

CEG Conflicts of interest

Code of Conduct

Introduction

The Customer Engagement Group has been established as an independent body, designed to scrutinise the development of SP Energy Networks' RIIO-ED2 business plan. Its primary role is to challenge whether the plan addresses the needs and preferences of the company's customers and stakeholders. The final business plan will be submitted to Ofgem in December 2021 as part of the next price control negotiations. The group is chaired and operated independently of SPEN and of OFGEM and meets regularly with the company to review, scrutinise and challenge the development of the business plan.

In order to achieve its main objective, the group consists of a diverse mix of members drawn from a range of industries and organisations. As SPEN operates in Scotland, Wales and England it also has members from each of those nations. Each member therefore has a variety of skills, perspectives and interests as a result.

As expressed in Ofgem's [Enhanced Stakeholder Engagement Guidance](#) (July 2020), there is a requirement for the CEG to have its own section on SPEN's website, which contains a code of conduct on any conflicts of interest.

Conflict of interests

A conflict of interest is a set of circumstances involving an individual or an organisation that creates a risk that professional judgment or actions regarding a primary interest will be unduly influenced by a secondary interest. Members of the CEG are expected to act ethically, professionally and objectively with regard to the responsibilities they are expected to carry out. Potential or perceived Conflicts of Interest can take many different forms, but may include one or more of the examples listed below:

- When an individual has the opportunity to use his or her position for personal financial gain or to benefit a company in which the individual has a financial interest.
- When outside financial or other interests may inappropriately influence the way in which an individual carries out his or her responsibilities.
- When an individual's outside interests may cause harm to the reputation of the CEG or to SPEN

It is both acknowledged and accepted that members of the CEG will have business and personal interests other than those of the Group. As part of the recruitment process, members were asked to declare any directorships, appointments and interests to the SPEN board of directors in writing in Schedule 1, as illustrated in the table below.

CEG Members are appointed as individuals and not as representatives of any particular organisation or companies. They should also not act as a representative for any particular

organisation or consumer group and base their review of the business plan on factual evidence, engagement and research.

A Register of Interests log has been compiled with details of all outside interests. This log will be updated as required by the CEG Secretary when new interests become apparent. To keep the log under regular review, members are invited to declare any specific conflicts of interest arising at each meeting. Members are also able and encouraged to raise any perceived or actual conflicts of interest as soon as they arise outside formal meetings. These should be highlighted in the first instance to the chair of the group.

Where deemed appropriate by the chair, the CEG will consider a conflict and agree how to proceed, with the final decision taken by the CEG Chair.

Schedule Part 1
Details of outside interests

Entity	Position Held	Date and Term of Appointment	Shareholding/ Share options/ Other interests