

SCOTTISH POWER ENERGY NETWORKS HOLDINGS LIMITED
ANNUAL REPORT AND ACCOUNTS
for the year ended 31 December 2025

Registered No. SC389555

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SCOTTISH POWER ENERGY NETWORKS HOLDINGS LIMITED

STRATEGIC REPORT

The directors present their Strategic Report on Scottish Power Energy Networks Holdings Limited ("the Company") for the year ended 31 December 2025.

INTRODUCTION

The principal activity of the Company, registered company number SC389555, is that of a holding company. This activity will continue for the foreseeable future.

The ultimate parent of the Company is Iberdrola, S.A. ("Iberdrola") whose shares are listed on all four stock markets in Spain. Scottish Power Limited ("SPL") is the United Kingdom ("UK") holding company of the Scottish Power Limited Group ("ScottishPower") of which the Company is a member. The Company is a wholly-owned subsidiary of its immediate parent company, Scottish Power UK plc ("SPUK").

In March 2025, the UK Competition and Markets Authority ("CMA") cleared the acquisition by the Company of an 88% shareholding in Electricity North West (Holdings) Limited (previously known as North West Electricity Networks (Jersey) Limited) ("ENWH"), which heads a group including the electricity distribution network operator ("DNO") Electricity North West Limited ("ENWL"). As a result, the Company now has a majority effective shareholding in four UK regulated electricity network companies, being SP Distribution plc ("SPD"), SP Manweb plc ("SPM"), SP Transmission plc ("SPT"), and ENWL (together, these companies comprise "Energy Networks").

Each of the Energy Networks companies are 'asset-owner companies', holding regulated assets, electricity distribution licences (in the case of SPD, SPM and ENWL) and an electricity transmission licence (in the case of SPT). All the asset-owner companies are regulated monopolies.

Energy Networks owns and operates the network of cables and power lines transporting electricity to around 3.5 million connected customers in the Central Belt and South of Scotland, Cheshire, Merseyside, North Shropshire, North Wales, Cumbria and Lancashire. SP Power Systems Limited ("SPPS"), another wholly owned subsidiary of the Company, acts as a service provider to the SPT, SPD and SPM.

STRATEGIC OUTLOOK

Operating review

The Company's acquisition of 88% of the share capital in ENWH was cleared by the CMA on 20 March 2025. For further insight on the acquisition, refer to Note 3.

The net profit for the year increased by £52.4 million to £272.2 million principally due to an increase in dividends received from the Company's subsidiaries.

Financial instruments

The Company has loans and other borrowings with Iberdrola Group companies which exposes the Company to Treasury risk (comprising both liquidity and market risk).

Liquidity risk is the risk that the Company will have insufficient funds to meet its liabilities and market risk is the risk of loss that results from changes in market rates (e.g. interest rates). Both of these are managed by ScottishPower's Treasury department, who are responsible for arranging banking facilities on behalf of the Company. If any necessary funding is required, it is obtained via credit facilities already in place.

PRINCIPAL RISKS AND UNCERTAINTIES

The delivery of its strategy requires the Company to conduct in a manner benefitting customers through balancing cost and risk, while delivering shareholder value and protecting its performance and reputation by prudently managing the risks inherent in the business. To maintain this strategic direction, ScottishPower, and so the Company, develops and implements risk management policies and procedures, and promotes a robust control environment at all levels of the organisation. Further details of ScottishPower's risk management practices can be found in the most recent Annual Report and Accounts of SPUK.

SCOTTISH POWER ENERGY NETWORKS HOLDINGS LIMITED

STRATEGIC REPORT *continued*

PRINCIPAL RISKS AND UNCERTAINTIES *continued*

The principal risk and uncertainty of the Company, that may impact current and future operational and financial performance and the management of that risk is described below.

RISK	RESPONSE
The potential for impairment in the value of investments.	Review of operational financial performance of its investments.

The Company continues to monitor and assess the impact of additional security risks as a result of terrorism, war and other world events and will put mitigating actions in place if and when appropriate.

ENGAGING WITH STAKEHOLDERS

The importance of engaging with stakeholders

The Company strongly believes that effective and meaningful engagement with stakeholders is key to promoting its success and values. Meaningful engagement with stakeholder groups supports the ethos of section 172 of the Companies Act 2006 which states that directors should have regard to stakeholder interests when discharging their duty to promote, in good faith, the success of the Company for the benefit of its members as a whole. Details of how the Company engages with its stakeholders, and how these activities influence the Company's operations, are set out below.

Key stakeholders

The directors are fully aware of their duties under the Companies Act 2006, including as set out in section 172 of the same. The primary responsibility of the board of directors of the Company ("the Board") is to supervise and make decisions as required in relation to the activities of the Company's business and its subsidiaries, all as part of Energy Networks, in accordance at all times with Energy Networks' corporate governance system and the provisions of all applicable legislation and regulations.

The Company's key stakeholder is its shareholder. Notwithstanding this, as a holding company due to the governance framework described above, the Company also has indirect stakeholders, being the stakeholders of its subsidiary entities. The Company's subsidiary entities have five key stakeholder categories: people; energy customers; suppliers and contractors; government and regulators; and community and environment. Further details as to how the Company's subsidiaries engage with these five stakeholder categories are provided in the Section 172 statement.

Shareholders are important to the Company. The Company's relationship with its shareholders is governed by the Company's Articles of Association and provisions of the Governance and Sustainability System which apply to the Company and the Group, of which it is a member. As the Company is ultimately wholly owned by Iberdrola, all ultimate shareholder management activities are carried out by Iberdrola in accordance with its own Ongoing Shareholders Engagement Policy as published at www.iberdrola.com.

Modern Slavery Statement

The term 'modern slavery' covers both slavery and human trafficking. ScottishPower, and therefore the Company, is committed to human and labour rights and to eliminating modern slavery that could in any way be connected to its business. In accordance with the Modern Slavery Act 2015, ScottishPower has produced its own Modern Slavery Statement, which is subject to annual approval by the board of directors of SPL. This statement is published on the ScottishPower website at: www.scottishpower.com.

SCOTTISH POWER ENERGY NETWORKS HOLDINGS LIMITED

STRATEGIC REPORT *continued*

SECTION 172 STATEMENT

Statement by the directors in performance of their statutory duties in accordance with section 172 of the Companies Act 2006

The Companies (Miscellaneous) Reporting Regulations 2018 requires the directors of the Company to give a statement which describes how the directors have had regard to the matters set out in section 172(1) of the Companies Act 2006 when discharging their duty under that section.

The directors acknowledge and understand their duties and responsibilities, including that, under section 172 of the Companies Act 2006, a director of a company must act in the way they consider, in good faith, would be most likely to promote the success of the company for the benefit of its members as a whole, and in doing so have regard (amongst other matters) to:

- a) the likely consequences of any decision in the long-term;
- b) the interests of the company's employees;
- c) the need to foster the company's business relationships with suppliers, customers and others;
- d) the impact of the company's operations on the community and the environment;
- e) the desirability of the company maintaining a reputation for high standards of business conduct; and
- f) the need to act fairly as between members of the company.

The delivery of the strategy of the Energy Networks division, of which the Company is the principal parent company, requires the Energy Networks division to conduct business in a manner benefitting customers through balancing cost and risk while delivering shareholder value and protecting the performance and reputation of the Energy Networks division by prudently managing risks inherent in the business. In carrying out this strategy, the directors' duties under section 172 of the Companies Act 2006 have been considered.

The Board is responsible for the effective management of the Energy Networks division, in accordance with the strategy of that division. The Board meets regularly and reviews strategy, operational performance and risk issues on behalf of the Energy Networks division, and to also approve certain reserved matters as defined under the terms of reference of the Board. The terms of reference of the Board are published at www.spenergynetworks.co.uk under 'Corporate Governance' / 'Governance and Sustainability System' / 'Book One - Articles of Association and Corporate Organisation'.

The Board fully recognises that effective and meaningful engagement with stakeholders is key to promoting the success of the Company.

Direct engagement with the stakeholders of the Energy Networks division, of which the Company is a holding company, is principally conducted by the regulated electricity network companies within the division being SPT, SPD, SPM and ENWL. For further information on these entities' respective engagement with their specific stakeholders, refer to the relevant section of the Strategic Report in their most recent annual accounts. The Accounts of SPT, SPD and SPM, together with these Accounts, are each published at www.spenergynetworks.co.uk under 'About Us' / 'Company Reporting' / 'Annual Reports & Accounts'. The Accounts of ENWL are published at www.enwl.co.uk under 'About Us' / 'Financial Investor Relations' / 'Financial Reports'.

In addition, please refer to the 'Engaging with stakeholders' section of the Strategic Report which sets out the Board's oversight of the consideration given to the Company's, and Energy Networks', engagement with key stakeholders.

The directors strongly believe that effective and meaningful engagement with stakeholders is key to promoting the success of the Company. Details and examples of engagement with the Company's key stakeholders (both direct and indirect) who are considered by the Board in its decision making with respect to matters reserved to it are as follows:

- **Customers:** Details of how Energy Networks, and therefore the Company, engages with its customers are set out in the 'Energy customers' sections of the Strategic Reports of SPD, SPT and SPM, and in the 'Customers' section of the Strategic Report of ENWL. During the year, the Board received regular updates on customer service performance indicators of the Energy Networks division.
- **Employees:** details of how Energy Networks, and so the Company, engages with its employees are set out in the 'People' section of the Strategic Reports of the principal subsidiaries (refer to the most recent annual accounts of SPD, SPT, SPM and ENWL). During the year, the Board received regular updates on health and safety performance indicators with respect to Energy Networks employees.

SCOTTISH POWER ENERGY NETWORKS HOLDINGS LIMITED

STRATEGIC REPORT *continued*

SECTION 172 STATEMENT *continued*

- **Communities and the environment:** details of how Energy Networks, and so the Company, engages with communities and considers the environment are set out in the 'Community and environment' section of the Strategic Reports of the principal subsidiaries (refer to the most recent annual accounts of SPD, SPT, SPM and ENWL). During 2025, the Board approved the adoption and implementation of the Natural Capital policies established by SPL, copies of which are available at https://www.scottishpowerrenewables.com/corporate-governance/governance-and-sustainability-system/book_two_corporate_policies.
- **Suppliers and contractors:** details of how Energy Networks, and so the Company, engages with its suppliers are set out in the 'Suppliers and contractors' section of the Strategic Reports of the principal subsidiaries (refer to the most recent annual accounts of SPD, SPT, SPM and ENWL). During the year, the Board approved key procurement contract awards for Energy Networks in accordance with the parameters specified in the Board's terms of reference. The Board also received regular updates on health and safety performance indicators with respect to Energy Networks contractors.
- **Government and regulators:** details of how Energy Networks, and so the Company, engages with governments and regulators are set out in the 'Government and regulators' section of the Strategic Reports of the principal subsidiaries (refer to the most recent annual accounts of SPD, SPT, SPM and ENWL). During the year, the Board received regular updates on regulatory milestones of Energy Networks.

In addition, a statement in relation to the Company's interaction with its shareholders is described in the introduction to the 'Engaging with stakeholders' section of the Strategic Report on page 2.

The directors, both individually and together as a board, consider that the decisions taken during the year ended 31 December 2025 in discharging the function of the Board were in accordance with their duty under section 172 of the Companies Act 2006.

The Board is assisted in considering key stakeholders (direct and indirect) as part of the decision-making process by including stakeholder considerations in board papers as appropriate, and board papers are carefully reviewed and considered by all directors.

ON BEHALF OF THE BOARD



Douglas Ness
Director
23 June 2026

SCOTTISH POWER ENERGY NETWORKS HOLDINGS LIMITED

DIRECTORS' REPORT

The directors present their report and audited Accounts for the year ended 31 December 2025.

INFORMATION CONTAINED WITHIN THE STRATEGIC REPORT

The directors have chosen to disclose information on the following, required by the Companies Act 2006 to be included in the Directors' Report, within the Strategic Report, found on pages 1 to 4:

- information on financial risk management and policies; and
- information regarding future developments of the Company's business.

RESULTS AND DIVIDEND

The net profit for the year was £272.2 million (2024 £219.8 million). A dividend of £256.2 million was paid during the year (2024 £200.0 million).

DIRECTORS

The directors who held office during the year were as follows:

Keith Anderson	Chair, internal, non-executive director (appointed 26 March 2025)
Ana T. Lafuente González	Internal, non-executive director
Nicola Connelly	Chief Executive Officer
Gillian King	External, non-executive director
Rt Hon. Charles Hendry	External, non-executive director
Lord Hutton of Furness	External, non-executive director (resigned 5 May 2025)
Mónica Grau Domene	Internal, non-executive director (resigned 21 March 2025)
José Ignacio Sánchez-Galán García-Tabernero	Internal, non-executive director
Douglas Ness	Internal, non-executive director (appointed 20 March 2025)

Beatrice Helene Baker Pessoa De Araujo was appointed as a director on 1 January 2026.

DIRECTORS' INDEMNITY

In terms of the Company's Articles of Association, a qualifying indemnity provision is in force for the benefit of all the directors of the Company and has been in force during the financial year. In addition, the directors have been granted a qualifying third party indemnity provision, which continues in force.

STATEMENT OF DIRECTORS' RESPONSIBILITIES IN RESPECT OF THE ANNUAL REPORTS AND ACCOUNTS

The directors are responsible for preparing the Annual Report and Accounts in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law they have elected to prepare the financial statements in accordance with UK accounting standards and applicable law (UK Generally Accepted Accounting Practice), including Financial Reporting Standard 101 'Reduced Disclosure Framework' ("FRS 101").

Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and of the profit or loss of the Company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- assess the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and
- use the going concern basis of accounting unless they either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

SCOTTISH POWER ENERGY NETWORKS HOLDINGS LIMITED
DIRECTORS' REPORT *continued*

STATEMENT OF DIRECTORS' RESPONSIBILITIES IN RESPECT OF THE ANNUAL REPORT AND ACCOUNTS *continued*

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error, and have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the Company and to prevent and detect fraud and other irregularities.

Under applicable law and regulations, the directors are also responsible for preparing a Strategic Report and a Directors' Report that comply with that law and those regulations.

The directors are responsible for the maintenance and integrity of the corporate and financial information relating to the Company that is included on the ScottishPower website. Legislation in the UK governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Disclosure of information to auditor

Each of the directors in office as at the date of this Annual Report and Accounts confirms that:

- so far as they are aware, there is no relevant audit information of which the Company's auditor is unaware; and
- they have taken all the steps that they ought to have taken as a director in order to make themselves aware of any relevant audit information and to establish that the Company's auditor is aware of that information.

This confirmation is given and should be interpreted in accordance with the provisions of section 418 of the Companies Act 2006.

AUDITOR

KPMG LLP was re-appointed as the auditor of the Company for the year ending 31 December 2026.

ON BEHALF OF THE BOARD



Douglas Ness
Director
23 June 2026

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF SCOTTISH POWER ENERGY NETWORKS HOLDINGS LIMITED

Opinion

We have audited the financial statements of Scottish Power Energy Networks Holdings Limited ("the Company") for the year ended 31 December 2025 which comprise the Statement of financial position, Income statement and statement of comprehensive income, Statement of changes in equity, and related notes, including the accounting policies in Note 2.

In our opinion the financial statements:

- give a true and fair view of the state of the Company's affairs as at 31 December 2025 and of its profit for the year then ended;
- have been properly prepared in accordance with UK accounting standards, including FRS 101 *Reduced Disclosure Framework*; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities are described below. We have fulfilled our ethical responsibilities under, and are independent of the Company in accordance with, UK ethical requirements including the FRC Ethical Standard. We believe that the audit evidence we have obtained is a sufficient and appropriate basis for our opinion.

Going concern

The directors have prepared the financial statements on the going concern basis as they do not intend to liquidate the Company or to cease its operations, and as they have concluded that the Company's financial position means that this is realistic. They have also concluded that there are no material uncertainties that could have cast significant doubt over its ability to continue as a going concern for at least a year from the date of approval of the financial statements ("the going concern period").

In our evaluation of the directors' conclusions, we considered the inherent risks to the Company's business model and analysed how those risks might affect the Company's financial resources or ability to continue operations over the going concern period.

We considered whether the going concern disclosure in Note 1B2 to the financial statements gives a full and accurate description of the directors' assessment of going concern, including the identified risks and dependencies.

We assessed the completeness of the going concern disclosure.

Our conclusions based on this work:

- we consider that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate;
- we have not identified, and concur with the directors' assessment that there is not, a material uncertainty related to events or conditions that, individually or collectively, may cast significant doubt on the Company's ability to continue as a going concern for the going concern period.

However, as we cannot predict all future events or conditions and as subsequent events may result in outcomes that are inconsistent with judgements that were reasonable at the time they were made, the above conclusions are not a guarantee that the Company will continue in operation.

Fraud and breaches of laws and regulations – ability to detect

Identifying and responding to risks of material misstatement due to fraud

To identify risks of material misstatement due to fraud ("fraud risks") we assessed events or conditions that could indicate an incentive or pressure to commit fraud or provide an opportunity to commit fraud. Our risk assessment procedures included:

- Enquiring of directors, the internal audit function, the Company's legal function and the compliance function and inspection of policy documentation as to the Company's high-level policies and procedures to prevent and detect fraud, including the internal audit function, and the Company's channel for "whistleblowing", as well as whether they have knowledge of any actual, suspected or alleged fraud.
- Reading Board meeting minutes.
- Using analytical procedures to identify any unusual or unexpected relationships.
- Consultation with our own forensic professional regarding the identified potential fraud risks. This involved discussion between the forensic professional and the senior members of the engagement team.

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF SCOTTISH POWER ENERGY NETWORKS HOLDINGS LIMITED *continued*

Fraud and breaches of laws and regulations – ability to detect *continued*

We communicated identified fraud risks throughout the audit team and remained alert to any indications of fraud throughout the audit.

As required by auditing standards, and taking into account possible pressures to meet profit targets and our overall knowledge of the control environment, we perform procedures to address the risk of management override of controls, in particular the risk that management may be in a position to make inappropriate accounting entries.

On this audit we do not believe there is a fraud risk related to revenue recognition because there are no revenue transactions.

We did not identify any additional fraud risks.

We performed procedures including:

- Identifying journal entries and other adjustments to test based on risk criteria and comparing the identified entries to supporting documentation. These included those posted by senior finance management and those posted to unusual accounts.
- Assessing whether the judgements made in making accounting estimates are indicative of a potential bias.

Identifying and responding to risks of material misstatement related to compliance with laws and regulations

We identified areas of laws and regulations that could reasonably be expected to have a material effect on the financial statements from our general commercial and sector experience, through discussion with the directors and other management (as required by auditing standards), and discussed with the directors and other management the policies and procedures regarding compliance with laws and regulations.

We communicated identified laws and regulations throughout our team and remained alert to any indications of non-compliance throughout the audit.

The potential effect of these laws and regulations on the financial statements varies considerably.

Firstly, the Company is subject to laws and regulations that directly affect the financial statements including financial reporting legislation (including related companies legislation), distributable profits legislation and taxation legislation, and we assessed the extent of compliance with these laws and regulations as part of our procedures on the related financial statement items.

Secondly, the Company is subject to many other laws and regulations where the consequences of non-compliance could have a material effect on amounts or disclosures in the financial statements, for instance through the imposition of fines or litigation. We identified the following areas as those most likely to have such an effect: GDPR compliance, health and safety legislation, fraud, corruption and bribery legislation. Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of the directors and other management and inspection of regulatory and legal correspondence, if any. Therefore, if a breach of operational regulations is not disclosed to us or evident from relevant correspondence, an audit will not detect that breach.

Context of the ability of the audit to detect fraud or breaches of law or regulation

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it.

In addition, as with any audit, there remained a higher risk of non-detection of fraud, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. Our audit procedures are designed to detect material misstatement. We are not responsible for preventing non-compliance or fraud and cannot be expected to detect non-compliance with all laws and regulations.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF SCOTTISH POWER ENERGY NETWORKS HOLDINGS LIMITED *continued*

Strategic report and directors' report

The directors are responsible for the strategic report and the directors' report. Our opinion on the financial statements does not cover those reports and we do not express an audit opinion thereon.

Our responsibility is to read the strategic report and the directors' report and, in doing so, consider whether, based on our financial statements audit work, the information therein is materially misstated or inconsistent with the financial statements or our audit knowledge. Based solely on that work:

- we have not identified material misstatements in the strategic report and the directors' report;
- in our opinion the information given in those reports for the financial year is consistent with the financial statements; and
- in our opinion those reports have been prepared in accordance with the Companies Act 2006.

Matters on which we are required to report by exception

Under the Companies Act 2006 we are required to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

We have nothing to report in these respects.

Directors' responsibilities

As explained more fully in their statement set out on pages 5 to 6, the directors are responsible for: the preparation of the financial statements and for being satisfied that they give a true and fair view; such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error; assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and using the going concern basis of accounting unless they either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue our opinion in an auditor's report. Reasonable assurance is a high level of assurance, but does not guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

A fuller description of our responsibilities is provided on the FRC's website at www.frc.org.uk/auditorsresponsibilities.

The purpose of our audit work and to whom we owe our responsibilities

This report is made solely to the Company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the Company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's members, as a body, for our audit work, for this report, or for the opinions we have formed.



Emma Sonka (Senior Statutory Auditor)
for and on behalf of KPMG LLP, Statutory Auditor
Chartered Accountants
319 St Vincent Street
Glasgow
G2 5AS
25 June 2026

SCOTTISH POWER ENERGY NETWORKS HOLDINGS LIMITED
STATEMENT OF FINANCIAL POSITION
at 31 December 2025

	Notes	2025 £m	2024 £m
NON-CURRENT ASSETS			
Investments	3	4,053.4	4,053.4
		4,053.4	4,053.4
CURRENT ASSETS			
Other receivables		4.3	5.9
Current tax asset		0.2	0.4
		4.5	6.3
TOTAL ASSETS		4,057.9	4,059.7
EQUITY ATTRIBUTABLE TO SHAREHOLDERS OF THE PARENT			
Share capital		4,019.3	4,019.3
Retained earnings		38.3	22.3
TOTAL EQUITY		4,057.6	4,041.6
CURRENT LIABILITIES			
Loans and other borrowings	4	0.3	18.1
		0.3	18.1
TOTAL LIABILITIES		0.3	18.1
TOTAL EQUITY AND LIABILITIES		4,057.9	4,059.7

Approved by the Board and signed on its behalf on 23 June 2026.



Douglas Ness
Director

The accompanying Notes 1 to 10 are an integral part of the Statement of financial position at 31 December 2025.

SCOTTISH POWER ENERGY NETWORKS HOLDINGS LIMITED
INCOME STATEMENT AND STATEMENT OF COMPREHENSIVE INCOME
for the year ended 31 December 2025

	Notes	2025 £m	2024 £m
External services		(1.5)	(2.0)
OPERATING LOSS		(1.5)	(2.0)
Dividends received		273.8	222.5
Finance costs		(0.3)	(1.1)
PROFIT BEFORE TAX		272.0	219.4
Income tax	5	0.2	0.4
NET PROFIT FOR THE YEAR ATTRIBUTABLE TO THE PARENT		272.2	219.8

Net profit for both years is wholly attributable to the equity holder of Scottish Power Energy Networks Holdings Limited.

Net profit for both years comprises total comprehensive income.

All results relate to continuing operations.

STATEMENT OF CHANGES IN EQUITY
for the year ended 31 December 2025

	Share capital (Note (a)) £m	Retained earnings (Note (b)) £m	Total equity £m
At 1 January 2024	1,804.3	2.5	1,806.8
Profit for the year attributable to the equity holders of the Company	-	219.8	219.8
Share capital issued	2,215.0	-	2,215.0
Dividends	-	(200.0)	(200.0)
At 1 January 2025	4,019.3	22.3	4,041.6
Profit for the year attributable to the equity holders of the Company	-	272.2	272.2
Dividends	-	(256.2)	(256.2)
At 31 December 2025	4,019.3	38.3	4,057.6

- (a) At 31 December 2025, the Company had 4,019,257,993 allotted, called up and fully paid ordinary shares of £1 each (2024 4,019,257,993). Holders of these ordinary shares are entitled to dividends as declared from time to time; amounts on the capitalisation of profits and reserves; and notice and attendance at general meetings of the Company, with every member entitled to one vote on a show of hands and on a poll one vote for every share held.
- (b) Retained earnings comprise the cumulative balance of profits and losses recognised in the financial statements as adjusted for transactions with shareholders, principally dividends.

The accompanying Notes 1 to 10 are an integral part of the Income statement and statement of comprehensive income, and the Statement of changes in equity for the year ended 31 December 2025.

SCOTTISH POWER ENERGY NETWORKS HOLDINGS LIMITED
NOTES TO THE ACCOUNTS
31 December 2025

1 BASIS OF PREPARATION

A COMPANY INFORMATION

Scottish Power Energy Networks Holdings Limited, registered company number SC389555, is a private company limited by shares, incorporated in Scotland and its registered office is 320 St. Vincent Street, Glasgow, G2 5AD, Scotland.

B BASIS OF PREPARATION

B1 BASIS OF PREPARATION OF THE ACCOUNTS

The Accounts are prepared in accordance with the accounting policies set out in Note 2. Monetary amounts are presented in pounds Sterling and are rounded to the nearest hundred thousand unless otherwise indicated. The Accounts are prepared on the historical cost basis.

The Accounts contain information about Scottish Power Energy Networks Holdings Limited as an individual company and do not contain consolidated financial information as the parent of subsidiary companies. The Company is exempt under Section 400 of the Companies Act 2006 from the requirements to prepare consolidated accounts as it and its subsidiary undertakings are included by full consolidation in the consolidated accounts of its immediate parent company, SPUK.

The Accounts have been prepared in accordance with Financial Reporting Standard 101 'Reduced Disclosure Framework' ("FRS 101"). In applying FRS 101, the Company has made amendments where necessary in order to comply with the Companies Act 2006 and has set out below where advantage of the FRS 101 disclosure exemptions has been taken:

- the preparation of a Statement of cash flows and the related notes;
- disclosures in respect of transactions with wholly-owned subsidiaries of Iberdrola, S.A.;
- disclosures in respect of capital management;
- the effects of new, but not yet effective, International Accounting Standards ("IAS") pronouncements; and
- disclosures in respect of the compensation of key management personnel.

As the consolidated financial statements of SPUK plc include the equivalent disclosures, the Company has also taken the following available exemptions under FRS 101:

- certain disclosures required by IFRS 13 'Fair Value Measurement';
- disclosures required by IAS 12 'Income Taxes' relating to Pillar Two model rules in respect of deferred tax assets and liabilities; and
- disclosures required by IFRS 7 'Financial Instruments: Disclosures' ("IFRS 7").

B2 GOING CONCERN

The financial statements have been prepared on a going concern basis which the directors consider to be appropriate for the following reasons.

The principal activity of the Company is that of a holding company within the group headed by SPUK ("the SPUK Group"). The Company's cash flows are, therefore, dependent on the continuation, volume, and pricing of those operations and have been considered as part of the SPUK Group's cash flow forecasts, on which the directors of SPUK have performed an assessment of reasonably possible downsides.

Cash and liquidity are managed centrally by the ScottishPower Treasury function (via a cash pooling arrangement), with working capital requirements of the Company funded by SPL, the parent company of SPUK. SPUK provides financial support to the Company and SPUK itself relies on support from SPL. Centralised funding and cash management aligns with the Iberdrola Group model.

The directors have performed a going concern assessment which indicates that the Company will have sufficient funds to meet its liabilities as they fall due for at least twelve months from the date of approval of these financial statements, the going concern assessment period.

Nevertheless, as the SPUK Group operates a centralised treasury function and in order to take account of reasonably possible downsides, SPUK has indicated its intention to continue to make available such funds as are needed by the Company during the going concern assessment period. As with any company placing reliance on other group entities for financial support, the directors acknowledge that there can be no certainty that this support will continue although, at the date of approval of these financial statements, they have no reason to believe that it will not do so.

SCOTTISH POWER ENERGY NETWORKS HOLDINGS LIMITED
NOTES TO THE ACCOUNTS *continued*
31 December 2025

1 BASIS OF PREPARATION *continued*

Consequently, the directors are confident that the Company will have sufficient funds to continue to meet its liabilities as they fall due for at least twelve months from the date of approval of the financial statements and, therefore, have prepared the financial statements on a going concern basis.

C IMPACT OF NEW IAS

In preparing these Accounts, the Company has applied all relevant standards and interpretations that have been adopted by the UK as of the date of approval of these Accounts and that are mandatory for the financial year ended 31 December 2025.

For the year ended 31 December 2025, the Company has applied the following amendments to standards for the first time, and their application has not had a material impact on the Company's accounting policies, financial position or performance:

- Amendments to IAS 21 'The Effects of Changes in Foreign Exchange Rates: Lack of Exchangeability'; and
- Amendments to IFRS 9 'Financial Instruments' ("IFRS 9") and IFRS 7: 'Contracts with Nature-dependent Electricity'.

The Company has early adopted the aforementioned Amendments to IFRS 9 and IFRS 7 and has applied these amendments effective from 1 January 2025.

2 JUDGEMENTS, ESTIMATION UNCERTAINTIES AND PRINCIPAL ACCOUNTING POLICIES

Management may be required to make a number of judgements and assumptions regarding the future and about other sources of estimation uncertainty at the end of the reporting period that may have a significant risk of resulting in a material adjustment to the reported amounts of assets and liabilities within the next financial year. The Company has no such significant judgements or estimation uncertainties.

Management has also considered a non-significant judgement relating to climate change. No material impact on the judgements and estimates made in the preparation of the financial statements has been identified. This consideration focused on the Company's going concern position.

Additionally, consideration has been given to any estimates over the longer-term which should be disclosed to allow for an understanding of the financial statements. The Company has no estimates of this nature to disclose.

PRINCIPAL ACCOUNTING POLICIES

The principal accounting policies applied in preparing the financial statements are set out below. In the process of determining and applying these accounting policies, judgement, apart from those involving estimations (as noted above), is often required that can significantly affect the amounts recognised in the financial statements. Management has made no such judgements.

A INVESTMENTS

The Company's investments in subsidiaries are stated in the Statement of financial position at cost, or the fair value of shares issued as consideration where applicable, from the date on which the Company is deemed to control the entity. Dividends from subsidiaries are recognised when the right to receive the dividend is established.

Associates are entities over which the Company has significant influence i.e. the power to participate in the financial and operating policy decisions of the investee but it is not control or joint control of those policies. The Company is exempt from equity accounting for its associates and recognises its interest as an investment which is held at cost in the Statement of financial position for the period for which the Company is deemed to have significant influence. Dividends received are recognised as a reduction in the carrying amount of the investment.

Investments in subsidiaries and associates are reviewed for impairment if there are indicators that the carrying value may not be recoverable. An impairment loss is recognised to the extent that the carrying amount cannot be recovered either by selling the asset or by continuing to hold the asset and benefiting from the net present value of the future cash flows (value-in-use) of the investment.

SCOTTISH POWER ENERGY NETWORKS HOLDINGS LIMITED

NOTES TO THE ACCOUNTS *continued*

31 December 2025

2 JUDGEMENTS, ESTIMATION UNCERTAINTIES AND PRINCIPAL ACCOUNTING POLICIES *continued*

B FINANCIAL INSTRUMENTS

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Bb1 FINANCIAL LIABILITIES

B1.1 CLASSIFICATION

Financial liabilities are classified as measured at amortised cost.

B1.2 RECOGNITION AND MEASUREMENT

(a) Initial recognition and measurement

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings, net of directly attributable transaction costs.

(b) Subsequent measurement and gains and losses

Financial liabilities are subsequently measured at amortised cost using the effective interest method. Interest expense is recognised in the Income statement and statement of comprehensive income. Any gain or loss on derecognition is also recognised in the Income statement and statement of comprehensive income.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees, or costs that are an integral part of the effective interest rate. The effective interest charge is included as Finance costs in the Income statement and statement of comprehensive income.

(c) Derecognition

The Company derecognises a financial liability when the obligation under that liability is discharged, cancelled or has expired. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, the original liability is derecognised and a new liability recognised. The difference in their respective carrying amounts is recognised in the Income statement and statement of comprehensive income.

C TAXATION

Assets and liabilities for current tax are calculated using the tax rates that have been enacted, or substantively enacted, at the reporting date.

Tax on the profit or loss for the year comprises current tax. Tax is recognised in the Income statement and statement of comprehensive income. For income tax arising on dividends, the related tax is recognised in the Income statement and statement of comprehensive income consistent with the transactions that generated the distributable profits.

3 INVESTMENTS

(a) Movements in investments

	Note	Investments in subsidiaries £m	Investment in associate £m	Total £m
At 1 January 2024		1,823.5	-	1,823.5
Acquisition	(i)	-	2,229.9	2,229.9
At 31 December 2024 and 1 January 2025		1,823.5	2,229.9	4,053.4
Reclassification of investment	(ii)	2,229.9	(2,229.9)	-
At 31 December 2025		4,053.4	-	4,053.4

(i) On 22 October 2024, the Company acquired 85.63% of the share capital of ENWH; this was represented by the acquisition of 4,482,862 ordinary shares of no par value and 280,008,889 redeemable preference shares of no par value. Subsequently, on 24 October 2024, ENWH issued 1,034,107 new ordinary shares of no par value and 64,592,592 new redeemable preference shares of no par value to the Company, resulting in the Company owning an 88% share of ENWH and the corresponding voting rights at the year-end. The preference shares have no coupon or redemption date attached to them and are redeemable only at the request of ENWH. The cost of the preference shares acquired is included within the acquisition cost of £2,229.9 million.

(ii) The acquisition of the 88% stake in ENWH was subject to an IEO imposed by the CMA, which prevented any integration prior to regulatory clearance being obtained thus it was determined that the Company did not have control of ENWH but had significant influence. As a result, the Company considered its interest in ENWH to be an investment in an associate from the date of acquisition to 20 March 2025, when the CMA cleared the acquisition and the IEO was lifted. From this date, the interest in ENWH has been considered an investment in a subsidiary, with the Company's stake remaining at 88% when control passed.

SCOTTISH POWER ENERGY NETWORKS HOLDINGS LIMITED
NOTES TO THE ACCOUNTS *continued*
31 December 2025

3 INVESTMENTS *continued*

(b) Subsidiaries, joint arrangements and associates

All entities are indirect holdings unless specified.

		Registered office and country of incorporation (see Note (vii))	Effective shareholding	
Name	Principal activities		2025	2024
Subsidiaries				
Class Electricity Limited	Dormant company	(A)	88%	(i) 88%
Derryherk Limited	Provision of network software services	(B)	100%	(ii) 100%
Electricity North East (Construction and Maintenance) Limited	Dormant company	(A)	88%	(i) 88%
Electricity North West (Construction and Maintenance) Limited	Construction, operation and maintenance of network	(A)	88%	(i) 88%
Electricity North West (ESPS) Pensions Trustees Limited	Dormant company	(A)	88%	(i) 88%
Electricity North West (Holdings) Limited (formerly North West Electricity Networks (Jersey) Limited)	Holding company	(C)	88%	(i), (iii) 88%
Electricity North West Limited	Ownership and operation of network in the North West of England	(A)	88%	(i) 88%
Electricity North West Number 1 Company Limited	Dormant	(A)	88%	(i) 88%
Electricity North West Property Limited	Development of intellectual property rights	(A)	88%	(i) 88%
Electricity North West Services Limited	Metering and ground maintenance activities	(A)	88%	(i) 88%
ENW Capital Finance plc	Financing company	(A)	88%	(i) 88%
ENW Finance plc	Financing company	(A)	88%	(i) 88%
North West Electricity Networks (Finance) Limited	Holding company	(A)	88%	(i) 88%
North West Electricity Networks (Holdings) Limited	Holding company	(A)	88%	(i) 88%
North West Electricity Networks plc	Financing company	(A)	88%	(i) 88%
North West Electricity Networks (UK) Limited	Holding company	(A)	88%	(i) 88%
NWEN Finance plc	Financing company	(A)	88%	(i) 88%
NWEN Group Limited	Holding company	(A)	88%	(i) 88%
SP Distribution plc	Ownership and operation of distribution network within the Central Belt and Southern Scotland area	(B)	100%	(iii) 100%
SP Manweb plc	Ownership and operation of distribution network within Cheshire, Merseyside, North Shropshire and North Wales area	(D)	100%	(iii), (iv) 100%
SP Power Systems Limited	Provision of asset management services	(B)	100%	(ii), (iii) 100%
SP Transmission plc	Ownership and operation of transmission network within the Central Belt and Southern Scotland area	(B)	100%	(iii) 100%
Joint venture				
NGET/SPT Upgrades Limited	Operation of offshore High Voltage Direct Current ("HVDC") Transmission link	(E)	50%	50%
Joint operations				
Eastern Green Link 1 Limited	Development and construction of offshore Eastern HVDC Transmission link	(E)	50%	50%
Eastern Green Link 4 Limited	Development of offshore HVDC Transmission link	(E)	50%	(v) -
Associate				
Steel River Power Limited	Development of a private wire distribution network in North East England	(F)	44%	(i) 44%
Dormant subsidiary now dissolved				
SP Network Connections Limited	Dissolved	(G)	-	(vi) -

(i) On 22 October 2024, the Company completed the acquisition of an 88% stake in the share capital of ENWH. As set out in Note 3(a), the Company's investment in ENWH at 31 December 2024 was accounted for as investment in an associate, pending regulatory clearance. On 20 March 2025, the CMA cleared the acquisition and the IEO was lifted. From this date, the interest in ENWH has been considered an investment in a subsidiary, with the Company's stake remaining at 88% when control passed. The Company holds equal proportions of ordinary and preference shares in ENWH. Likewise, all investments held indirectly in entities in the group headed by ENWH Group were considered to be associates at 31 December 2024 but indirect subsidiaries of the Company as from 20 March 2025 (excluding Steel River Power Limited, an indirect joint venture, which continues to be considered an indirect associate).

(ii) On 27 September 2024, SP Power Systems Limited, a subsidiary of the Company, acquired 100% of the share capital of Derryherk Limited.

(iii) These entities are held directly.

SCOTTISH POWER ENERGY NETWORKS HOLDINGS LIMITED
NOTES TO THE ACCOUNTS *continued*
31 December 2025

3 INVESTMENTS *continued*

- (iv) At 31 December 2025 and 31 December 2024, the Company held 599,999,999 of the 600,000,000 shares in issue for this entity. The remaining one share in this Company is held by another ScottishPower company.
- (v) On 23 May 2025, SP Transmission plc, a subsidiary of the Company, acquired 50% of the share capital in Eastern Green Link 4 Limited for a total consideration of £50.
- (vi) SP Network Connections Limited was dissolved on 12 August 2024.
- (vii) The registered offices are listed below, along with the countries of incorporation. Where a company's registered office is in England, it is registered in England and Wales.
- (A) Borron Street, Stockport, SK1 2JD, England
 - (B) 320 St. Vincent Street, Glasgow, G2 5AD, Scotland
 - (C) 44 Esplanade, St Helier, JE4 9WG, Jersey
 - (D) 3 Prenton Way, Prenton, CH43 3ET, England
 - (E) 1-3 Strand, London, WC2N 5EH, England
 - (F) S R P House, Franklin Way, Middlesbrough, TS6 7RP, England
 - (G) Johnston Carmichael LLP, Birchin Court, 20 Birchin Lane, London, EC3V 9DU, England

4 CURRENT LOANS AND OTHER BORROWINGS

Instrument	Interest rate*	Maturity	2025 £m	2024 £m
Loans payable to related parties	Base + 1%	On demand	-	17.0
Accrued interest due to related parties			0.3	1.1
			0.3	18.1

* Base – Bank of England base rate

5 INCOME TAX

(a) Income tax for the year

	2025 £m	2024 £m
Current tax:		
UK Corporation Tax credit on profits for the year	(0.2)	(0.4)
Current tax for the year	(0.2)	(0.4)

The tax credit on profit for the year varied from the standard rate of UK Corporation Tax applicable to the Company as follows:

	2025 £m	2024 £m
Corporation Tax at 25%	68.0	54.9
Dividends from subsidiary	(68.5)	(55.6)
Non-deductible expenses and other permanent differences	0.3	0.3
Income tax for the year	(0.2)	(0.4)

(b) Pillar Two model rules

The Company has applied the exception available in IAS 12 'Income Taxes: International Tax Reform – Pillar Two Model Rules' and has not recognised or disclosed information about deferred tax assets and liabilities related to Pillar Two income taxes.

6 EMPLOYEE INFORMATION

The Company has no employees (2024: none). Details of directors' remuneration are set out in Note 9(a).

7 DIVIDENDS

	2025 pence per ordinary share	2024 pence per ordinary share	2025 £m	2024 £m
Interim dividend paid	6.4	5.0	256.2	200.0

SCOTTISH POWER ENERGY NETWORKS HOLDINGS LIMITED
NOTES TO THE ACCOUNTS *continued*
31 December 2025

8 DEBT GUARANTEES

As part of an Iberdrola group restructuring exercise to achieve legal separation of SPUK's businesses pursuant to the provision of the Utilities Act 2000, the Company has provided indemnities to its subsidiaries, SPT and SPD, against any and all calls made under guarantees provided by those companies in relation to certain borrowings of SPUK. SPD, SPT and other subsidiary companies of SPUK have provided guarantees to external lenders of SPUK for debt existing in that company at 1 October 2001. The value of debt guaranteed by these companies, which was still outstanding at 31 December 2025, was £201.4 million (2024: £201.4 million).

9 RELATED PARTY TRANSACTIONS

(a) Directors' remuneration

The remuneration of the directors who provided qualifying services is set out below. As these directors are remunerated for their work for ScottishPower, it has not been possible to apportion the remuneration specifically in respect of services to the Company. All of the directors were remunerated by other ScottishPower group companies during both years.

	2025 £000	2024 £000
Aggregate remuneration in respect of qualifying services	1,878	678

	2025	2024
Number of directors who exercised share options	3	1
Number of directors who received shares under a long-term incentive scheme	2	1
Number of directors accruing retirement benefits under a defined benefit scheme	1	-

	2025 £000	2024 £000
Highest paid director		
Aggregate remuneration	955	253
Accrued pension benefit	79	-

(i) The highest paid director received shares under a long-term incentive scheme during both years.

(ii) The highest paid director exercised share options during both years.

(b) Immediate and ultimate parent company

The immediate parent company is SPUK. The registered office of SPUK is 320 St. Vincent Street, Glasgow, G2 5AD.

The directors regard Iberdrola, S.A. (incorporated in Spain) as the ultimate parent company, which is also the parent company of the largest group in which the results of the Company are consolidated. The parent company of the smallest group in which the results of the Company are consolidated is SPUK.

Copies of the consolidated Accounts of Iberdrola, S.A. may be obtained from Iberdrola, S.A., at its registered office, Torre Iberdrola, Plaza Euskadi 5, 48009, Bilbao, Spain. Copies of the consolidated Accounts of SPUK may be obtained from its registered office, 320 St. Vincent Street, Glasgow, G2 5AD.

10 AUDITOR'S REMUNERATION

	2025 £000	2024 £000
Audit of the Annual accounts	23	23