Energy for
generations

Driven to Make a Difference

Net Zero by 2040

ESB Strategy 2040

(Updated 2026)

About ESB

Established in 1927, ESB is a leading Irish energy utility with operations spanning electricity generation, transmission and distribution, energy supply, and energy and telecommunications services. We operate in Ireland, Northern Ireland and Great Britain, and our headcount totals over 10,000 employees.

ESB is 97% owned by the Irish Government, with a regulated asset base of approximately €15 billion (comprising ESB Networks €12 billion and NIE Networks €3 billion), a 24% share of generation and a 32% share of retail electricity in the all-island market (as of end 2025).

We have committed to achieving net zero carbon emissions across our operations by 2040. As a resilient and increasingly decarbonised electricity system is essential to a sustainable and prosperous future, by delivering on this commitment we can accelerate climate action, enable economic growth and support long-term energy security in the places where we operate.

Our Commitment

At ESB, we're driven to make a difference: by creating and connecting sustainable, reliable, affordable electricity; powering social and economic development; and supporting our customers to achieve net zero.

Since our founding in 1927, we have been trusted to deliver bold energy solutions for the customers and communities we serve: from harnessing the power of the River Shannon at Ardnacrusha, to rural electrification, to today's drive for secure, decarbonised energy. ESB has transformed how the country powered itself in the past, and now we're doing it again. Not just for us – for future us.

A reliable, resilient and increasingly decarbonised electricity system is essential to deliver a prosperous and sustainable future. By generating and connecting homegrown clean electricity and enabling low-carbon technologies, we can help address climate change while strengthening our energy security. And by connecting new homes, businesses, transport infrastructure, large energy users and local communities, we can support national and regional development and economic growth.

At ESB, we have committed to achieve net zero emissions across our operations by 2040: by decarbonising the electricity we produce, providing resilient infrastructure and a reliable electricity system, and empowering our customers and broader society to live more sustainably.

Our track record in serving society, our ability to deliver on our promises, and the values underpinning everything we do mean that we are trusted and expected to make this future a reality. By creating an inclusive environment that supports our people to perform at their best, leveraging data and digital technologies to drive change, and maintaining our ability to invest in pioneering carbon reduction solutions, we can make a real and lasting difference.

Through our focus on social and environmental responsibility, we cultivate a safe, sound and sustainable ethos in line with our values and act in the best interests of our stakeholders.

ESB Strategy
Driven to Make a Difference: Net Zero by 2040

Launched in 2022, ESB's strategy 'Driven to Make a Difference: Net Zero by 2040' set a clear direction for action to address climate change through three core strategic objectives: decarbonising electricity generation, delivering resilient infrastructure, and empowering our customers to achieve net zero.

This strategy accelerated the pace of change, providing clear deadlines and accountability for reaching net zero carbon emissions across our business by 2040 – in a way that supports ESB's continued growth and our financial capacity to invest in a net zero future.

In the years since launching our 2040 strategy, the environment we operate in has continued to evolve. While the need to act on climate remains as important as ever, growing economic and geopolitical pressures have seen priorities shift for governments and the public in the markets where we operate.

Clean, homegrown electricity is now increasingly considered essential to energy security and affordability, helping end reliance on costly imported fossil fuels. Moreover, there is a growing focus on electricity as a critical driver of national and regional development. The ability to connect new homes, businesses, public transport, renewable generation, large energy users and local communities to a reliable, resilient and increasingly decarbonised electricity system is fundamental to Ireland's future prosperity and social progress.

To ensure ESB's strategy reflects this changing context, we undertook a comprehensive review of our objectives, drivers and targets in 2026. While the core elements remain largely unchanged, this revised strategy places even greater emphasis on ESB's role as a provider of critical national infrastructure. By calling out 'Delivery Focus' as a key enabler for our 2040 ambition, it underlines our drive to deliver safely and innovatively at scale and pace to support national climate, social and economic goals.

This applies across the markets where we operate. ESB Networks and NIE Networks are central to enabling growth, decarbonisation and resilience in their respective jurisdictions, while ESB's generation, customer and enterprise capabilities support the wider all-island electricity system and the communities and customers we serve.

We remain firm in our commitment to reach net zero by 2040, with a strong focus on delivering what's needed to create and connect sustainable, reliable, and affordable electricity – powering social and economic development and supporting customers in achieving net zero.

Since the launch of our strategy in 2022, we have made significant progress towards our 2040 goals, including:

A further **28%** reduction in generation emissions

€8.5 billion in capital investment

2 million+ smart meters now installed

50% growth in ESB renewables and renewable-enabling portfolio

10+ GW renewable power now connected to our networks

189,000 new homes and businesses connected

Capacity for **1,850** EVs to charge on our public charging network

External Environment

Since launching our 2040 strategy, the external environment ESB operates in has evolved in a number of important ways.

Evolving Climate Context

The strategy we set out in 2022 reflected a significant increase in global, European and national commitments to achieve net zero greenhouse gas emissions. These targets have driven deeper reliance on zero-carbon electricity, which needs to be both reliable and affordable.

Achieving these objectives requires deployment of new renewable energy and storage technologies at massive scale; expansion and modernisation of the electricity grid; and support for the mass adoption of low-carbon technologies like electric vehicles (EVs), heat pumps and microgeneration. This provides opportunities and challenges and increases the need for capital investment in networks infrastructure.

In reviewing our strategy, we have recognised that the landscape has evolved. While delivery of offshore wind in Ireland is now picking up pace, rollout has been slower than expected and national targets have been delayed. At the same time, there is a growing need for services to integrate variable renewables, microgeneration, decarbonised heat, and assisting large energy users (LEUs) with carbon abatement – all of which bring new opportunities.

Geopolitical Uncertainty, Energy Security, and Affordability

Moreover, in the years since we launched our strategy, heightened geopolitical uncertainty has had an impact on political and societal priorities in Ireland and Europe. While national and European net zero targets remain in place as evidence of climate change continues to mount, attention has also shifted to concerns around energy security and competitiveness. In particular, rising wholesale gas prices and greater electricity price volatility has put affordability in the spotlight as customers face ongoing cost-of-living pressures.

Infrastructure Delivery in Focus

In Ireland, a growing population and economy has increased demand for energy, placing a greater focus on network capacity to support housing and economic development. National policy priorities have evolved, with a stronger emphasis on delivery of infrastructure and housing, competitiveness and affordability.

Across the Republic of Ireland and Northern Ireland, electricity infrastructure will be essential to enable connection of new housing, expansion of businesses, electrification of public transport, decarbonisation of industry, integration of renewable generation, and participation of communities in the energy transition. ESB's networks businesses therefore have a heightened role in supporting outcomes that extend well beyond the electricity sector.

Robust and Resilient Electricity Networks

As society depends increasingly on electricity, the delivery of robust, sustainable, reliable, affordable and secure electricity infrastructure is no longer only an energy-sector objective; it is a prerequisite for social cohesion, economic growth, climate action and national competitiveness.

In parallel, higher frequency of extreme weather events – such as Storm Éowyn in 2025, or longer periods of extreme heat – has highlighted the role of grid resilience and the importance of broader societal resilience and adaptation. Together these developments have placed greater expectation on capital investment in networks, with significantly higher investment planned under the Price Review 6 (PR6) investment period in Ireland, and Regulatory Period 7 (RP7) in Northern Ireland.

Meeting the Challenges of a Changing Environment

Further developments that have shaped the review of our strategy include greater competitive pressure in certain markets; the continued impact of digital technology and increasingly artificial intelligence on our sector and ways of working; and changes to the workforce and increased competition for talent.

Our updated strategy reflects this changing environment, while holding firm to our commitment to deliver net zero by 2040 – using electricity as an enabler for a clean and secure energy future for the customers and communities we serve.

Strategic Framework

'Driven to Make a Difference: Net Zero by 2040' has been developed using ESB's Strategy Framework, which ensures that strategic actions and decisions are consistent with ESB's purpose and values, and that there is a clear and consistent 'line of sight' both for those within the organisation and for our external stakeholders.

Organisational alignment with the strategy is achieved through the Integrated Business Planning (IBP) process, which integrates strategic, sustainability, financial and people planning at Group and Directorate/Function-level.

ESB's values – being courageous, caring, driven and trusted – guide the behaviours, actions and decisions we will take in implementing this strategy.

Our Strategy at a Glance

Our Purpose

At ESB, we're driven to make a difference. Creating and connecting sustainable, reliable, affordable electricity; powering social and economic development and supporting the customers we serve to achieve net zero

Our Priorities

Decarbonised Electricity
Develop and connect low-carbon technologies for a secure net zero electricity system by 2040

Resilient Infrastructure
Provide resilient infrastructure and a reliable electricity system for a growing economy

Empowered Customers
Empower, enable and support customers towards an affordable and clean energy future

Our Enablers

Delivery Focus
Delivering safely and innovatively at scale and pace to support climate, social and economic development

Digital & Data
Harnessing data, technology and responsible AI to enable our people, empower our customers, and accelerate performance

Financial Strength
Growing the financial performance and strength required to deliver our strategy and ensure value for customers

Sustainability & Social Impact
Embedding sustainability and positive social impact where we operate, by how we engage, and as we deliver

Our People

Inspiring our people to grow and deliver in a safe, healthy, inclusive environment

We're Courageous

We're Caring

We're Driven

We're Trusted

Our Purpose and Net Zero Target

Our strategy, while influenced and shaped by external developments, is anchored in our purpose to create and connect sustainable, reliable and affordable electricity – powering social and economic development and supporting customers and communities to reach net zero. As such, it links directly to the United Nations (UN) Sustainable Development Goals (SDGs).

The 17 UN SDGs provide a global and widely accepted blueprint to achieve a better and more sustainable future for all by 2030. They act as a call to action for countries, non-governmental organisations (NGOs), companies and individuals to align their actions around common goals that matter to people and planet.

Our strategy is focused on three of the SDGs where ESB can make a lasting and tangible difference – namely:

Our strategy sets a net zero emissions target for ESB to achieve by 2040. To ensure that we are on track to deliver this, we have set out a clearly defined pathway including interim targets for 2030, presented in our Net Zero 2040 Pathway report. This has been independently evaluated by rating agency Moody's and awarded a score of NZ-3, consistent with an ambition of limiting global temperature rises to the 'well below 2 degrees Celsius' benchmark defined in the Paris Agreement.

Further, the strategy review carried out in 2026 now sets interim targets for 2035. We have committed to Scope 1, 2 and 3 emissions targets of 6.6 Mt/CO_2 by 2030 and further reductions by 2035 with targets of 1.8 Mt/CO_2 for Scope 1 and 2 and 2.2 Mt/CO_2 for Scope 3. A review of the Net Zero 2040 transition pathway report is planned in view of the evolution of the Group strategy as presented here.

7 AFFORDABLE AND CLEAN ENERGY

ENSURE ACCESS TO AFFORDABLE, RELIABLE, SUSTAINABLE AND MODERN ENERGY FOR ALL

9 INDUSTRY, INNOVATION AND INFRASTRUCTURE

BUILD RESILIENT INFRASTRUCTURE, PROMOTE INCLUSIVE AND SUSTAINABLE INDUSTRIALIZATION AND FOSTER INNOVATION

13 CLIMATE ACTION

TAKE URGENT ACTION TO COMBAT CLIMATE CHANGE AND ITS IMPACTS

Our Priorities

ESB has identified three strategic objectives or priorities, aligned with Sustainable Development Goals 7, 9 and 13, which are core to the delivery of our net zero ambition. These are outlined below:

Decarbonised Electricity

Develop and connect low-carbon technologies for a secure net zero electricity system by 2040

This objective reflects ESB's commitment to supporting the societal goal of achieving net zero emissions by increasing the volume of low-carbon technologies in use – both by developing renewable electricity assets and by enabling the connection of renewable generation and renewable-enabling technologies to our electricity networks.

Resilient Infrastructure

Provide resilient infrastructure and a reliable electricity system for a growing economy

This objective recognises the fundamental and increasing importance of having stable, robust infrastructure to ensure secure, reliable electricity supplies.

This includes reliable networks that can underpin widespread electrification and support social and economic development, and also a re-purposed and more sustainable dispatchable generation fleet, combined with existing and new storage assets, that can compete to meet society's need for non-intermittent sources of energy. This commitment also encompasses supporting and facilitating systems and infrastructure such as smart metering platforms, public electric vehicle charging networks, and telecommunications assets and systems.

Empowered Customers

Empower, enable and support customers and communities towards an affordable and clean energy future

This objective reflects our commitment to working alongside customers and communities as a trusted energy partner, providing best value sustainable energy and supporting them to achieve net zero. We will continue to put in place solutions to enable the electrification of heat and transport and will make it easy for customers and communities to make active choices in their use of energy. We will continue to innovate and support initiatives that promote long-term affordability and competitiveness.

Our Enablers

Underpinning the delivery of our three priorities are five key enablers, which are essential to success as follows:

Delivery Focus

Delivering safely and innovatively at scale and pace to support climate, social and economic development

This capability acknowledges the critical importance of delivering unprecedented volumes of infrastructure and systems to meet the growing social, economic and climate needs of the markets we serve. We will build the partnerships, processes and capacity required to accelerate delivery safely and sustainably.

Digital & Data

Harnessing data, technology and responsible AI to enable our people, empower our customers, and accelerate performance

At ESB we are adapting our businesses and ways of working to leverage available data, digital and AI technologies in a secure and responsible way. We are becoming a data-driven digital utility delivering excellent customer experience (by leveraging customer insights and digital engagement channels), an enhanced people experience (by becoming a technology enabled workforce), and modern business operations and processes enabled by technology.

Financial Strength

Growing the financial performance and strength required to deliver our strategy and ensure value for customers

We will deliver on ESB's commercial mandate to provide shareholder value; growing the business while maintaining our financial strength.

Consistently strong financial performance, underpinned by efficiency and investment discipline, will ensure that we can deliver appropriate shareholder returns, maintain a strong investment-grade credit rating and secure optimal long-term funding to match investment plans for a net zero future.

Sustainability & Social Impact

Embedding sustainability and social impact where we operate, by how we engage, and as we deliver

To positively impact on the experiences of employees, customers, partners and other stakeholders, we are embedding a culture that prioritises safety, environmental performance and sustainability. We will meet stakeholder expectations relating to, but not limited to, Environmental, Social and Governance (ESG) performance and safety, and we will adopt a best practice transparency and compliance framework to track and report on progress.

We will achieve net zero emissions by 2040 (with interim targets set for 2030 and 2035), while enhancing nature and supporting communities where we operate.

We will collaborate with stakeholders to provide thought leadership on decarbonisation policy.

Our People

Inspiring our people to grow and deliver in a safe, healthy, inclusive environment

This capability references the critical role of our people in delivering our purpose and strategy in line with our values. We aim to create an environment that encourages creativity, commitment and ongoing learning through a safe, people-centric and inclusive experience. This underpins a high-performance, innovative, sustainable and customer-focused culture, which is anchored in our values and driven forward by our behaviours.

We support this through a leadership capability that is inspiring, adaptive, empathetic and curious, and through an agile and efficient organisational design that can meet the changing needs of our customers and the business.

Strategic Performance Indicators

A set of strategic performance indicators (SPIs) and success metrics have been developed to ensure transparency and accountability in the delivery of our strategy. These include a range of financial and non-financial metrics that will track our progress towards achieving our strategic ambition.

To maximise transparency, we will publish target and outturn values for a number of these SPIs in our Annual Report and other relevant publications – where considerations of governance and commercial confidentiality allow.

Key targets include:

Decarbonised Electricity

Grow our renewable generation and storage portfolio to 4GW by 2030 and 7GW by 2035, supporting a secure, net zero electricity system

Significantly increase the amount of renewable generation connected to our networks, supporting government policy targets and climate ambition

Reduce the carbon intensity of the electricity we generate to less than 100gCO2/kWh by 2035, supporting climate targets

Heightened focus on long-duration energy storage and decarbonising flexible generation – strengthening overall electricity system resilience and security of supply

Resilient Infrastructure

Deliver €16 billion networks capital investment and significantly increase our high-voltage network by 2030 – providing greater capacity to support housing, electrification of transport, decarbonisation and social and economic development as a whole

Enhance the performance of our networks, significantly reducing customer minutes lost by ~18-40% by 2035

Deliver 3GW of firm generation to support security of supply

Strengthen resilience across our operations, climate adaptation, and physical security, providing reliable energy supply capable of meeting future challenges

Empowered Customers

Achieve 85% customer satisfaction across customer -facing business lines

Enable >300,000 new housing and business connections by 2030 in support of Government targets

Deliver public transport connections in line with Government targets, supporting the electrification and decarbonisation of national transport infrastructure

Introduce new SPIs for flexible tariffs, net zero products and decarbonisation of Electric Ireland gas customers, helping Electric Ireland customers to take even greater control of their energy use

Glossary of Terms

Sustainable Development Goals
The UN Sustainable Development goals were adopted by all United Nations Member States in 2015. They are an urgent call to action for action by all countries – developing and developed – to work in partnership for peace and prosperity for people and the planet. The goals recognise that ending poverty and other deprivations must go hand-in-hand with strategies that deliver affordable and clean energy, improve health and education, reduce inequality, and spur economic growth – all while tackling climate change and working to preserve our oceans and forests.

Net Zero / Net Zero Emissions
Net zero refers to a state in which the greenhouse gases going into the atmosphere are balanced by removal out of the atmosphere.

The term net zero is important because – for CO2 at least – this is the state at which global warming stops. The Paris Agreement underlines the need for net zero, requiring states to 'achieve a balance between anthropogenic emissions by sources (i.e. pollution or pollutants originating from human activity) and removals by sinks of greenhouse gases in the second half of this century'.

The Paris Agreement
The Paris Agreement is an international treaty on climate change signed in 2015, which is legally binding on all signatories.

An integral part of the agreement is a commitment to limit the rise in global temperatures to well below 2°C above pre-industrial levels, and pursuing efforts to limit warming to 1.5°C.

Energy for generations

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