</li> <li>- Terrestrial and aquatic biodiversity conservation</li> <li>- The preservation and restoration of natural landscapes</li> <li>- Grid improvements including removing and undergrounding overhead power lines</li> <li>- Purchase of environmentally certified products</li> </ul>	 	<ul style="list-style-type: none"> <li>- Number of biodiversity projects being undertaken</li> <li>- Kilometres of overhead lines undergrounded in AONBs</li> </ul>
<b>Clean Transportation</b>	Infrastructure for clean transportation: construction, development, operation, acquisition and/or maintenance of electric grid infrastructure supporting sustainable mobility and cleaner vehicles with a lower environmental impact <ul style="list-style-type: none"> <li>- Electric vehicle infrastructure</li> <li>- Renewal of fleet, including passenger cars, light commercial vehicles and large vehicles</li> </ul>		<ul style="list-style-type: none"> <li>- Number of electric vehicles in fleet</li> <li>- Number of EV's charging points supported</li> <li>- Annual GHG emissions reduced/avoided (tCO2e)</li> </ul>

# Transaction Details

Euro Bond Issuance	
Issuer	South Eastern Power Networks plc
Status	Senior, Unsecured
Issuer Rating (M/S/F)	A3 (Review for downgrade) / A- (stable) / A- (stable)
Expected Issue Ratings (M/S/F)	A3 / A- / A-
Bond Size	EUR 500m WNG
Currency	Euro
Tenor	12-year
Coupon	Annually in arrear on [●] in each year, commencing on [●] up to and including the Maturity Date
Use of Proceeds	The Issuer intends to issue the Notes as Green Bonds (as defined in the Offering Circular) and apply an amount equal to the net proceeds from this issue of Notes to eligible projects and activities that are in keeping with the Green Bond Framework (as defined in the Offering Circular)
Documentation	Issuer's GBP 10,000,000,000 Euro Medium Term Note Programme and the Base Offering Circular dated 30 July 2025 as supplemented on 6 March 2026
Listing	London Stock Exchange (Main Market)
Denominations	EUR 100,000 / EUR 1,000
Joint Bookrunners	MUFG, NatWest, RBC Capital Markets, Société Générale

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# Conclusion

Leading electricity distribution provider with an established and stable regulatory framework

A diversified and experienced group operating at scale

Leading operational performance earning the highest incentives across the industry

Well managed assets by an experienced team with deep sector knowledge

Strong balance sheet with conservative gearing

Engie commitment not to change existing UKPN financial policy

A3 / A- / A- credit ratings with a clear commitment to maintaining strong Investment Grade

Key role in facilitating the UK's Net Zero ambition