

SP Energy Networks

Governance and Sustainability System

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Driving ideas of the Governance and Sustainability System

Driving Ideas of the Governance and Sustainability System

Leadership in sustainability, corporate governance and transparency and an ethics-based culture are hallmarks of the identity of Scottish Power Energy Networks Holdings Limited (the "**Company**").

The Company's Board of Directors therefore regularly reviews the Governance and Sustainability System, keeping it updated and including therein the good governance recommendations and best practices generally accepted in international markets.

In order to facilitate the dissemination of the content thereof and to assist in searching by subject matter, symbols are included together with each rule or policy that identify the main "driving ideas" contained therein:



Sustainable creation of long-term value and efficiency

The sustainable creation of long-term value governs the Company's actions, reflecting its aspiration to contribute to the implementation of a value chain that is respectful of the environment, transparent and ethical within the framework of a culture of excellence, and permits even-handed remuneration of the groups contributing to the success of its business enterprise. In this way, the sustainable creation of long-term value drives the social dividend that the Company shares with its Stakeholders, consistently with its institutional nature and in accordance with its purpose and values, as well as with its commitment to efficiency.

In terms of safety, security and operational resilience, the Company establishes rules and develops instruments that enable it to achieve a position of leadership in innovation, transformation and the responsible use of artificial intelligence in the energy sector, strengthening its competitiveness and development in the markets in which it operates.

Legality, legal certainty and compliance

In line with its nature as a comprehensive enterprise, the Company articulates its regulatory system, its internal organisation and its external nature (including relations with its Stakeholders) in accordance with the basic rules that characterise the Rule of Law, linked to the principles of legality and legal certainty, for the performance of its activities.

The Company promotes a preventive culture based on the principle of "zero tolerance" towards improper conduct and acts that are illegal or contrary to law or the Governance and Sustainability System, as well as the application of ethical principles and principles of responsible behaviour that should govern the conduct of all members of its management decision-making bodies, professionals and suppliers. This culture inspires its effective, autonomous, independent and robust Compliance System, which is under continuous review in order to adopt practices and trends in accordance with the highest international good governance standards and regulatory requirements in this area.

Permanent engagement of and active listening to Stakeholders

The Company is committed to interaction with its various Stakeholders and to actively listening to them in order to encourage their engagement in corporate life, maintaining a direct, fluid, transparent, constructive, diverse, inclusive and intercultural dialogue.

Decentralised structure

The corporate and governance structure and Business Model of the Iberdrola Group are based on a recognition of its multinational and multi-corporate character, which is diversified, organised efficiently and coordinated around Iberdrola, S.A., the country subholding companies (including the Company) and the head of business or country companies. All of them are subject to basic common guidelines and the principle of subsidiarity, which seeks a balance between decentralised management and the exploitation of the synergies that arise from belonging to the Iberdrola Group, allowing for the separation of the duties of strategic definition, organisation, coordination and supervision and the day-to-day and effective management of the businesses.

Human and social capital

The sustainable strengthening and management of human capital is part of the Company's sustainability strategy. This responds to inescapable social challenges, objectives and goals, such as respect for human rights, the development of professional relationships based on equal opportunity and non-discrimination, the prevention of harassment and the firm intention to combat it, promotion of talent, merit and skill, appropriate knowledge management, professional development, and the balance between personal and professional life.

Electrification of the energy model

The Company will continue to develop a leading position in contributing to the achievement of a real and global energy electrification that achieves the development of industry and the economy through the development of sustainable energy generated from renewable sources and network infrastructures, progressive traction on its respective value chains, the improvement of the circularity of its activity and the reduction of polluting emissions, gradually introducing in its facilities the most efficient and least carbon-intensive technologies in order to promote self-sufficiency and competitiveness. It will also seek to integrate climate action into its internal strategic planning and decision-

making processes and to promote the reaction against climate change and the protection of the environment and biodiversity.

Comprehensive risk management

The Company has a comprehensive risk management system that allows it to proactively identify both potential threats and vulnerabilities that could compromise its operations and security as well as anticipating and taking advantage of opportunities for sustainable growth. The comprehensive risk management system also manages and mitigates the risks associated with such hazards, thereby strengthening the Company's Governance and Sustainability System and the Operational Resiliency Model.

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1. Introduction to the Governance and Sustainability System

INTRODUCTION TO THE GOVERNANCE AND SUSTAINABILITY SYSTEM

I. The identity of SP Energy Networks

1. Scottish Power Energy Networks Holdings Limited (the "**Company**") is a head of business company of the Iberdrola Group in the United Kingdom whose activities include owning three regulated electricity network businesses in the United Kingdom, i.e. 'asset-owner companies' holding regulated assets and electricity distribution and transmission licences, which are regulated monopolies, in the Central Belt and South of Scotland, Cheshire, Merseyside, North Shropshire and North Wales (the "**SP Energy Networks Business**").

2. The Company also owns a controlling interest in Electricity Networks (Holdings) Limited, which is a holding company in respect of Electricity North West Limited, the distribution network operator for the North West of England, and related companies (the "**ENW Business**"). The ENW Business has its own head of business company, North West Electricity Networks (UK) Limited, and has established its own Governance and Sustainability System.

3. The Company shares with Iberdrola, S.A. the concept of corporate interest, understood as the interest aimed at the creation of comprehensive (economic, environmental and social) and sustainable value, taking into consideration the different Stakeholders related to its business activity, in accordance with, and based on, its purpose and distinctive values and the provisions of the *Ethical and Basic Principles of Governance and Sustainability of the Iberdrola Group*.

4. The Company does not view its Stakeholders as third parties unrelated its identity, as they are equally necessary players for the achievement of its enterprise, to whom it opens up and with whom it engages and integrates into its activities.

5. Given its size and significance as well as the basic and essential nature of the energy it produces and distributes for the economy and society, the business activities and the scope and dimension of the Iberdrola Group's purpose and values are not limited even by the broad framework of all of its Stakeholders, but rather transcend and extend to the countries and territories in which it has a presence and in which it does business.

6. References in the Governance and Sustainability System to "**Iberdrola**", to the "**Iberdrola Group**" or to the "**Group**" refer to Iberdrola, S.A. and to the other companies belonging to the group of which Iberdrola, S.A. is the controlling entity, within the meaning established by law, which operate autonomously under a common purpose and values, in a coordinated manner and within a corporate and governance structure designed on three levels (holding company, country subholding companies and head of business or country companies, as described below) to best further the corporate object and the achievement of the corporate interest of each of the companies that comprise it, as established in the *Foundations for the Definition and Coordination of the Iberdrola Group*.

II. The Iberdrola Group

7. "Iberdrola, S.A.", the Company and the other companies that make up the Iberdrola Group, focus their activities on the energy sector, an essential item for millions of users and customers, through the use of environmentally-friendly sources and technologies, and promoting the electrification through renewable sources and digital transformation.

8. To talk about the Iberdrola Group is to talk about history, leadership, advances, progress, innovation, self-improvement, adaptability and excellence in implementation, as well as about a corporate and social leader, as a result of a progress of successful integration, with an extraordinary capacity to stay ahead of energy needs through solutions that preserve the environment for future generations and with a focus on the sustainable creation of long-term value.

9. The origin of the various companies making up the Iberdrola Group has a century-long history, carved on both sides of the Atlantic. In Spain, its origins date back to 1901, when a group of pioneers decided to come together in order to meet the growing demand for electric power in the main industrial regions of northern Spain and the rest of the Iberian peninsula through the exploitation of hydroelectric resources. As such, "Hidroeléctrica Española, S.L." and "Iberduero S.L." were created, which, following their merger in 1992, made "Iberdrola, S.A." one of the leading Spanish electricity companies. In the United Kingdom, also in 1901,"Clyde Valley Electrical Power Co." was founded in Glasgow, initially to generate and sell electricity to engineering companies in the area. On the other side of the Atlantic, the origins go back to 1840, with the organisation in the United States of America of "Hartford City Light Co", which was in charge of urban lighting by gaslight.

10. Beginning in 2001, "Iberdrola, S.A." started a period of strong growth based on electrification with networks, renewables and storage, and on corporate expansion, initially in Latin America (fundamentally, Mexico and Brazil) and subsequently in continental Europe, the United Kingdom and the United States of America.

11. ScottishPower is the first integrated energy utility in the UK to generate 100% green electricity. Its focus is on wind energy, smart grids and driving the change to a cleaner, electric future. ScottishPower is committed to speeding up the transition to cleaner electric transport, improving air quality and, over time, driving down bills - ***to deliver a better future, quicker for everyone***.

12. ScottishPower's main activities are comprised of the generation, transmission and distribution of electricity, energy management and the supply of electricity and gas principally in the United Kingdom.

13. The Iberdrola Group does not have its own legal personality separate from that of each of the companies that comprise it, nor does it have its own management bodies or positions.

14. As regards the corporate organisation of the Iberdrola Group, Iberdrola, S.A. is a holding company owning the equity stakes in the country subholding companies, which in turn group together the equity stakes in the head of business or country companies, among which is the

Company.

15. For its part, the governance structure is governed by certain principles that differentiate the functions of strategic definition, organisation, coordination and supervision (attributed to the Board of Directors of the holding company) − strengthening and further developing these last three powers in relation to the territories or countries or to the business through the subholding companies − from the functions of day-to-day administration and effective management of the businesses (which are the purview of the head of business or country companies, among which is the Company).

16. Within the framework of the Group's corporate and governance structure, Iberdrola promotes the creation and operation of committees to support or advise the management team, in specific corporate or business areas, of a cross-cutting nature and linked to strategic functions, which strengthen the management bodies as centres that make effective decisions and support its Board of Directors. The subholding companies may set up counterpart committees that will be adequately coordinated with the former.

17. The corporate and governance organisation described above achieves appropriate coordination of the activity of the respective companies of the Iberdrola Group, by means of the global integration of the corporate and business areas through the Group's Business Model, which is focused on maximising the operational efficiency of the various corporate and business areas and endeavours to ensure the dissemination, implementation and monitoring of the overall strategy and the basic management guidelines established for each of them.

18. The configuration of the Iberdrola Group allows for a decentralised decision-making structure, inspired by the principle of subsidiarity, with robust coordination mechanisms that facilitate the global integration of the businesses carried out by the companies making up Iberdrola, all based on an effective checks-and-balances system, which prevents management power from being concentrated within a single governance body or a single person.

III. The Company's Governance and Sustainability System and the Compliance System

1. The Company has its own internal regulations called the Governance and Sustainability System, configured in accordance with current legislation and with the business, corporate and institutional reality of the Company in order to, in exercise of the corporate autonomy granted by law, preserve its identity, achieve its purposes and values and realise its corporate purposes and achieve the social dividend, within the common framework of sustainability.

2. This internal System constitutes the normative framework that sustains and configures the Company's purpose, actions and development.

3. As part of the Iberdrola Group, the Company, within its corporate autonomy and within the framework of the *Purpose and Values of the Iberdrola Group* and the *Ethical and Basic Principles of Governance and Sustainability of the Iberdrola Group,* adopts as its own and incorporates into its own Governance and Sustainability System a series of rules approved by the Board of Directors of Iberdrola – in the exercise of its functions as a *holding company* – relating to the strategic definition and the structure of the Group and the approval and update of the general guidelines that must apply at the level of the Iberdrola Group.

This structure promotes an appropriate level of consistency and coordination among the internal regulatory frameworks of the group of companies making up the Group, while respecting their autonomy, which facilitates the development of the Company's own and specific Governance and Sustainability System.

For such purpose, in line with its nature as a comprehensive enterprise, the Company's Governance and Sustainability System is configured in strict accordance with basic rules that characterise the Rule of Law, linked to the principles of legality and legal certainty, in order to regulate both its internal organisation and its external activity.

4. The Company's Governance and Sustainability System was established for the first time, as a systematized internal set of regulation on 31 March 2021, by means of adopting, as its own regulations, those corporate policies that had been originally approved by Iberdrola, S.A. but, in view of their projection on the Iberdrola Group, were applicable to the Company.

   Since then, the Governance and Sustainability System of the Company has been constantly evolving, in parallel with the development and growth of the Company and the companies in which it holds an interest. As a result, the Company has approved, in the exercise of its corporate autonomy, its own corporate policies and standards on Internal Audit, Risks and Compliance, in addition to its *Articles of Association* and the terms of reference of its governing bodies and internal committees.

   Additionally, the Company has also incorporated into its Governance and Sustainability System a specific number of regulations, policies, principles and/or foundations, approved by the Board of Directors of Iberdrola, S.A. as the holding company of the Group, which have a projection over the whole Iberdrola Group and, as such, inform the regulatory developments carried out by the Iberdrola Group companies, thus promoting an adequate degree of coherence and coordination between the internal regulatory systems of all the companies that make up such Group.

5. The Company's Governance and Sustainability System is formally structured in four books: (i) a preliminary book, which includes this general introduction, the *Purpose and Values of the Iberdrola Group* and the *Ethical and Basic Principles of Governance and Sustainability of the Iberdrola Group*; (ii) book one, which incorporates the *Articles of Association,* the *Terms of Reference of the Board of Directors* and the *Foundations for the Definition and Coordination of the Iberdrola Group*; (iii) book two, with the policies on transparency and good governance, human and social capital, natural capital and the sustainable value chain; and (iv) book three on internal audit, risks and compliance, made up of the rules on risks, corporate control and compliance, with the latter including the *ScottishPower Code of Conduct and Disciplinary Rules,* the *ScottishPower Code of Conduct for Suppliers* and the *Regulations of the Compliance Unit*.

6. In the preliminary book, the *Purpose and Values of the Iberdrola Group* comprises the corporate philosophy that informs the focus and organisation of the Company and the other companies of the Iberdrola Group, guides their strategy and governs their activities. The identification and definition of a specific purpose and values means that the entire internal framework of the companies of the Iberdrola Group and their respective governance and

sustainability systems is conceived, implemented, applied and interpreted in terms of both one and the other, as they constitute its true structural principles.

For their part, the *Ethical and Basic Principles of Governance and Sustainability of the Iberdrola Group* inform the Company's rules and those that, where appropriate, are approved, in the exercise of their corporate autonomy, by the other companies of the Iberdrola Group, promoting the creation of long-term sustainable value and considering its different Stakeholders.

These *Ethical and Basic Principles of Governance and Sustainability of the Iberdrola Group*, together with the *Purpose and Values of the Iberdrola Group*, contribute to forming the identity and essence of the companies of the Group as a whole, in line with the strictest ethical principles, favouring the construction of an electric, healthy and accessible energy model that is consistent with the highest standards and requirements in terms of transparency and good governance, human and social capital, natural capital and compliance, and taking into account the sustainable value chain.

7. The first book is headed by the *Articles of Association*, a constitutional document approved by Iberdrola, in its capacity as indirect sole shareholder of the Company, which represents the maximum expression of the Company's corporate autonomy and is the primary source of its internal regulations and the basis of its Governance and Sustainability System.

   The *Articles of Association* and, particularly, Articles 4 and 5, expand the usual content of these corporate rules and define the position of the Company within the Iberdrola Group and detail the Company's commitment to engagement with its Stakeholders, transparency and digital transformation.

   In the development of the *Articles of Association*, the rules governing the corporate organization are particularly significant in the Company's internal regulations.

   All of the above operates on the basis of the corporate and governance structure of the companies making up the Iberdrola Group and their Business Model defined in the *Articles of Association* and in the *Foundations for the Definition and Coordination of the Iberdrola Group,* which incorporate the best practices in this area and position the companies of the Iberdrola Group as an international benchmark for good governance. They recognise the reality of a multinational group, made up of multiple companies, diversified and efficiently organised and coordinated for the best development of the corporate purpose and the achievement of the corporate interest of each of them.

8. As a regulatory instrument, the policies comprising book two are characterized by their function of linking and solidifying ideas and values into modes, patterns and standards of action, rationalizing management decisions in the various areas and issues that so require due to the nature thereof. To that extent, they entail a positive limitation of the discretion that the directors and professionals of the Company must have in the performance of their duties. As a result of the foregoing, they define principles of conduct which, if adhered to, can lead to the presumption of conformance and suitability of the corresponding actions to the purpose, the values and the corporate interest of the Company, to the realisation and fulfilment of which they contribute.

The Governance and Sustainability System differentiates policies related to transparency and good governance, those on human and social capital, those on natural capital and those regarding the sustainable value chain policies (provided for in book two), as well as policies and standards relating to risks, corporate control and compliance (set out in book three).

9. Policies related to transparency and good governance are particularly important, because the Company aspires for its conduct and that of the persons connected to it to conform and adhere not only to the requirements of applicable legal provisions, but also to its own Governance and Sustainability System.

These policies, prepared at the forefront of transparency and good governance best practices, apply to its structure and organization, nature and dimension as a *head of business* company of the Iberdrola Group.

They also define, within the framework of legal provisions and the *Articles of Association* and in compliance with the *Ethical and Basic Principles of Governance and Sustainability of the Iberdrola Group*, the guidelines for and principles of conduct in which the *Purpose and Values of the Iberdrola Group* and its sustainable development strategy take shape, guiding the conduct of the directors and professionals of the Company.

The Company's good governance strategy defined by the policies related to transparency and good governance is in line with the highest ethical standards and compliance with the generally recognized good governance recommendations and takes into account the Stakeholders related to the Company's business and institutional activity. All this pursuant to the *ScottishPower Sustainable Development Policy* and the *ScottishPower Stakeholder Engagement Policy*.

The Company's corporate organization is a faithful reflection of governance adapted to its business, corporate and institutional nature, rooted in its purpose and values and which permanently engages its Stakeholders.

The Company's Board of Directors has a balanced and plural composition which enriches decision-making and contributes multiple viewpoints to the discussion of the matters within its purview.

The management team supports the Board of Directors in the implementation of its powers − with the possible reinforcement of support or advisory committees as mentioned above − and the remuneration of the Company's directors and members of senior management is governed by principles and practices aligned with sustainability.

The taxes paid by the Company in the territories in which it does business, either directly or through its subsidiaries, constitute its main contribution to the funding of public purpose needs and, accordingly, one of its main contributions to society. The tax strategy of the Iberdrola Group is based on three pillars: compliance with tax obligations, on-going cooperation with tax authorities and transparency, as stated in the *ScottishPower Corporate Tax Policy*.

10. The policies relating to human and social capital, *i.e*. the *ScottishPower Policy on Respect for Human Rights* and the *ScottishPower Sustainable Human Capital Management and Anti-*

Harassment Policy are an essential part of the sustainable development strategy and comprise the firm, proactive response of the Company to inescapable social challenges, objectives and goals, such as respect for human rights, the development of professional relationships based on equal opportunity and non-discrimination, the prevention of harassment and a strong commitment to tackle it, promotion of talent, merit and skill, appropriate knowledge management, professional development, and the balance between personal and professional life.

The link of the Company to the demands and requirements of human capital has its maximum expression in the global, committed and well-qualified team formed by its professionals, who contribute with their work and talent to the sustainable creation of long-term value and to achieving the business goals.

11. The sustainable development strategy of the Company also includes the natural capital policies relating to the management and protection of nature, climate action,biodiversity and the circular economy, which constitute the Company's proposal in response to environmental challenges such as sustainable management of natural capital, protection of the environment, driving environment sustainability, climate change, the decline in biodiversity and the circularity of business activity, while promoting the efficient use of natural resources and helping to identify and take advantage of the opportunities arising from the energy and ecological transition. Within the framework of the *Purpose and Values of the Iberdrola Group* and the *Ethical and Basic Principles of Governance and Sustainability of the Iberdrola Group*, they reflect the Company's commitment to the development of a sustainable energy model, based on the use of renewable energy sources and smart grids, electrification, efficiency, the reduction in polluting emissions and digital transformation, where respect and protection of nature inspire its strategy.

12. The policies related to the sustainable value chain reflect the Company's drive to implement and promote a sustainable, environmentally respectful, transparent and ethical value chain within the framework of the culture of excellence in aspects such as free competition, procurement, operational resilience, brand, corporate reputation, security, protection of personal data, responsible use of artificial intelligence, innovation, quality, digital technology and occupational health and safety as the key tools to drive sustainability, efficiency and competitiveness. They hence include the fundamental pillars for the value chain to continue creating competitive advantages in the long-term that result in a greater contribution to society.

13. As an essential element of the Company's sustainable development strategy, the Governance and Sustainability System contains a robust regulatory framework relating to internal auditing, the management of risks and corporate control and compliance, which responds to the most advanced requirements in these areas. These are the rules that, together with the *ScottishPower Code of Conduct and Disciplinary Rules* and the *ScottishPower Code of Conduct for Suppliers*, make up its book three.

    The *General Risk Control and Management Foundations of the Iberdrola Group* define a comprehensive system, the purpose of which is to identify, prevent and mitigate those risks that affect the realization of the broad and ambitious business enterprise of Iberdrola. They establish the general framework of action for controlling and managing the risks that the Companies of the Iberdrola Group face, establishing homogeneous and consistent standards

for the management of a diversity of risks, ranging from corporate to business, including, among other, financial, sustainability, security-related and reputational risks.

The nature, organization and powers of the Internal Audit function, which correspond to the Internal Audit and Risk Division of the Company, are regulated in the *Basic Internal Audit Regulations* of the Company, the basic activity of which consists of independently and proactively endeavoring to ensure the effectiveness of the governance, risk management and internal control processes.

For the preparation of consolidated financial and non-financial information, the Company has adopted the *Iberdrola Group Financial and Non-Financial Information Preparation Policy*, which responds to the foundations of subsidiarity and decentralised management that govern the corporate and governance structure of the Iberdrola Group and clearly defines the different responsibilities of the different management decision-making bodies in the process.

14. The Company has a Compliance System, as established in the *Terms of Reference of the Board of Directors*, which aims to guarantee the Company's conduct in accordance with ethical principles, legality and internal regulations, in particular, the Governance and Sustainability System, contributing to the full realization of the *Purpose and Values of the Iberdrola Group* and of the social interest, as well as well as to prevent, manage and mitigate the risk of regulatory and ethical breaches by the directors, professionals and suppliers thereof within the organisation.

    As part of its Governance and Sustainability System, the Company has approved the *SP Energy Networks Compliance Policy* which, together with the *SP Energy Networks Policy on Anti-Bribery and Corruption* and the *SP Energy Networks Internal Reporting and Whistleblower Protection System*, represent its alignment with regulatory requirements and best practices, as well as with the *Purpose and Values of the Iberdrola Group*, with the *Ethical and Basic Principles of Governance and Sustainability of the Iberdrola Group*, with transparency and with the permanent monitoring and sanctioning of irregular conduct and illegal acts or acts contrary to the law or the Governance and Sustainability System. The Compliance System is being continuously revised to include the most advanced international practices and new requirements in this area.

15. The Company's Compliance Unit, whose chairman is a professional external to the companies of the Iberdrola Group and an expert of recognised prestige in the field of compliance, proactively and autonomously contributes to forming, developing, implementing and making effective the Compliance System. Its functioning is regulated in the *Regulations of the Compliance Unit.*

16. The Company has adopted the *ScottishPower Code of Conduct and Disciplinary Rules* and the *ScottishPower Code of Conduct for Suppliers*, which develops and specifies the content of the *Purpose and Values of the Iberdrola Group*. They apply to the Company's directors, professionals and suppliers as well as those other persons whose activity is expressly subject thereto and establish principles of conduct designed to ensure their responsible behaviour in a global, complex and changing setting, and it also responds to the duties of prevention imposed within the area of criminal liability for legal entities.

17. The approval of the rules and policies that make up the Governance and Sustainability System

and the Compliance System is entrusted to the Board of Directors, all without prejudice to the powers of the sole shareholder, which is ultimately responsible for the approval of the corporate focus and management, as well as the comprehensive results.

18. The Company aspires for its Governance and Sustainability System and Compliance System to enjoy the highest possible levels of compliance and dissemination, with a particular emphasis on taking advantage of innovation and the most advanced, environmentally-friendly technologies and on the principles of regulatory transparency. Therefore, the documents that make up the Governance and Sustainability System and the main rules that underpin the Compliance System are available on its corporate website (spenergynetworks.co.uk) and are published in accessible formats so that they can be consulted using the most frequently utilised electronic devices, including smartphones, tablets and computers.

    The general foundations and policies of the Governance and Sustainability System have a committee, area or division that is responsible for their supervision.

19. Both the Governance and Sustainability System and the Compliance System are subject to a process of constant revision so that they always suit and conform to the facts and circumstances requiring any such revision, as well as to ensure that they include the best guidelines in the area, practical experience and the generally accepted recommendations in the international markets.

20. The Company shall continue to review and update its GSS in line with best practice and the resources available to it.

22 September 2026.
The Board of Directors of Scottish Power Energy Networks Holdings Limited

Purpose and Values of the Iberdrola Group

16 June 2026

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1. Introduction

The Board of Directors of "IBERDROLA, S.A." (the "**Company**") hereby establishes the Purpose and Values of the Iberdrola Group, explaining the reach and scope thereof, as well as their role and anchoring in the By-Laws and in the rest of the Governance and Sustainability System.

The formulation of the Purpose and Values of the Iberdrola Group is based on the recognition and positive assessment of the Company's more than hundred-year history; of its identity and reality; of its status as a large company in the energy industry, as the largest electricity utility in Europe by stock market capitalisation and among the top three worldwide; as a player in and driver of sustainable development; as of undeniable importance for all of its Stakeholders and in the countries and territories in which it is present; and of an entity that is committed to sustainability, to defending human rights and to the highest standards and requirements in terms of transparency and good governance, human and social capital, natural capital and compliance, and, taking into account the sustainable value chain within its purview and in the context of current global society, which faces major challenges and opportunities like the electrification of energy through the development of sustainable energy generated from renewable sources and network infrastructure, digital transformation, climate action, reduction of polluting emissions and its own sustainability.

2. Purpose of the Iberdrola Group

The Board of Directors reaffirms that the purpose of the companies making up the group of which the Company is the controlling entity, within the meaning established by law (the "**Group**"), and thus their *raison d'être*, is "to continue building together each day a healthier, more accessible energy model, based on electricity". This purpose, focused on the well-being of people and on the preservation of the planet, reflects the strategy that the Group's companies have been sustainably implementing for years and their commitment to continue fighting along with all their Stakeholders for:

a. A real and global energy transition, based particularly on the electrification of the energy sector, and of the economy as a whole, generally contributes to sustainable development.

b. An energy model that is more electric, one that abandons the use of fossil fuels and generalises renewable energy sources, the efficient storage of energy, smart grids and digitalisation.

c. An energy model that is healthier for people, whose short-term health and well-being depend on the environmental quality of their environment.

d. The drive towards more accessible conditions of well-being for all, and towards the creation of a society that favours inclusion, equality, equity and development.

e. An energy model that is built in collaboration with all players involved and with society as a whole, based on best governance practices that contribute to its sustainability.

3. Values of the Iberdrola Group

Along with the purpose, the Company's Board of Directors also establishes the values of the companies of the Group. If the former summarises the "*raison d'être*", the latter summarise its "way of being", which consists of the fact that, in order to achieve the purpose of the Group's companies, their entire strategy and actions must be inspired by and based on the following three "values":

a. "Sustainable energy": because they must always seek to be a model of inspiration, creating environmental, social and economic value in all of their surroundings, and with the future in mind.

The Company and the other companies of the Group act responsibly toward people, communities and the environment, with a strong commitment to the sustainable development strategy defined by the Company's Board of Directors, which seeks to maximise the social dividend generated by the activities and businesses of the Group's companies, from which all of their respective Stakeholders benefit.

For this purpose, the professionals of the Group's companies engage in their activities in accordance with the principles of conduct set out in the Code of Conduct for Directors, Professionals and Suppliers in the case of the Company or in the corresponding code of conduct. They especially endeavour to ensure transparency, the safety of people and the sustainable creation of value, striving to identify and understand the expectations of the Stakeholders of the corresponding company and working to achieve the well-being of both present and future generations.

b. "Integrating force": because they have great strength and a deep sense of responsibility. This is why it works by combining talents, for a purpose that is to be achieved by all and for all.

   The Company's people form a diverse professional team prepared to achieve the success of the business enterprise. For these purposes, the Group's companies seek for them to work without geographic, cultural or operational barriers, to share talent, knowledge and information, and to have a global, long-term vision.

   To achieve such a team, the Group's companies drive the development of their professionals and contribute to the training of future generations in order to boost their enthusiasm, empathy and initiative at work, and to favour solidarity and creativity, as well as their respect for human relations. The Group's companies also encourage the maintenance of sincere and faithful dialogue between Iberdrola's people and their other Stakeholders.

c. "Driving force": because they make small and large changes a reality while being efficient and self-demanding, always seeking continuous improvement.

   They innovate and promote large and small changes that make life easier for people.

   They expect their professionals to adopt a non-conformist attitude, to constantly seek excellence and opportunities for improvement, to embrace change and new ideas, to learn from mistakes, to evolve with feedback on their actions and to anticipate the needs and expectations of Stakeholders. To achieve this goal, the companies of the Group favour simple, agile and efficient processes for organising work and exchanging information that take advantage of technological advances and that are subject to continuous innovation.

4. Scope and Dimension of the Purpose and Values

The Purpose and Values of the Iberdrola Group endow the Company and the other companies of the Group with an immanent and specific purpose, which, in short, is the construction of an electric, healthy and accessible energy model, in line with sustainability and consistent with the highest standards and requirements in terms of transparency and good governance, human and social capital, natural capital and compliance, and taking into account the sustainable value chain, within the general framework of respect for human rights, the social market economy and generally accepted ethical principles.

By making all of this its *raison d'être* and purpose Company and the other companies of the Group stand as a business reality that transcends their nature as pure and simple commercial enterprises without denying such nature.

In this regard, although obtaining financial profits continues to be a primary objective for the Company, because they are essential to making the achievement of the purpose possible, they are not the ultimate goal, nor do they exhaust the deeper and more inherent and intrinsic respective purpose thereof.

Thus, the Company needs shareholders and investors who of course contribute capital and financial resources, but also, and above all, who share its fate and who participate in this great undertaking or endeavour that entails the achievement of such a far-reaching goal. Therefore, the corporate interest, which guides the lawful conduct of the corporate decision-making bodies, cannot be limited to the interest of the shareholders and partners who have contributed capital and financial resources, to merely a financial return on their contribution, but extends to the common interest of all of the shareholders of an independent company, with its own differentiated bylaw-based identity, focused on the creation of comprehensive and sustainable value by engaging in the activities included in its corporate object, taking into account the other Stakeholders related to its business activity and consistent with its institutional nature. This corporate interest, thus defined, is the one to which they allocate the financial capital they contribute or the investment they decide to make.

At the same time and consistently therewith, the Company and the other companies of the Group recognise as equally necessary types of capital or factors for achieving their purpose other no less important ones, such as human and social capital, natural capital, sustainable value chain-related capital, technological capital, institutional capital and economic and social governance capital, to which they have access and which they have or enjoy through relationships and procedures of various kinds and natures, and without the proper combination and coordination of which (a task corresponding to and assumed by their respective boards of directors) their purpose could not be achieved.

The use of such different factors and means by the Company and the other companies of the Group and their performance of a business function that integrates all of them for the sake of their purpose and values mean that all of their actions must be focused on the sustainable creation of long-term value, the achievement of an overall result and of an equally comprehensive profit, which makes it possible to adequately remunerate the contributors of financial capital with financial returns and dividends, but also all other participants and groups involved, through the “social dividend”, as set forth in the respective bylaw provisions of each of the companies of the Group. The financial and non-financial information that must be prepared, approved, validated and published in accordance with the legal and bylaw provisions in effect is focused on the determination of all of these variables.

The Company and the other companies of the Group are aware that, given their size and significance, as well as the basic and essential nature of the energy they produce and distribute for the economy and society, their business activities and the scope and dimension of their purpose and values are not limited to their already very broad internal sphere, but extend to their respective customers, supply chains and the other Stakeholders of each of them, and they are particularly aware that they also have a driving and multiplying effect on all of the economic, social and political communities in which they have a presence and in which they do business.

The Company and the other companies of the Group therefore recognise and reaffirm their desire to be active players and to assume, in compliance with and in furtherance of their purpose and values, the leadership that corresponds to them in the creation of a balanced and advanced society; and to participate, resolutely and responsibly, for the same reason, in the collective effort to ensure its global and sustainable development and progress.

5. Purpose and Values and the Governance and Sustainability Systems

The Company and the other companies of the Group reaffirm their determination to continue with the constant development and improvement of their respective governance and sustainability systems, in order to channel and ensure through such unique and specific internal rules the full achievement of the purpose and values, in all their scope and size, as well as their business goals and objectives and the creation of such long-term sustainable value, for all of their Stakeholders and in the countries and territories in which they are present.

As a result thereof, the Company's Governance and Sustainability System aspires, as do the other governance and sustainability systems of the other companies of the Group, to be a coherent unit unto itself, in which the Purpose and Values of the Iberdrola Group, a synthesis of its corporate ideology, inspire and underpin, as general principles, the preparation, application and interpretation of all of the rules, policies and procedures that guide and organise, direct and channel any conduct of the aforementioned companies, underpinned by the basic rules that characterise the Rule of Law, linked to the principles of legality and legal certainty.

At the same time, given the full scope and dimension of the Purpose and Values of the Iberdrola Group, the governance and sustainability systems of each of the Group's companies are not conceived as a merely internal and isolated effort, but rather seek to become integrated with and contribute to the better governance and sustainability of the entire current global society in which the Company and the other companies of the Group are present and do business.

With the Purpose and Values of the Iberdrola Group and, in sum, with their respective governance and sustainability systems, which are based on and guided by the former, the companies of the Group identify with communities and their other Stakeholders, as comprehensive undertakings, i.e. as entities with a business, corporate and institutional dimension.

6. Acceptance

The professionals of the Group's companies expressly accept the Purpose and Values of the Iberdrola Group. Professionals who hereafter join or become part of the Group's companies must also expressly accept the content hereof.

In Bilbao, on 16 June 2026.

The Board of Directors of IBERDROLA, S.A.

Ethical and Basic Principles of Governance and Sustainability of the Iberdrola Group

16 June 2026

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The Board of Directors of IBERDROLA, S.A. (the "**Company**") has the power to establish the structure of the group of companies, of which the Company is the controlling company within the meaning established by law (the "**Group**"), define its organisational model and supervise compliance therewith and further development thereof.

In the exercise of these powers, the Company's Board of Directors formulates these Ethical and Basic Principles of Governance and Sustainability of the Iberdrola Group (the "**Principles**"), which, together with those others that may be included in certain policies of the Governance and Sustainability System due to their subject matter, inform the rules of the Company and any that are approved by the other companies of the Group in the exercise of their corporate autonomy.

These Principles, which must be approved by each of the companies of the Group, shall also serve as guidelines for their respective conduct and activities.

1. Scope of Application

The Principles apply to all of the Companies belonging to the Group, as well as to the companies in which the Company holds an equity interest that do not form part of the Group but over which it has effective control, within the limits established by legal provisions and by their respective governance and sustainability systems. The rules that the companies to which these Principles apply establish in the exercise of their powers and autonomy, and which refer to the matters covered in these Principles, shall be consistent herewith.

Without prejudice to the provisions of the preceding paragraph, to the extent that listed country subholding companies form part of the Group, they and their subsidiaries, under their own special framework of enhanced autonomy, may establish principles and rules that must have content consistent with the provisions of these Principles.

To the extent applicable, these Principles must also inform the conduct of the foundations linked to the Group.

For companies that do not form part of the Group but in which the Company holds an interest, as well as for *joint ventures*, temporary joint ventures (*uniones temporales de empresas*) and other entities in which it assumes management, the Company shall also promote the alignment of their regulations with these Principles.

2. Purpose

The purpose of the Principles is to establish ethical and basic standards of governance and sustainability that apply at the Group level, inform the conduct and standards-setting of the companies comprising the Group, and contribute to the organisation and coordination thereof on certain matters, promoting the sustainable creation of long-term value for their shareholders, also taking into account their other Stakeholders.

These Principles, together with the Purpose and Values of the Iberdrola Group, are the basic foundations that inform the rules established in the governance and sustainability systems approved by the various companies of the Group and promote an appropriate level of consistency and coordination among them, while respecting the autonomy of the respective management bodies of such companies, and particularly the special framework of strengthened autonomy of the listed country subholding companies that form part of the Group. Without prejudice to the foregoing, the Company's Board of Directors, to the extent within its purview, may establish Group-level coordination measures on certain matters, particularly in the policies that it approves and which form part of the Company's Governance and Sustainability System, endeavouring to at all times ensure homogeneity, consistency and meticulousness as guiding standards.

These Principles are inspired by the major leading international frameworks, including the Universal Declaration of Human Rights, the United Nations (UN) Guiding Principles on Business and Human Rights; the OECD Guidelines for Multinational Enterprises, the principles

underpinning the United Nations Global Compact, the United Nations (UN) 2030 Agenda for Sustainable Development and the Sustainable Development Goals (SDGs) thereof, the Tripartite Declaration of Principles Concerning Multinational Enterprises and Social Policy, the conventions of the International Labour Organization (including convention 169), and the United Nations Declaration on the Rights of Indigenous Peoples.

For these reasons, they contribute to shaping the identity and essence of the companies of the Group around ethics and sustainability, governance, human rights, and to promoting the construction of an electric, healthy and accessible energy model that meets the highest standards and requirements in terms of transparency and good governance, human and social capital, natural capital and transparency and with the most widely accepted ethical principles, within the framework of the social market economy and also taking into account the sustainable value chain.

3. Ethical Principles

The companies of the Group aspire for their conduct and that of the persons connected therewith or with which they have relations to conform and adhere not only to applicable legal provisions and their respective governance and sustainability system but also to the highest international standards and the latest regulatory requirements in the application of ethical principles, in order to develop an ethical and honest business culture.

In this regard, the companies of the Group promote ethical leadership in the business communities in which they are present, with the supplementary and voluntary adoption of rules and guidelines where the legal framework is inadequate or insufficient, adjusting to the reality of the territories in which they do business.

The ethical principles, which inform the conduct and standards-setting of the various companies of the Group in each of the areas that are distinguished below, are as follows.

A. **Business ethics**

The companies of the Group adopt responsible business ethics, which allow for harmonisation of the creation of long-term value for their shareholders with sustainable development, in order to meet certain needs and the expectations of each of their main Stakeholders.

In particular, the companies of the Group send a strong message of opposition to the commission of any impropriety or act that is illegal or contrary to law or to their respective governance and sustainability systems, ensuring that their relationships with third parties (among others, with customers, business partners, suppliers, competitors, authorities and other members of their value chain) are based on legality, business ethics, efficiency, transparency and honesty, adopting the appropriate due diligence measures to promote principled, sustainable and responsible business behaviour throughout the supply chains.

B. **Integrity and honesty**

a. In relation to the performance of activities: the companies of the Group shall engage in their business activity with integrity, rigour and honesty, complying with their assumed commitments and principles and building trust among their respective Stakeholders and the other persons with whom they engage, maintaining effective mechanisms for communication and sensitivity- and awareness-raising among their professionals as an expression of their corporate culture of ethics and honesty.

b. In relation to their institutional activities: the companies of the Group shall engage in institutional activities on a scrupulously neutral political basis, prioritising their independence and connection to these Principles and ensuring that they maintain the necessary transparency in their decision-making, in this way ensuring effective compliance with such objectives.

c. In relation to cooperation with public authorities: relations with regulatory bodies and with public officials and other persons who participate in the performance of public duties shall be governed by the principles of lawfulness, transparency, fidelity, reliability, professionalism, cooperation, reciprocity and good faith, particularly including ongoing cooperation with the tax authorities insofar as compliance with tax obligations represents one of the main contributions to society, without prejudice to the legitimate disputes that, in the defence of the corporate interest, may arise with such authorities in relation to the interpretation or application of legal provisions.

C. **Human rights**

a. In relation to human rights: the companies of the Group hereby state their respect for and connection to the human rights recognised in domestic and international law pursuant to applicable legal provisions and/or the United Nations (UN) Guiding Principles on Business and Human Rights, the OECD Guidelines for Multinational Enterprises, the principles underpinning the United Nations Global Compact, the Tripartite Declaration of Principles Concerning Multinational Enterprises and Social Policy, the conventions of the International Labour Organization (including convention 169), the Universal Declaration of Human Rights, as well as such documents and texts as may replace or supplement those mentioned above.

b. In relation to respect for human rights: the companies of the Group shall show the strictest respect for human rights recognised in domestic and international law, and particularly those consisting of the following: (i) respect the right to freedom of movement within each country or territory and reject smuggling and trafficking in persons, child labour, forced or compulsory labour and any form of modern slavery, as well as endeavouring to ensure and promoting the elimination of this kind of situation throughout their supply chain; (ii) respect and foster freedom of association, collective bargaining and decent work; (iii) not discriminate based on any condition or characteristic, like race, religion, gender expression, or sexual or political orientation; (iv) respect the rights of ethnic minorities and indigenous peoples in the places in which they do business, and favour open consultation and dialogue that includes the different cultural frameworks and takes into account their expectations and needs; (v) respect the right to a clean, healthy and sustainable environment in the communities in which they do business and, in particular, counteract the consequences of environmental degradation for the effective enjoyment of internationally accepted rights of the child; and (vi) understand access to energy and to natural resources, including water, as a right related and linked to other human rights, working with public institutions in the implementation of systems for the protection of vulnerable customers and on plans to extend service to communities that lack access to energy.

c. In relation to the recognition of human rights: accept the universality, indivisibility and interdependence of human rights, as well as the need to protect them through due diligence processes in the relations of companies of the Group with their respective Stakeholders and other groups, and in particular with Iberdrola's people, customers, communities and supply chain.

D. **Social conduct**

a. In relation to the progress of communities: the companies of the Group contribute through their business activity, compliance with tax regulations in the various countries and territories in which they do business and their sustainable development strategy, to the progress of the communities in which they are present, adding value from an economic viewpoint and from other different perspectives: business ethics, promotion of equality

and opportunities, respect for human rights, protection of vulnerable groups (working with public institutions in the implementation of systems to protect vulnerable customers and on plans to extend service to communities without access to energy), encouragement of innovation and efficiency, caring for and protecting nature, universal access to energy supply and water, climate action and the generation of high-quality employment based on merits, talent recruitment and a sense of belonging, among other measures -being that their activities entail for their respective Stakeholders and to contribute to the social dividend.

b. In relation to contributions: all social-welfare, cultural or any other kind of contributions made by the companies of the Group, regardless of the legal form thereof, whether a partnership agreement or sponsorship, donation or any other legal form or transaction, and regardless of the area to which they are directed (such as the promotion of education, culture and sports, and the protection of the environment and vulnerable groups), must meet the following requirements: have a legitimate purpose, not be anonymous, be formalised in writing, and, if contributions of money, be made by any payment method that allows for identification of the recipient of the funds and provides evidence of the contribution. Cash contributions are prohibited.

   Before making any of the contributions referred to in the preceding paragraph, the corporate area or business making the proposal shall be required to comply with the provisions of internal rules approved for such purpose, and in any event, the Group company making the contribution must document in the formalisation thereof that it is subject to the beneficiary continuing to meet the requirements and conditions upon which it was approved, as well as to following the purposes for which it was provided.

   The companies of the Group, either directly or through intermediaries, shall refrain from making contributions that are not in accord with the sustainable development strategy established at the Group level.

   The foregoing provisions shall not apply to gifts or presents that are of insignificant or symbolic economic value, correspond to signs of courtesy or to customary business gifts and tokens, and are not banned by applicable legal provisions, the internal rules of the corresponding company of the Group or generally accepted business practices.

c. In relation to contributions to political parties: the companies of the Group, either directly or through intermediaries, are strictly prohibited from directly or indirectly making contributions (regardless of the legal form thereof, such as donations, loans or advances) to Spanish political parties, including federations, coalitions and groups of electors.

4. Main Principles of Conduct with respect to Transparency and Good Governance

The main principles of conduct in relation to transparency and good governance, which must be to inform the conduct and standards-setting of the various companies of the Group in each of the areas that are differentiated below, are as follows:

A. **Good governance**

a. In relation to good governance: the companies of the Group shall adopt cutting-edge corporate governance practices, taking into account applicable legal provisions and generally accepted good governance recommendations, based upon business transparency and mutual trust with their respective Stakeholders.

b. In relation to outside shareholders: the Company's Board of Directors shall endeavour to ensure the reconciliation of the interest of the companies of the Group that have outside shareholders with the policies and strategies covering the entire Group.

   It shall establish appropriate measures to safeguard the interests of the outside shareholders of the companies of the Group, to the extent that they may not be fully aligned with those of the other companies of the Group. It shall also promote their ongoing, effective, constructive and sustainable engagement in corporate life. To the extent that listed country subholding companies form part of the Group, they shall enjoy a special framework of strengthened autonomy that contemplates the measures that are appropriate to ensure the achievement of such objective.

c. In relation to the separation of duties: the separation of the duties of strategic definition, organisation, coordination and supervision from those of day-to-day and effective management is organised based on a decentralised structure inspired by the principle of "subsidiarity" and respect for the corporate autonomy of the various companies that comprise the Group.

   The companies of the Group shall scrupulously respect the legal and functional separation of regulated companies and the autonomy that the other companies of the Group must have, particularly those that are listed, and shall comply with the provisions of the Foundations for the Definition and Coordination of the Iberdrola Group. For these purposes, they shall rely on specific mechanisms and procedures to prevent, identify and resolve situations involving conflicts of interest and allocation of powers, whether specific or structural and ongoing.

d. In relation to remuneration: the remuneration of both the directors and the members of the management teams of the Group's companies shall be aligned with the Purpose and Values of the Iberdrola Group and based on principles that appropriately combine motivation, retention and the objective evaluation of management and performance with dedication and achievement of the goals and results of the corresponding company.

e. In relation to treasury share transactions: the Company shall approve a policy that regulates the main principles of conduct in treasury share transactions and the purposes thereof.

f. In relation to the composition of the corporate decision-making bodies: the companies of the Group that have a board of directors shall seek for it to have a multi-layered, independent, appropriate and balanced composition as a whole regarding aspects such as abilities, skills, knowledge and experience, and that it also reflects the overall social and cultural reality of the companies of the Group, and that it is subject to regular staggered refreshment.

g. In relation to related-party transactions and conflicts of interest: the Company's Board of Directors and the Executive Committee in urgent situations, as well as the boards of directors of the Group's other companies, shall be the bodies competent to approve or authorise Related-Party Transactions (as this term is defined in their respective governance and sustainability systems), unless the power to approve them has been allocated to the shareholders at a general shareholders' meeting pursuant to legal provisions or internal regulations, or has been delegated.

   In those instances in which a Related-Party Transaction must be authorised by the Board of Directors or the Executive Committee of the Company, as well as by the boards of directors of the Group's other companies, and the Company does not directly participate in such transaction, the scope of approval shall be limited to verification that the Related-

Party Transaction is fair and reasonable from the standpoint of the Company and, if applicable, of Company shareholders other than the related party, with the competent body of the company participating in the Related-Party Transaction maintaining its powers to decide on whether or not it is appropriate to carry out the transaction.

Potential conflicts of interest affecting any company of the Group shall be analysed by the boards of directors of the Group company in question, in accordance with legal provisions and their internal regulations.

Without prejudice to the foregoing, and as regards those conflicts of interests or Related-Party Transactions affecting listed country subholding companies forming part of the Group, the Company's Board of Directors shall ensure compliance with the rules on conflicts of interest and Related-Party Transactions established within their special framework of enhanced autonomy.

h. In relation to taxes: the starting point shall be envisaging the taxes that the companies of the Group pay in the countries and territories in which they do business as their main contribution to the funding of public purpose needs and, accordingly, one of their main contributions to society. The tax strategy is based on three pillars: compliance with tax obligations, ongoing cooperation with the tax authorities and transparency. Furthermore, the Company shall endeavour to ensure an appropriate coordination of the tax practices followed by the companies of the Group, all within the framework of fulfilling the corporate interest and supporting a long-term business strategy that avoids tax risks and inefficiencies in the implementation of business decisions.

   In this regard, the companies of the Group shall comply with tax rules in the various countries and territories in which they do business, paying the taxes due in accordance with the legal system, and they shall follow the recommendations of the good tax practices codes implemented in the countries and territories in which they do business, taking into account any specific needs and circumstances.

i. In relation to transparency: transparency is one of the hallmarks of the identity of the Group's companies and one of the fundamental goals of its communication strategy. It is fundamental to build trust and credibility in the relationships of the Group's companies with their respective Stakeholders.

   The companies of the Group shall clearly, continuously and responsibly communicate truthful, sufficient, relevant, correct, complete, reliable and useful information regarding their performance and relevant conduct, as well as that of the foundations linked thereto, and shall provide information on the taxes they pay in the countries and territories in which they do business, on the terms indicated in the preceding letter.

B. **Sustainable development**

a. In relation to conduct regarding sustainable development: the conduct of the Group's companies shall be aligned with the Purpose and Values of the Iberdrola Group, with these Principles and with the provisions of the other rules of their respective governance and sustainability systems.

b. In relation to the sustainable development strategy: the sustainable development strategy established at the Group level is based on certain principles encouraging corporate activities and businesses carried out by the Group's companies to promote the sustainable creation of value for their shareholders and consider their other Stakeholders related to their respective business activities and institutional reality, equitably compensating the groups that contribute to the success of the business enterprise for

each of them; taking into account the social return on new investments through the creation of employment and wealth for society with a long-term vision that seeks a better future without compromising present results; and promoting the values of sustainability, integration and dynamism.

c. In relation to the management of sustainable development: the companies of the Group shall combine the management of sustainable development with: (i) the competitiveness of the products and services supplied, through efficiency in energy generation, storage, transmission, distribution and sale processes; (ii) high quality of service and reliability and safety in the supply of energy products; and (iii) the social area and, in particular, respect for human rights as determined in the policy that is approved in this area.

d. In relation to the sustainable event management: the companies of the Group shall promote the contribution of the participants in its value chain and of their respective affected Stakeholders to the sustainable management of events, considering their needs and expectations, directed at achieving objectives that generate positive impacts for social capital, natural capital and the sustainable value chain. Guidelines shall be established at Group level that must govern the events of the companies making up the Group, endeavouring to ensure that they comply with applicable requirements in each case (particularly including those established in health and safety, accessibility, noise, waste, privacy and personal data protection laws) and they shall undertake to evaluate and present reports on achievements and lessons learned.

C. **Stakeholders**

a. In relation to the identification of Stakeholders: each of the Group's companies shall identify and classify its respective Stakeholders based on the value chain configured by its activities.

b. In relation to the general engagement framework: the companies of the Group shall establish a general framework for engagement with their respective Stakeholders within the scope of their activities and operations. This general framework shall have the following purposes: (i) to promote the engagement of Stakeholders in the respective business enterprise of the corresponding company, through the creation of sustainable shared value, causing them to participate in the social dividend generated through its activities; (ii) to respond to the legitimate interests of the Stakeholders with which each Group company interacts; (iii) to generate trust among the Stakeholders, in order to build close, long-lasting, stable and robust relationships; and iv) to contribute, through all of the above, to maintaining the corporate reputation in the various countries, territories and businesses in which the companies of the Group do business.

c. In relation to engagement objectives: each of the Group's companies shall promote dialogue and strengthen the engagement and identification of its respective Stakeholders with its business enterprise, to harmonise business values and social expectations, and, to the extent possible, to adapt the policies and strategies established to the interests, concerns and needs of such Stakeholders, using communications such as direct contact, social media, digital media and applications, consultation procedures, and the corporate website.

d. In relation to the corporate websites and social media presence: the corporate websites and the social media presence of the Company, the country subholding companies and the head of business or country companies shall contribute to the Company's digital communication strategy and are one of the principal means for engaging their respective Stakeholders in their respective business enterprises. Their respective structure and content thereof shall conform to the policy on engagement with their respective

Stakeholders policy and to the general guidelines approved by the Company's Board of Directors.

5. Main Principles of Conduct in relation to Human Capital

The main principles of conduct in relation to human capital, which must inform the conduct and standards-setting of the various companies of the Group in this area, are as follows:

a. In relation to equal opportunity and non-discrimination: encourage the development of professional relationships based on merit and equal opportunity regardless of the personal or social conditions or characteristics of the professionals.

   The companies of the Group shall foster the participation and representation of the various groups that comprise their human capital, shall prohibit any form of discrimination, shall promote access to professional opportunities, and shall foster measures to recognise those whose professional performance contributes to the achievement of the business strategy and objectives.

   They shall also endeavour to ensure that the processes related to the selection, hiring, management of professional relations, training and promotion of professionals in which artificial intelligence is used, and especially algorithms, do not suffer from biases that violate these processes or prevent the verification thereof due to limitations on transparency and/or tracking of results.

b. In relation to the prevention of harassment and the firm commitment to tackle it: the companies of the Group shall endeavour to ensure the effectiveness of the principle of "zero tolerance" towards any conduct that involves intimidation or harassment and shall foster, at all levels, a culture preventing violence, intimidation or harassment in all their forms.

c. In relation to the right to privacy: the companies of the Group respect the right to privacy of their professionals in all its forms, and particularly as regards the processing of their personal data, as well as the personal communications of their professionals online and via other media. They shall also refrain from disclosing the personal data of their professionals, except with the consent of the data subjects and where legally obliged to make such disclosure by law or to comply with court or administrative orders. Under no circumstances may personal data of the professionals be processed for purposes other than those provided for by law or by contract.

d. In relation to the selection and recruitment of professionals: selection and recruitment shall meet standards of opportunity, non-discrimination, skills, merit and performance, facilitating measures for the integration of the best talent regardless of conditions and personal or social characteristics, as well as for the balance of personal and professional life.

   The companies of the Group shall foster processes of selection, hiring and promotion that endeavour to ensure that all of their professionals are persons who are respectable and competent, and aligned with the provisions of the Purpose and Values of the Iberdrola Group and of the codes of conduct that apply in each case, assessing their background and rejecting those who, in view of their personal record, lack the required suitability.

e. In relation to knowledge management for improved operational efficiency: instruments shall be defined to understand and develop mechanisms to ease the flow of knowledge within the organisation structure at the Group level, within a secure environment, for the purpose of sharing experiences and constantly attending to the operation of the organisation as a whole, and promoting continuous learning and cultural exchange.

f. In relation to means and resources: the companies of the Group shall make available to their professionals all necessary and appropriate resources and means for them to perform their professional activities, promoting innovation, creativity and the efficient management of resources.

g. In relation to external activities: the companies of the Group respect the performance of social and public activities by their professionals, provided that they do not interfere with their work thereat or affect the reputation thereof.

h. In relation to professional development: the consolidation of stable and high-quality jobs, a sense of belonging, an appropriate framework of professional relations and a valuable professional offering shall be fostered, and training, qualification and knowledge refreshment shall be promoted among professionals. The companies of the Group shall regularly evaluate the performance of their professionals based on objective standards and on their competence.

i. In relation to remuneration systems: the remuneration of professionals shall be competitive and shall allow for the attraction and retention of the best professionals. In addition, their objectives shall be aligned with those established in the corresponding company and at the Group level, promoting and developing the best talent, on fair and competitive terms.

j. In relation to personal and professional life: the companies of the Group shall implement measures that promote respect for the personal and family life of their workforce and facilitate the achievement of an optimal balance between the latter and their professional responsibilities, and shall promote digital disconnection.

k. In relation to the work environment: the companies of the Group shall foster and promote a work environment that is consistent with the principles of dignity, mutual respect, confidentiality, cooperation and trust, that generates confidence and motivation among professionals and a connection to their values and that fosters the well-being of the workforce.

l. In relation to occupational health and safety in the professional environment: the companies of the Group shall endeavour to ensure a safe and healthy working environment at their facilities within their spheres of influence, shall promote a programme in this area, and shall adopt the relevant preventive measures established in applicable legal provisions, which shall also be required of their suppliers.

6. Main Principles of Conduct in relation to Natural Capital

The main principles of conduct in relation to natural capital, which must inform the conduct and standards-setting of the various companies of the Group in this area, are as follows:

a. In relation to the environment: the companies of the Group shall develop a business model that takes into consideration environmentally sustainable economic activities and respect for and protection of a clean, healthy and sustainable environment in the communities in which they do business, complying with or improving on the regulatory standards established in this area and promoting the minimisation of potential impact of their activities on the environment. Furthermore, they shall drive innovation through research and support for the development of new technologies and best practices.

   The companies of the Group shall work with regulatory bodies to promote regulations that protect the environment and the public policies and strategies that deal in a coordinated and consistent manner with the effects of climate change.

In addition, the companies of the Group deploy Just Transition principles that guide the management of the potential impacts that decarbonisation of the economy might have on their respective Stakeholders, particularly including Iberdrola's people, communities, supply chain and customers.

b. In relation to biodiversity: the companies of the Group shall identify, quantify and assess, throughout the life cycle of the facilities, the impacts and dependencies of their activities on natural capital, with particular attention to biodiversity, through the promotion of research and improving understanding of the ecosystems of the environments of the territories in which they operate, endeavouring to ensure that the protection and enhancement of nature are instilled in their strategy.

c. In relation to climate change: the companies of the Group shall continue developing a strategy of real and global energy electrification through the development of sustainable energy generated based on renewable sources and grid infrastructures, as well as through progressive traction over their value chain and the reduction of polluting emissions, progressively introducing to their facilities the most efficient and least intensive technologies in terms of carbon emissions.

   They shall also seek to integrate climate action into their internal strategic planning and decision-making processes and shall contribute to raising society's awareness of this topic and the consequences thereof.

d. In relation to the circular economy: a sustainable use of natural capital by the Group's companies shall be fostered, encouraging improvement of the circularity of their activities and those of their value chain, the sustainable use of natural resources, the implementation of life cycle analysis, the eco-design of their assets and infrastructures, the application of the hierarchy of waste, as well as the optimisation of waste management and the use of recycled materials.

7. Main Principles of Conduct with respect to the Sustainable Value Chain

The main principles of conduct in relation to the sustainable value chain, which must inform the conduct and standards-setting of the various companies of the Group in this area, are as follows:

a. In relation to compliance and ethics: The companies of the Group shall endeavour to ensure that all participants in its value chain respond, especially their direct suppliers, respond and adhere in their conduct to generally accepted ethical and sustainable development principles, in addition to applicable legal provisions and their respective governance and sustainability system. In particular, they shall endeavour to ensure that the participants in their value chain comply with the principles set forth in their corresponding codes of conduct regarding business ethics and transparent management, good professional practices, the promotion of health and safety, respect for natural capital, guaranteeing the quality and safety of the products and services sold, in addition to promoting the development of responsible practices in the supply chain, promoting joint management (shared responsibility) in strict respect for the human and labour rights recognised in domestic and international law.

b. In relation to customers: the companies of the Group commit shall offer services and products with a quality equal to or exceeding legal requirements, promoting responsible consumption, competing in the marketplace and engaging in marketing and sales activities based transparently on the merits of their products and services, in all cases applying standards of transparency, disclosure and protection.

Improvement in the satisfaction of the customer, both internal and external, is a central element of the activities of the Group's companies and of the design and configuration of their products and services, such that they meet or exceed the expectations thereof.

Moreover, they shall guarantee the confidentiality of all data of their customers and undertake not to disclose such data to third parties without the customer's consent, except when required by law or to comply with court or governmental orders. The capture, use and processing of the personal data of customers shall be made in such a manner as to guarantee their right to privacy and comply with personal data protection laws as well as the rights given to customers by the laws on information society and electronic commerce services and other applicable legal provisions.

Contracts with customers shall be drafted in a clear and concise manner, with a predominant use of simple syntax and avoiding ambiguity or redundancy. Transparency shall be promoted in pre-contractual and contractual relations with customers, and they shall be advised of the various existing alternatives, particularly as regards services, products and rates.

The companies of the Group shall raise awareness among their customers and shall seek to cause them to participate in commitments and principles relating to human capital and natural capital.

c. In relation to management of the value chain: the companies of the Iberdrola Group shall adopt responsible practices in the management of their respective value chain and shall seek to cause the members thereof to participate in commitments and principles relating to human capital and natural capital, especially those relating to the circularity of their activities and the fight against child and forced or compulsory labour and any other kind of modern slavery.

   Moreover, they shall contribute suitable and proportional means to work with the members of their value chain, especially their direct suppliers, to increase their competitiveness, establishing appropriate programmes in each case, promoting the corresponding partnerships, and they shall conform the procedures for selecting suppliers and personal of their value chain to objective and impartial criteria, based on standards of sustainability and quality, and in any case avoiding any conflict of interest or favouritism in the selection thereof.

   The companies of the Group shall endeavour to ensure compliance with the provisions of these Principles by the members of their value chain and shall take action as a result of any violation.

d. In relation to competition: they shall favour free market practices, fair competition in markets, rejecting any illegal or fraudulent practice, implementing effective mechanisms for prevention, surveillance, and punishment of improper acts, and promoting unrestricted competition in favour of consumers and users. The companies of the Group shall provide the assistance and cooperation that the competition authorities may require in the performance of their duties, and particularly for the investigation of any conduct that may constitute a violation of the legal provisions on competition.

e. In relation to suppliers: relationships with suppliers shall be based on principles of corporate ethics and transparency, striving for continuous improvement and mutual benefit and promoting sustainability, innovation and development activities.

   The prices and other information submitted by suppliers during a process of selection shall be treated confidentially by the corresponding company of the Group and shall

not be disclosed to third parties without the consent of the interested parties or where required by law or to comply with court or governmental orders.

A Group-level organisational, corporate and shared services model shall be established for the companies of the Group in order to minimise the costs and risks associated with procurement and supply and with the contracting of works and services.

f. In relation to operational resilience: specific defensive plans shall be developed to protect critical infrastructure and to reach resilience, understood as the continuity of the essential services provided by the companies of the Group. In particular, an operational resilience model shall be established for the Group's companies that will define the necessary methodologies, procedures and tools for them to have the appropriate operational resilience capacity on the terms established in the Company's Operational Resiliency Policy.

   The companies of the Group shall designate a spokesperson to manage relationships with the competent authorities in terms of operational resilience.

g. In relation to the Iberdrola brand: the brand shall be a key element of the corporate strategy of the Group's companies and a lever for the creation of value, which the Group's companies must use as an element that will contribute to the success of their businesses.

   The companies of the Group must endeavour to ensure that the Iberdrola brand is associated with the principles set out in the Purpose and Values of the Iberdrola Group. To the extent that the companies of the Group or foundations use such brand (owned by the Company), the use thereof shall be governed by the provisions of the Iberdrola Brand Policy and the other internal rules established by the Company.

h. In relation to corporate reputation: the measurement and management of the corporate reputation must identify and consider the perceptions and legitimate expectations of the Stakeholders of the Group's companies, integrating them into the strategy thereof. A Group-level coordination framework shall be established to coordinate the supervision and management of the corporate reputation.

i. In relation to security: a Group-level comprehensive security strategy shall be defined with a preventive and proactive approach to guarantee a reasonable level of risk, and security strategy programmes may be established for compliance therewith by the companies of the Group.

   The companies of the Group shall: (i) promote the protection of personnel, both in their workplace and in their professional travels, as well as the protection of persons when they are at the facilities or any institutional event thereof; (ii) work with their respective Stakeholders involved in security risks that may affect them, to strengthen the coordinated response to potential security risks and threats and contribute to improving security in the international area; and (iii) provide the assistance and cooperation that may be requested by the competent security institutions and bodies, including but not limited to regulators, security forces and bodies and governmental agencies, both domestic and international.

j. In relation to data protection: the companies of the Group may approve specific policies that endeavour to ensure compliance with applicable legal provisions, particularly ensuring respect for the rights to reputation and to privacy in the processing of the various categories of personal data, and adequate protection of information and knowledge, as well as the confidentiality thereof.

The provisions of these policies shall apply to: (i) the implementation and design of procedures involving the processing of personal data; (ii) the products and services offered by the companies of the Group; (iii) contracts and obligations that they formalize with natural persons; and (iv) the implementation of systems and platforms that allow access by professionals of the Group's companies or third parties to personal data and the collection or processing of such data.

k. In relation to artificial intelligence: the companies of the Group shall use artificial intelligence systems in a responsible, transparent, safe and reliable manner and shall not implement them to the prejudice or detriment of health and safety or if they might negatively impact the fundamental rights of people.

l. In relation to innovation: the companies of the Group shall conceive of innovation as the principal tool at the Group level to promote sustainability, efficiency and competitiveness, and it shall be a strategic variable that affects all of their businesses and activities. This strategic objective, together with digital transformation through the use of new technologies while preserving security and privacy in furtherance of the corporate interest, shall permeate the entire organisation and affect all issues concerning the order and operation of the Group's companies and of its corporate decision-making bodies.

   The foundations of the innovation strategy at the Group level are sustainable development, the promotion of renewable energy and the exploitation of the opportunities offered by digitalisation and automation, as well as a wager on emerging technologies and driving the digital transformation of the companies that make it up.

m. In relation to quality: the companies of the Group shall develop instruments to strengthen the competitiveness of the energy products and services supplied through efficiency in energy generation, transmission and distribution processes, paying special attention to excellent management of processes and resources.

   By developing these instruments, the companies of the Group strengthen their sustainable growth model within the context of a culture of excellence and quality management procedures.

   The Group's value creation model is based on three strategic pillars: profitable growth, operational excellence and optimisation of capital, with the people to whom the companies of the Group supply energy, i.e. with their customers, as the central element of all of its activities.

n. In relation to digital technology: the companies of the Group shall develop the corresponding rules to drive the creation of value through the effective, safe and innovative use of digital technology, understood as the information technology ("IT") and operational technology ("OT"), and the satisfaction of internal and external users with the level established at the Group level regarding the services provided, maintaining a balance between the generation of value, the optimisation of risk levels and the efficient use of resources based on proportionality criteria. To this end, they shall take into account the principles on operational resilience and security, respectively, and the provisions of the General Risk Control and Management Foundations of the Iberdrola Group and the Company's Digital Technology Policy.

   A Digital Technology Governance Model shall also be established at the Group level in accordance with the provisions of the Company's Digital Technology Policy.

   The companies of the Group shall aim to remain at the forefront of new technologies so that they can be exploited and generate value for their respective businesses, in

coordination with the innovation strategy established at the Group level, and to achieve strategic goals and defined objectives. They shall also favour participation in domestic and international standardisation groups, as well as the selection of open standards that avoid confinement.

o. In relation to occupational safety and health: the companies of the Group shall endeavour to ensure a safe and healthy working environment at their facilities within their spheres of influence and shall adopt the relevant preventive measures established in applicable legal provisions, which shall also be required of their suppliers. A Group-level coordination framework in this area shall be established.

8. Main Principles of Action in relation to Risk Management and Corporate Control

A. Risk management

The main principles of conduct in relation to risk management, aimed at the control and mitigation thereof and which must inform the conduct and standards-setting of the various companies of the Group in this area, are as follows:

a. In relation to management: integrate the risk/opportunity viewpoint into the management of the Group's companies through a definition of the strategy and risk appetite, and include this variable into the strategic and operating decisions that are made, all focused on actively contributing to the proper operation and implementation of the comprehensive risk control and management system.

b. In relation to the functions: segregate functions, at the operating level, between risk-taking areas and areas responsible for the analysis, control and monitoring of such risks, ensuring an appropriate level of independence and identification of roles and responsibilities for the various risk control and management players at the companies of the Group.

c. In relation to the corporate governance rules: develop due diligence, control and monitoring processes for the appropriate implementation of and compliance with the corporate governance applicable to each of the Group's companies, and implement the monitoring and measurement thereof.

d. In relation to information on risks: inform with transparency, particularly to the regulatory agencies and the principal external players, regarding the risks facing the Group's companies and the operation of the systems developed to monitor such risks, maintaining suitable channels that favour communication therewith.

e. In relation to risk control and management: establish adequate reporting and control systems to control and manage risks.

The companies of the Group shall comply with the provisions of the General Risk Control and Management Foundations of the Iberdrola Group approved by the Company's Board of Directors.

B. Corporate control

For their part, the main principles of conduct in relation to corporate control, which must inform the conduct and standards-setting of the various companies of the Group in this area, are as follows:

a. In relation to the preparation of the financial and non-financial information: the Company shall approve principles that the companies of the Group must respect and follow when preparing the consolidated financial information and statement of non-financial

information, in order to ensure that such information and report are prepared based on that provided by the various companies of the Group and to clearly define the responsibility of the management decision-making bodies in such process.

The financial information of the Group's companies, and particularly its annual financial statements, shall reflect in all material respects a true and fair view of their assets, financial position and results as provided by applicable legal provisions.

The statement of non-financial information shall reflect in all material respects in a reasonable and balanced manner, the environmental, social and corporate governance performance of the consolidated group, with the scope defined by applicable legal provisions and in accordance with international standards.

b. In relation to the statutory auditor: the relationship with the statutory auditor must respect its independence and rely on appropriate instruments to ensure the proper transparency thereof.

9. Main Principles of Conduct in relation to Legality and Compliance

The main principles of conduct in relation to compliance, which must inform the standards-setting of the Group's companies in this area, are as follows:

a. In relation to generally applicable legal principles: in their internal and external relations (including relations with their respective Stakeholders), the Group's companies shall adhere to the basic rules that characterise the Rule of Law, linked to the principles of legality and legal certainty, which must inform their internal regulations, their organisation and their activities.

b. In relation to compliance and ethics: the companies of the Group shall endeavour to ensure compliance with applicable legal provisions and their respective governance and sustainability systems, as well as the ethical principles, and they shall promote a preventive culture based on the principle of "zero tolerance" towards improper conduct and acts that are illegal or contrary to law or their respective governance and sustainability systems, on the one hand, and on the other the application of ethical principles and principles of responsible behaviour that should govern the conduct of all members of the management decision-making bodies, of the professionals and of the suppliers of the companies of the Group.

   In addition, the companies of the Group shall assume ethical leadership in the business communities in which they are present, comply with generally accepted ethical principles, and foster a preventive culture based on such "zero tolerance" principle.

   For this purpose, the Company, the country subholding companies and the head of business or country companies shall have their own effective, autonomous, independent and robust compliance systems, in accordance with the best and most advanced international practices in this area, applicable to the activities that they carry out and based on strong ethical principles and legality, such that they contribute to the full realisation of the Purpose and Values of the Iberdrola Group and the corporate interest.

   The compliance units or functions of each company shall be responsible for overseeing the application and effectiveness of their respective compliance systems.

   The compliance units or functions of the Group's companies shall exercise their powers under principles of coordination, cooperation and information, particularly complying with the provisions of their respective governance and sustainability systems in relation to the decentralisation of the effective management of the businesses and the corresponding

individualisation and separation of the responsibilities of each of the companies comprising the Group.

The foregoing is without prejudice to the bodies dedicated to the prevention of specific risks and to the control of activities that it may be necessary or advisable to create at certain companies of the Group in order to comply with the industry-specific or national laws of the territories or countries in which they carry out their activities, with which relations shall be established by the corresponding compliance units or functions for coordination purposes as appropriate pursuant to applicable law.

As part of the Compliance System, the Company and the other companies of the Group implement programmes to prevent the commission of crimes through their respective compliance units (or compliance bodies or functions), which have full responsibility and autonomy for the management thereof, which evaluate, modify and regularly update and establish internal reporting and whistleblower protection systems in accordance with applicable legal provisions.

c. In relation to the conduct of directors, professionals and suppliers: the companies of the Group shall approve codes of conduct that shall apply to their respective directors, professionals and suppliers, as well as to other persons whose activity is expressly subject to the code.

d. In relation to corruption and fraud: the companies of the Group shall send a strong message of opposition to fraud and corruption in all of their manifestations, roundly and forcefully expressing their willingness to combat them in their activities.

e. In relation to actions in terms of separation of activities: the companies of the Group are responsible for keeping regulated activities and liberalised activities duly separate within the boundary of the Group in accordance with the rules for the separation of activities applicable in each case, given the differences in the regulation of the energy industries in the various countries or territories in which the Group's companies do business and the specific definition of regulated activities and liberalised activities in each country or territory at any time.

   The companies of the Group shall, in accordance with the laws and regulations in force in each country or territory in which they carry on regulated activities, adopt codes or similar internal rule-making instruments that ensure compliance with the rules for the separation of activities by their professionals. The aforementioned codes or rule-making instruments shall be communicated to and disseminated among the professionals and the members of the management team of the Group's companies in the respective jurisdictions in which they apply, as well as externally, particularly through the websites or web spaces of the corresponding Group companies.

   In particular, it shall be necessary to respect the effective decision-making capacity of the companies of the Group that carry on regulated activities with respect to the assets required for the operation, maintenance and development of their own activities, as well as with respect to limitations on access to commercially sensitive information of the aforementioned companies.

f. In relation to court or administrative orders: the companies of the Group shall respect and abide by all court and/or governmental decisions or resolutions that may be issued, but reserve the right to file such appeals as may be appropriate when they believes that they do not conform to the law and are contrary to their interests.

In Bilbao, on 16 June 2026.
The Board of Directors of IBERDROLA, S.A.

Book One - Articles of Association and Corporate Organisation

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1. Articles of Association

No. SC389555

The Companies Act 2006

Company Limited by Shares

ARTICLES OF ASSOCIATION

adopted by special resolution passed on 21 March 2025

of

Scottish Power Energy Networks Holdings Limited

(incorporated on 26 November 2010)

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The Companies Act 2006

Company Limited by Shares

Articles of Association

adopted by special resolution passed on 21 March 2025

of

Scottish Power Energy Networks Holdings Limited (the "Company")

Preliminary

1 Default Articles not to apply

Neither the regulations in The Companies (Model Articles) Regulations 2008 nor any other articles or regulations prescribing the form of articles applicable to the Company under any former enactment relating to companies shall apply to the Company.

Part 1
Interpretation and Limitation of Liability

2 Defined terms

2.1 In the Articles, unless the context requires otherwise:

"**Alternate**" or "**Alternate Director**" has the meaning given in Article 35;

"**appointor**" has the meaning given in Article 35;

"**Articles**" means the Company's articles of association;

"**Associated Company**" has the same meaning as in Section 256 Companies Act 2006;

"**bankruptcy**" includes individual insolvency proceedings in a jurisdiction other than Scotland which have an effect similar to that of bankruptcy;

"Board" means the board of directors of the Company;

"**Chairman**" has the meaning given in Article 16;

"**Chairman of the Meeting**" has the meaning given in Article 58;

"**Companies Acts**" means the Companies Acts (as defined in Section 2 of the Companies Act 2006), in so far as they apply to the Company;

"**Director**" means a director of the Company, and includes any person occupying the position of director, by whatever name called;

"**document**" includes, unless otherwise specified, any document sent or supplied in electronic form;

"**Electricity North West (ENW) Business**" means any business carried on by North West Electricity Networks (UK) Limited and its direct and indirect subsidiaries;

"**electronic form**" has the meaning given in Section 1168 of the Companies Act 2006;

"**fully paid**" in relation to a share, means that the nominal value and any premium to be paid to the Company in respect of that share have been paid to the Company;

"**hard copy form**" has the meaning given in Section 1168 of the Companies Act 2006;

"**holder**" in relation to shares means the person whose name is entered in the register of Members as the holder of the shares;

"**Iberdrola, S.A.**" is a Spanish company listed on the stock markets in Spain, which has an institutional reach, and which is the ultimate parent holding controlling entity -pursuant to Spanish law- of a multinational group of companies, in accordance with Article 4.1;

"**Iberdrola Group**" has the meaning given in Article 4.1;

"**Member**" means a member of the Company;

"**ordinary resolution**" has the meaning given in Section 282 of the Companies Act 2006;

"**paid**" means paid or credited as paid;

"**participate**", in relation to a Directors' meeting, has the meaning given in Article 14;

"**payee**" has the meaning given in Article 50;

"**proxy notice**" has the meaning given in Article 64;

"**Relevant Officer**" means any Director, former Director or Secretary of the Company or any director or former director of an Associated Company of the Company;

"**ScottishPower Group**" means the meaning given in Article 4.2;

"**Secretary**" means any person appointed to perform the duties of the secretary of the Company (including any deputy or assistant secretary) in accordance with Article 36;

"**shareholder**" means a person who is the holder of a share;

"**shares**" means shares in the Company;

"**special resolution**" has the meaning given in Section 283 of the Companies Act 2006;

"**SP Energy Networks Business**" has the meaning given in Article 4.1;

"**subsidiary**" has the meaning given in Section 1159 of the Companies Act 2006;

"**transmittee**" means a person entitled to a share by reason of the death or bankruptcy of a shareholder or otherwise by operation of law; and

"**writing**" means the representation or reproduction of words, symbols or other information in a visible form by any method or combination of methods, whether sent or supplied in electronic form or otherwise.

2.2 Unless the context otherwise requires, (i) other words or expressions contained in these Articles bear the same meaning as in the Companies Act 2006 as in force on the date when these Articles become binding on the Company and (ii) words importing a gender include every gender.

2.3 The provisions of these Articles relating to general meetings and to the proceedings at such meetings shall apply to separate meetings of a class of shareholders.

3 Liability of shareholders

The liability of the shareholders is limited to the amount, if any, unpaid on the shares held by them.

Part 2
The Corporate Group

4 The Company within the Iberdrola Group

4.1 The Company is the head of business company of the SP Energy Networks Business (which includes the electricity transmission and distribution regulated activity) in Great Britain of the multinational group of which "**Iberdrola, S.A.**" is the ultimate parent holding company (the "**Iberdrola Group**"). Without prejudice to any applicable legal provision, the SP Energy Networks Business excludes the Electricity North West (ENW) Business.

4.2 The Company is, as part of the Iberdrola Group's decentralised corporate structure, part of the group of companies held by Scottish Power Limited (the Company's indirect sole shareholder) as the principal sub-holding company of the Iberdrola Group in the United Kingdom (the "**ScottishPower Group**"), without prejudice to any applicable legal provisions regarding the separation of regulated and non-regulated activities in the energy sector.

5 Stakeholder Engagement, Corporate Website, Presence in Social Media and Digital Transformation

5.1 The Company, as the head of business company of the SP Energy Networks Business, shall engage with all Stakeholders in its business activities in accordance with any engagement policy adopted on the same based on the principles of transparency and active listening which allows it to continue to respond to their legitimate interests, with the Company being responsible for the effective dissemination of information regarding the activities thereof.

5.2 The Company shall ensure that its corporate website, its presence and activity on social media, and, in general, its digital innovation strategy, contributes to the Iberdrola Group's digital communication strategy aimed at, among other purposes, strengthening the engagement and identification of all Stakeholders, boosting the Iberdrola, as well as Company's, brand and favouring the development of the Company's activities and its digital transformation in accordance with the principles described in Article 5.1, without prejudice to any applicable legal provisions regarding the separation of regulated activities.

5.3 The Company shall ensure the accessibility of its corporate website as an expression of its commitment to transparency and communication with the various Stakeholders and with society in general, to serve as a basis for generating credibility and mutual trust, in accordance with Articles 5.1 and 5.2.

Part 3
Directors

Directors' Powers and Responsibilities

6 Number of Directors

The Directors shall not be less than 3 nor more than 10 in number. The Company may, by ordinary resolution, from time to time vary the minimum and/or maximum number of Directors.

7 Directors' general authority

Subject to the Articles, the Directors are responsible for the management of the Company's business, for which purpose they may exercise all the powers of the Company.

8 Shareholders' reserve power

8.1 The shareholders may, by special resolution, direct the Directors to take, or refrain from taking, specified action.

8.2 No such special resolution invalidates anything which the Directors have done before the passing of the resolution.

9 Directors may delegate

9.1 Subject to the Articles, the Directors may delegate any of the powers which are conferred on them under the Articles:

9.1.1 to such person (who need not be a Director) or committee (comprising any number of persons, who need not be Directors);

9.1.2 by such means (including by power of attorney);

9.1.3 to such an extent;

9.1.4 in relation to such matters or territories; and

9.1.5 on such terms and conditions,

as they think fit.

9.2 If the Directors so specify, any such delegation may authorise further delegation of the Directors' powers by any person to whom they are delegated.

9.3 Any reference in these Articles to the exercise of a power or discretion by the Directors shall include a reference to the exercise of a power or discretion by any person or committee to whom it has been delegated.

9.4 The Directors may revoke any delegation in whole or in part, or alter its terms and conditions.

10 Committees

The Directors may make regulations in relation to the procedures of committees or sub-committees to whom their powers or discretions have been delegated or sub-delegated. Subject to any such regulations, the meetings and procedures of any committee or sub-

committee shall be governed by the provisions of these Articles regulating the meetings and procedures of Directors.

Decision-Making by Directors

11 Directors to take decisions collectively

The general rule about decision-making by Directors is that any decision of the Directors must be either a majority decision at a meeting or a decision taken by Directors' written resolution in accordance with Article 12.

12 Directors' written resolutions

12.1 Any Director or the Secretary may propose a written resolution by giving written notice to the other Directors including Alternate Directors (if any) whose appointors are entitled to vote on such resolution or to members of a committee formed under Article 10 for the time being entitled to vote on such a resolution, or may request the Secretary (if any) to give such notice.

12.2 Subject always to Article 12.3, a Directors' written resolution is adopted when a majority of the Directors (or Alternate Directors (if any) whose appointors are entitled to vote on such a resolution or the majority of the members of a committee formed under Article 9) who would have been entitled to vote on such a resolution if it had been proposed at a meeting of the Directors have:

12.2.1 signed one or more copies of it; or

12.2.2 otherwise indicated their agreement to it in writing or through any electronic voting system provided by the Company for this purpose.

12.3 A Directors' written resolution is not adopted if the number of Directors who have signed or otherwise indicated their agreement to it in accordance with Article 12.2 is less than the quorum for Directors' meetings.

12.4 Once a Directors' written resolution has been adopted, it must be treated as if it had been a resolution passed at a Directors' meeting in accordance with the Articles.

12.5 A Directors' written resolution shall be deemed to be properly sent to a Director if sent in electronic form to such electronic address (if any) as may for the time being be notified by him/her or on his/her behalf to the Company for that purpose or if it is sent to him/her personally or by word of mouth or sent by instrument to him/her at his/her last known address or such other address (if any) as may for the time being be notified by him/her or on his/her behalf to the Company for that purpose.

13 Calling a Directors' meeting

13.1 Subject to the provisions of these Articles, the Directors may meet together to conduct business, adjourn and otherwise regulate their meetings as they think fit. A Director may at any time, and the Secretary on the requisition of a Director shall, call a meeting of the Directors.

13.2 Notice of a meeting of the Board and any specific information deemed necessary shall, and any other communication may, be made available to the Directors digitally and, in particular, through the use of a secure Directors' website which may be set up from time to time.

13.3 Notice of a meeting of the Directors (and any relevant board papers) shall be deemed to be properly sent to a Director if it is sent in electronic form to such address (if any) as may for the time being be notified by him/her or on his/her behalf to the Company for that purpose or if it is sent to him/her personally or by word of mouth or sent by instrument to him/her at his/her last known address or such other address (if any) as may for the time being be notified by him/her or on his/her behalf to the Company for that purpose. Notice of a meeting of the Directors shall be given at least three days prior to the date of the meeting, or less if reasonable in the circumstances. In the event of a dispute on whether reasonable notice was given, the chairman's decision shall be final. A Director may waive notice of a particular meeting either prospectively or retrospectively, and where such waiver is given after the meeting has been held, that does not affect the validity of the meeting, or of any business conducted at it.

13.4 Without prejudice to the first sentence of Article 13.1 a meeting of the Directors, or of a committee of the Directors, may, if the chairman of the meeting or committee allows, with respect to one or more directors, taking into account the relevant circumstances in each case, consist of a conference between Directors who are not all in one place, but of whom each is able, directly or by telephonic or other communication, to speak to each of the others and to be heard by each of the others simultaneously, adopting, where appropriate, any procedure that ensures that those participating in the proceedings can be identified, that the confidentiality of the proceedings is preserved and that an account of the proceedings (and any decisions adopted therein) is duly taken and preserved. Directors must comply with the security and privacy protocols established by the Company for such proceedings. A Director taking part in such a conference shall be deemed to be present in person at the meeting and shall be entitled to vote or be counted in a quorum accordingly. Without prejudice to any other provision in this Article, such a meeting as referenced within this Article 13.4 shall be called at the registered office of the Company, and the meeting shall be deemed to take place at the registered office of the Company provided that a participating Director is present at that location or, in the circumstance where this is not the case, wherever any of the participating Directors is, as determined between them. The word "meeting" in these Articles shall be construed accordingly.

13.5 The Chairman may invite to the meetings of the Board any persons who the Chairman determines may assist the Directors with relevant information, provided that such persons shall not participate in the decision-making part of the meetings nor any other part of the meeting which does not pertain to the purpose of their attendance. When the Chairman deems it appropriate, the Chairman may authorise their remote attendance, taking into account the relevant circumstances in each case and as referenced in Article 13.4. The Secretary shall record the entry and exit of the guests at each meeting in the minutes.

14 Participation in Directors' meetings

14.1 Subject to the Articles, Directors may participate in a Directors' meeting, or part of a Directors' meeting, to conduct business or adjourn, or otherwise regulate their meetings as they think fit, provided always:

14.1.1 the meeting has been called and takes place in accordance with the Articles; and

14.1.2 they can each communicate to the others any information or opinions they have on any particular item of the business of the meeting.

14.2 A Director who is unable to attend any meeting of the Directors and has not appointed an Alternate Director may authorise any other Director to vote on his/her behalf at that meeting. The voting rights of any Director being so authorised in accordance with this Article shall be cumulative, but that Director shall not be counted more than once for the purposes of the quorum. The Secretary shall retain a record of any written notice submitted to the Company. The authorised Director's signature on any resolution or other matter in writing of the Directors shall be as effective as the signature of the authorising Director.

15 Quorum for Directors' meetings

15.1 At a Directors' meeting, unless a quorum is participating, no proposal is to be voted on, except a proposal to call another meeting.

15.2 The quorum for Directors' meetings may be fixed from time to time by a decision of the Directors provided that all the Directors unanimously approve such quorum and, unless so fixed at any other number, shall be at least half the members of the Board plus one. In the event that the number of members of the Board is an odd number, the quorum for Directors' meetings, unless fixed at any other number as aforesaid, shall be at least half the members of the Board (rounded up to the next whole number) plus one.

15.3 If the total number of Directors for the time being is less than the quorum required, the Directors must not take any decision other than a decision:

15.3.1 to appoint further Directors; or

15.3.2 to call a general meeting so as to enable the shareholders to appoint further Directors.

16 Chairing of Directors' meetings

16.1 The Directors shall appoint a Director to chair their meetings.

16.2 The person so appointed for the time being is known as the Chairman.

16.3 The Directors may terminate the Chairman's appointment at any time.

16.4 If the Chairman is not participating in a Directors' meeting within ten minutes of the time at which it was to start, the participating Directors may appoint one of their number to chair it.

17 Casting vote

17.1 Subject to Article 17.2, if the numbers of votes for and against a proposal are equal, the Chairman or other Director chairing the meeting has a casting vote.

17.2 Article 17.1 does not apply if, in accordance with the Articles, the Chairman or other Director is not to be counted as participating in the decision-making process for quorum or voting purposes.

18 Validity of proceedings

All acts (both written and unwritten) done by any meeting of Directors, or of any committee or sub-committee of the Directors, or by any person acting as a member of any such committee or sub-committee, shall as regards all persons dealing in good faith with the Company be valid, notwithstanding that there was some defect in the appointment of any

Director or any such persons, or that any such persons were disqualified or had vacated office, or were not entitled to vote, or were otherwise incapacitated.

19 Record of decisions to be kept

The Directors or Secretary (if any) must ensure that the Company keeps a record, in writing, of every majority decision taken by the Directors and of every Directors' written resolution for at least 10 years from the date of the decision or resolution.

20 Directors' discretion to make further rules

Subject to the Articles, the Directors may make any rule which they think fit about how they take decisions, and about how such rules are to be recorded or communicated to Directors.

21 Change of name

The Company may change its name by a decision of the Directors.

Directors' Interests

22 Authorisation of Directors' interests

22.1 For the purposes of Section 175 of the Companies Act 2006, the Directors shall have the power to authorise any matter which would or might otherwise constitute or give rise to a breach of the duty of a Director to avoid a situation in which he/she has, or can have, a direct or indirect interest that conflicts, or possibly may conflict, with the interests of the Company.

22.2 Authorisation of a matter under this Article 22 shall be effective only if:

22.2.1 the matter in question shall have been proposed for consideration at a meeting of the Directors, in accordance with the usual procedures for such meetings or in such other manner as the Directors may resolve;

22.2.2 any requirement as to the quorum at the meeting of the Directors at which the matter is considered is met without counting the Director in question and any other interested Director (together the "**Interested Directors**"); and

22.2.3 the matter was agreed to without the Interested Directors voting or would have been agreed to if the votes of the Interested Directors had not been counted.

22.3 Any authorisation of a matter under this Article may:

22.3.1 extend to any actual or potential conflict of interest which may arise out of the matter so authorised;

22.3.2 be subject to such conditions or limitations as the Directors may resolve, whether at the time such authorisation is given or subsequently; and

22.3.3 be terminated by the Directors at any time;

and a Director shall comply with any obligations imposed on him/her by the Directors pursuant to any such authorisation.

22.4 A Director shall not, save as otherwise agreed by him/her, be accountable to the Company for any benefit which he/she (or a person connected with him/her) derives from any matter authorised by the Directors under this Article 22 and any contract, transaction or

arrangement relating to such a matter shall not be liable to be avoided on the grounds of any such benefit.

22.5 This Article does not apply to a conflict of interest arising in relation to a transaction or arrangement with the Company.

23 Permitted Interests

23.1 Subject to compliance with Article 23.2, a Director, notwithstanding his/her office, may have an interest of the following kind:

23.1.1 where a Director (or a person connected with him/her) is a director or other officer of, or employed by, or otherwise interested (including by the holding of shares) in any Relevant Company;

23.1.2 where a Director (or a person connected with him/her) is a party to, or otherwise interested in, any contract, transaction or arrangement with a Relevant Company, or in which the Company is otherwise interested;

23.1.3 where a Director (or a person connected with him/her) represents the interests of any Member whose interests may conflict, from time to time, with the interests of the Company;

23.1.4 where a Director has an interest which cannot reasonably be regarded as likely to give rise to a conflict of interest;

23.1.5 where a Director has an interest, or a transaction or arrangement gives rise to an interest, of which the Director is not aware; or

23.1.6 where a Director has any other interest authorised by ordinary resolution.

No authorisation under Article 22 shall be necessary in respect of any such interest.

23.2 A Director shall declare the nature and extent of any interest permitted under Article 23.1 and not falling within Article 23.3, at a meeting of the Directors or in such other manner as the Directors may resolve.

23.3 No declaration of an interest shall be required by a Director in relation to an interest:

23.3.1 falling within Articles 23.1.1, 23.1.3 or 23.1.5;

23.3.2 if, or to the extent that, the other Directors are already aware of such interest (and for this purpose the other Directors are treated as aware of anything of which they ought reasonably to be aware); or

23.3.3 if, or to the extent that, it concerns the terms of his/her service contract (as defined in Section 227 of the Companies Act 2006) that have been or are to be considered by a meeting of the Directors, or by a committee of Directors appointed for the purpose under these Articles.

23.4 A Director shall not, save as otherwise agreed by him/her, be accountable to the Company for any benefit which he/she (or a person connected with him/her) derives from any such contract, transaction or arrangement or from any such office or employment or from any interest in any Relevant Company or for such remuneration, each as referred to in Article 23.1, and no such contract, transaction or arrangement shall be liable to be avoided on the grounds of any such interest or benefit.

23.5 For the purposes of this Article 23, "**Relevant Company**" shall mean:

23.5.1 the Company;

23.5.2 a subsidiary of the Company;

23.5.3 any holding company of the Company or a subsidiary of any such holding company;

23.5.4 any body corporate promoted by the Company; or

23.5.5 any body corporate in which the Company is otherwise interested.

24 Quorum and voting

24.1 A Director shall not be entitled to vote on any resolution in respect of any contract, transaction or arrangement, or any other proposal, in which he/she (or a person connected with him/her) has an interest, unless the interest is solely of a kind permitted by Article 23.1.

24.2 A Director shall not be counted in the quorum at a meeting of the Directors in relation to any resolution on which he/she is not entitled to vote.

25 Confidential information

25.1 Subject to Article 25.2, if a Director, otherwise than by virtue of his/her position as Director, receives information in respect of which he/she owes a duty of confidentiality to a person other than the Company, he/she shall not be required:

25.1.1 to disclose such information to the Company or to the Directors, or to any Director, officer or employee of the Company; or

25.1.2 otherwise use or apply such confidential information for the purpose of or in connection with the performance of his/her duties as a Director.

25.2 Directors shall maintain in strict confidence the information (including all deliberations) from meetings of, and provided in connection with their positions on, the Board and the committees of which they are members, as appropriate. They shall refrain from disclosing (other than in the course of the proper fulfilment of their duties as Directors) the information, data, reports and background information to which they have had access in the exercise of their duties, and from using such information for their own benefit or that of a third party. Directors must also adhere to any restrictions or procedures established for the use of electronic systems, applications and similar items made available to them by the Company.

25.3 Where such duty of confidentiality arises out of a situation in which the Director has, or can have, a direct or indirect interest that conflicts, or possibly may conflict, with the interests of the Company, Article 25.1 shall apply only if the conflict arises out of a matter which has been authorised under Article 22 or falls within Article 23.

25.4 This Article 25 is without prejudice to any equitable principle or rule of law which may excuse or release the Director from disclosing information, in circumstances where disclosure may otherwise be required under this Article 25.

26 Directors' interests - general

26.1 For the purposes of Articles 22 to 26:

26.1.1 a person is connected with a Director if that person is connected for the purposes of Section 252 of the Companies Act 2006; and

26.1.2 an interest (whether of the Director or of such a connected person) of which a Director has no knowledge and of which it is unreasonable to expect him/her to have knowledge shall not be treated as an interest of his/her.

26.2 Where a Director has an interest which can reasonably be regarded as likely to give rise to a conflict of interest, the Director may, and shall if so requested by the Directors, take such additional steps as may be necessary or desirable for the purpose of managing such conflict of interest, including compliance with any procedures laid down from time to time by the Directors for the purpose of managing conflicts of interest generally and/or any specific procedures approved by the Directors for the purpose of or in connection with the situation or matter in question, including without limitation:

26.2.1 absenting himself/herself from any meetings of the Directors at which the relevant situation or matter falls to be considered; and

26.2.2 not reviewing documents or information made available to the Directors generally in relation to such situation or matter and/or arranging for such documents or information to be reviewed by a professional adviser to ascertain the extent to which it might be appropriate for him/her to have access to such documents or information.

26.3 Directors must adopt the necessary measures to prevent creating conflicts of interest as contemplated by the law.

26.4 Without prejudice to any provision of law, a conflict of interest shall arise where the interests of a Director, whether on their own behalf or on behalf of others, conflict, directly or indirectly, with the interests of the Company (or the companies within the Iberdrola Group) and their duties towards the Company.

26.5 The Secretary shall create and maintain an up-to-date record of the conflicts of interest reported by Directors, being the register of directors' interests, and the reporting Directors shall ensure that the information contained in this register shall be sufficiently detailed to make it possible to understand the scope of each conflict of interest situation.

26.6 The Company may by ordinary resolution ratify any contract, transaction or arrangement, or other proposal, not properly authorised by reason of a contravention of any provisions of Articles 22 to 26.

Appointment of Directors

27 Methods of appointing Directors

27.1 Any person who is willing to act as a Director, and is permitted by law to do so, may be appointed to be a Director:

27.1.1 by ordinary resolution;

27.1.2 by a decision of the Directors; or

27.1.3 by a notice given in accordance with Article 30.

27.2 In any case where, as a result of death, the Company has no shareholders and no Directors, the personal representatives of the last shareholder to have died have the right, by notice in writing, to appoint a person to be a Director.

27.3 For the purposes of Article 27.2, where two or more shareholders die in circumstances rendering it uncertain who was the last to die, a younger shareholder is deemed to have survived an older shareholder.

28 Appointment or removal of an independent director

Without prejudice to the provisions of the Companies Act 2006 and to any applicable legal provisions regarding regulated activity, no appointment or removal of an external director (as defined in Article 34.1.3) shall be carried out without first obtaining a proposal or report by the Appointments Committee of Iberdrola, S.A., which shall have taken into account their personal and professional merit and qualifications, including (without limitation) whether or not such appointee may carry out duties as a member of the Company's Audit and Compliance Committee (such as may be constituted) with sufficient independence.

29 Termination of Director's appointment

29.1 A person ceases to be a Director as soon as:

29.1.1 that person ceases to be a Director by virtue of any provision of the Companies Act 2006 or is prohibited from being a director by law;

29.1.2 a bankruptcy order is made against that person;

29.1.3 a composition is made with that person's creditors generally in satisfaction of that person's debts;

29.1.4 a registered medical practitioner who is treating that person gives a written opinion to the Company stating that that person has become physically or mentally incapable of acting as a director and may remain so for more than three months;

29.1.5 notification is received by the Company from the Director that the Director is resigning from office, and such resignation has taken effect in accordance with its terms;

29.1.6 a shareholder or shareholders holding in aggregate a majority of the nominal value of the shares of the Company terminates that Director's appointment by written notice to the Company;

29.1.7 the ultimate holding company (as defined under Section 1159 of the Companies Act 2006), from time to time, of the Company terminates that Director's appointment by written notice to the Company; or

29.1.8 notice of termination is served or deemed served upon the Director and that notice is given by all the other Directors for the time being.

29.2 If a Director holds an appointment to an executive office which automatically terminates on termination of his/her office as a Director, his/her removal from office pursuant to this Article 29 shall be deemed an act of the Company and shall have effect without prejudice to any claim for damages for breach of any contract of service between him/her and the Company.

30 Appointment of Director by majority shareholders

A shareholder or shareholders holding in aggregate a majority of the nominal value of the shares may, by notice to the Company, appoint any person to be a Director to fill a vacancy or to be an additional Director.

31 Directors' remuneration

Any Director who is appointed to any executive office (including for this purpose the office of Chairman or deputy chairman or vice-chairman whether or not such office is held in an executive capacity) or who serves on any committee or who acts as trustee of a retirement benefits scheme or employees' share scheme or who otherwise performs services which, in the opinion of the Directors or any committee thereof, are outside the scope of the ordinary duties of a Director or who makes any special exertions in going or residing abroad or otherwise in or about the business of the Company, may be paid such extra remuneration by way of salary, commission or otherwise as the Directors may determine.

32 Directors' expenses

32.1 The Company may pay any reasonable expenses which the Directors properly incur in connection with their attendance at:

32.1.1 meetings of Directors or committees of Directors;

32.1.2 general meetings; or

32.1.3 separate meetings of the holders of any class of shares or of debentures of the Company,

or otherwise in connection with the exercise of their powers and the discharge of their responsibilities in relation to the Company.

33 Appointment of executive Officers

33.1 The Directors may from time to time appoint one or more of their number to be the holder of any executive office or make any appointment by them of a Director conditional upon his/her accepting any executive office (including, where considered appropriate, the office of Chairman, deputy chairman or vice-chairman, or chief, deputy chief or assistant chief executive whether or not such office is held in an executive capacity) and may enter into an agreement or arrangement with any such Director for his/her employment by the Company or for the provision by him/her of any services outside the scope of the ordinary duties of a Director. For the avoidance of doubt, the holder of an executive office need not be appointed as a Director in an executive capacity. Any such appointment, agreement or arrangement may be made on such terms and for such period as they may (subject to the Companies Acts) resolve and, without prejudice to the terms of any contract entered into in any particular case, may at any time revoke or vary the terms of any such appointment.

33.2 The appointment of any Director to the office of Chairman or chief executive shall automatically terminate if he/she ceases to be a Director but without prejudice to any claim for damages for breach of any contract of service between him/her and the Company.

33.3 The appointment of any Director to any other executive office shall not automatically terminate if he/she ceases to be a Director for any reason, unless the contract or resolution under which he/she holds office shall expressly state otherwise, in which event such

termination shall be without prejudice to any claim for damages for breach of any contract of service between him/her and the Company.

34 Types of Director

34.1 A Director might be classified within one of the following categories:

34.1.1 executive directors, being those who perform management functions within the Company;

34.1.2 non-executive, non-external ('proprietary') directors, being those who represent a direct or indirect shareholder of the Company and who do not have the status of executive director; and

34.1.3 external directors, being those who do not represent a direct or indirect shareholder of the Company and do not have the status of executive director (including to perform management duties within the Company), but who provide independent oversight and advice in the performance of their duties as a Director.

34.2 The classification of Directors under this Article 34 shall not affect the independence with which all Directors must perform the functions pertaining to their office and their compliance with their statutory duties as Directors of the Company or any applicable legal provisions regarding regulated activities.

Alternate Directors

35 Alternate Directors

35.1 Any Director (the "**appointor**") may at any time appoint any person (including another Director) to be his/her alternate (the "**Alternate**" or the "**Alternate Director**") and may at any time terminate such appointment.

35.2 The appointment or termination of appointment of an Alternate Director must be made by notice in writing signed by the appointor or in any other manner approved by the Directors, or in accordance with Article 35.4.

35.3 The notice must identify the proposed Alternate and, in the case of an appointment, contain a statement signed by the proposed Alternate stating that the proposed Alternate is willing to act as the Alternate of the Director giving the notice.

35.4 The appointment of an Alternate Director shall terminate:

35.4.1 when the appointor revokes the appointment by notice to the Company specifying when it is to terminate;

35.4.2 on the occurrence in relation to the Alternate of any event which if it happened to the Alternate's appointor, would result in the termination of the appointor's appointment as a Director;

35.4.3 on receipt by the Company of notice in writing by the Alternate of his/her resignation from such appointment;

35.4.4 on the death of the Alternate's appointor; or

35.4.5 if his/her appointor ceases to be a Director.

35.5 An Alternate Director shall be entitled to receive notices of meetings of the Directors and of any committee of the Directors of which his/her appointor is a member and shall be entitled to attend and vote as a Director at any such meeting and be counted in the quorum at any such meeting at which his/her appointor is not personally present and generally at such meetings to perform all functions of his/her appointor as a Director. For the purposes of the proceedings at such meetings, the provisions of these Articles shall apply as if the Alternate Director (instead of his/her appointor) were a Director.

35.6 If an Alternate is himself/herself a Director or shall attend any such meeting as an Alternate for more than one Director, his/her voting rights shall be cumulative, but he/she shall not be counted more than once for the purposes of the quorum.

35.7 If his/her appointor is for the time being temporarily unable to act through ill health or disability an Alternate's signature to any resolution in writing of the Directors shall be as effective as the signature of his/her appointor.

35.8 This Article 35 shall also apply (with such changes as are necessary) to such extent as the Directors may from time to time resolve to any meeting of any committee of the Directors of which the appointor of an Alternate Director is a member.

35.9 An Alternate Director shall not (except as otherwise provided in this Article 35) have power to act as a Director, nor shall he/she be deemed to be a Director for the purposes of these Articles, nor shall he/she be deemed to be the agent of his/her appointor.

35.10 An Alternate Director shall be entitled to contract and be interested in and benefit from contracts or arrangements or transactions and to be repaid expenses and to be indemnified to the same extent as if he/she were a Director.

35.11 An Alternate shall not be entitled to receive remuneration from the Company in respect of his/her appointment as Alternate Director except to the extent his/her appointor directs the Company to pay to the Alternate some of the remuneration otherwise payable to that Director.

Secretary

36 Secretary

36.1 If the Directors so resolve, a Secretary shall be appointed on such terms as the Directors think fit. Any Secretary so appointed may at any time be removed from office by the Directors, but without prejudice to any claim for damages for breach of any contract of service between him/her and the Company.

36.2 The Secretary shall be responsible for performing the typical duties of a company secretary which shall include (but not be limited to) ensuring compliance with the relevant provisions of the Companies Acts and all matters of corporate governance.

36.3 The Secretary shall (without prejudice to any obligations or duties of Directors) perform the functions assigned to him/her by law and by the Company's system of corporate governance, and in particular:

36.3.1 to keep and preserve a record of the resolutions of the Member(s) of the Company;

36.3.2 to inform the Board of any resolutions of the Company approved by its Member(s), and to make any relevant filings in connection with such resolutions in accordance with the relevant legal requirements;

36.3.3 to keep and preserve a record of contracts entered into between the Member(s) and the Company;

36.3.4 to keep and preserve a record of minutes of the Board and other administrative bodies on which he/she holds the office of secretary, duly reflecting the development of the meetings, and also to keep and preserve the corporate documentation generated in relation to the operation of these administrative bodies;

36.3.5 to advise upon and check the legality of the actions of the Board and other administrative bodies on which he/she holds the office of secretary and that such actions are in accordance with the Company's system of corporate governance, taking into account for such purposes, among other things, any provisions that may be issued by regulatory bodies;

36.3.6 to advise the Board in relation to the development and updating of the Company's system of corporate governance;

36.3.7 to facilitate the Company's interaction with the Directors and the proper functioning of the Board, in accordance with the instructions of the Chairman;

36.3.8 to assist the Chairman in arranging for the Directors to receive, with sufficient notice and in the appropriate format, relevant information for the proper exercise of their duties, and to facilitate requests for information and documentation from the Directors in respect of those matters that are of interest to the Board;

36.3.9 to exercise the duties set out in Articles 36.3.7 and 36.3.8 above in relation to the committees or commissions of the Board on which he/she acts as secretary;

36.3.10 to arrange for all relevant information to be included on the Company's corporate website in accordance with the Company's system of corporate governance;

36.3.11 to ensure, under the supervision of the Chairman, the effective coordination (and establishment of all necessary information flows) between the Board and the internal committees or commissions with advisory or support functions in relation to the Board; and

36.3.12 to certify any documentation in respect of any of the above.

37 Experts and legal adviser to the Board

37.1 For the purpose of procuring assistance for the exercise of their duties, any Director may request the engagement, at the Company's expense, of legal, accounting, technical, business or financial advisers or other experts.

37.2 Such engagement must relate to specific issues which have significant importance and complexity and which emerge in the course of the Director's performance of their office.

37.3 The request for an expert to be hired must be channelled through the Secretary, who may, in turn, put it before the Board for approval, and such approval by the Board may be denied in well-founded instances, including where:

37.3.1 expert advice is not necessary for the proper performance of the duties entrusted to the Directors;

37.3.2 the cost thereof is not reasonable in light of the significance of the issues or the assets and income of the Company;

37.3.3 the technical assistance sought may be adequately provided by the Company's own experts and technical personnel; or

37.3.4 it may entail a risk to the confidentiality of information which will be required to be made available to the expert.

37.4 The Board may also appoint a legal adviser to the Board. The Secretary may assume the functions of such legal adviser where the Board so determines, provided he/she is a practising solicitor and there is otherwise full compliance with all legal and professional requirements.

Part 4
Shares and Distributions

Shares

38 All shares to be fully paid up

38.1 No share is to be issued for less than the aggregate of its nominal value and any premium to be paid to the Company in consideration for its issue.

38.2 This does not apply to shares taken on the formation of the Company by the subscribers to the Company's memorandum.

39 Pre-emption rights

The directors may allot equity securities as if Section 561 of the Companies Act 2006 (Existing shareholders' rights of pre-emption) did not apply to the allotment.

40 Powers to issue different classes of share

40.1 Subject to the Articles, but without prejudice to the rights attached to any existing share, the Company may issue shares with such rights or restrictions as may be determined by ordinary resolution (or, if the Company does not so determine, as the Directors may determine in accordance with section 550 of the Companies Act 2006).

40.2 The Company may issue shares which are to be redeemed, or are liable to be redeemed at the option of the Company or the holder, and the Directors may determine the terms, conditions and manner of redemption of any such shares.

41 Trusts

The Company shall be entitled, but shall not be bound, to accept and, in case of acceptance, shall be entitled to record in such manner as it may think fit, notices of any trusts in respect of any of the shares. Notwithstanding any such acceptance and/or the making of any such record, the Company shall not be bound to see to the execution, administration or observance of any trust, whether expressed, implied or constructive in respect of any shares,

and shall be entitled to recognise and give effect to the acts and deeds of the holders of such shares as if they were absolute owners thereof. For the purpose of this article, "trust" includes any right in respect of any shares other than an absolute right thereto in the holder thereof for the time being or such other rights in case of transmission of shares as are set out in the Articles.

42 Share certificates

42.1 The Company must issue each shareholder, free of charge, with one or more certificates in respect of the shares which that shareholder holds.

42.2 Every certificate must specify:

42.2.1 the number and class of shares to which it relates;

42.2.2 the nominal value of those shares;

42.2.3 that the shares are fully paid; and

42.2.4 any distinguishing numbers assigned to them.

42.3 No certificate may be issued in respect of shares of more than one class.

42.4 If more than one person holds a share, only one certificate may be issued in respect of it.

42.5 Certificates shall be executed by the Company in such manner as the Directors may decide.

43 Replacement share certificates

43.1 A shareholder who has separate certificates in respect of shares of one class may request in writing that it be replaced with a consolidated certificate. The Company may comply with such request at its discretion.

43.2 A shareholder who has a consolidated share certificate may request in writing that it be replaced with two or more separate certificates representing the shares in such proportions as he/she may specify. The Company may comply with such request at its discretion.

43.3 If a share certificate is damaged or defaced or alleged to have been lost, stolen or destroyed, the Member shall be issued a new certificate representing the same shares upon request.

43.4 No new certificate will be issued pursuant to this Article 43 unless the relevant shareholder has:

43.4.1 first delivered the old certificate or certificates to the Company for cancellation; or

43.4.2 complied with such conditions as to evidence and indemnity as the Directors may think fit; and

43.4.3 paid such reasonable fee as the Directors may decide.

43.5 In the case of shares held jointly by several persons, any request pursuant to this Article 43 may be made by any one of the joint holders.

44 Authorisation for share buy back out of cash

Subject to the Companies Act 2006, but without prejudice to any other provision of these Articles, the Company may purchase its own shares out of capital otherwise than in

accordance with Chapter 5 of Part 18 of the Companies Act 2006, up to an aggregate purchase price in a financial year of the lower of:

44.1 £15,000; or

44.2 the nominal value of 5% of its fully paid share capital as at the beginning of the financial year.

45 Share transfers

45.1 Shares may be transferred by means of an instrument of transfer executed by or on behalf of the transferor. Such instrument of transfer must be in hard copy form but may otherwise be in any usual form or any other form approved by the Directors.

45.2 No fee may be charged for registering any instrument of transfer or other document relating to or affecting the title to any share.

45.3 The Company may retain any instrument of transfer which is registered.

45.4 The transferor remains the holder of the shares concerned until the transferee's name is entered in the register of Members in respect of those shares.

45.5 The Directors may refuse to register the transfer of a share, and if they do so, the instrument of transfer must be returned to the transferee with the notice of the refusal unless they suspect that the proposed transfer may be fraudulent.

46 Transmission of shares

46.1 If title to a share passes to a transmittee, the Company may only recognise the transmittee as having any title to that share.

46.2 A transmittee who produces such evidence of entitlement to shares as the Directors may reasonably require:

46.2.1 may, subject to the Articles, choose either to become the holder of those shares or to have them transferred to another person, provided that the Directors shall, in any case, have the same right to decline registration as they would have had in the case of a transfer of the share by the relevant Member before the occurrence of the transmission event, and

46.2.2 subject to the Articles, and pending any transfer of the shares to another person, has the same rights as the holder had.

46.3 A transmittee does not have the right to attend or vote at a general meeting, or agree to a proposed written resolution, in respect of shares to which it is entitled, by reason of the holder's death or bankruptcy or otherwise, unless it becomes the holder of those shares.

47 Exercise of transmittees' rights

47.1 A transmittee who wishes to become the holder of shares to which it has become entitled must notify the Company in writing of that wish.

47.2 If the transmittee wishes to have a share transferred to another person, the transmittee must execute an instrument of transfer in hard copy form in respect of it.

47.3 Any transfer made or executed under this Article 47 is to be treated as if it were made or executed by the person from whom the transmittee has derived rights in respect of the share, and as if the event which gave rise to the transmission had not occurred.

48 Transmittees bound by prior notices

If a notice is given to a shareholder in respect of shares and a transmittee is entitled to those shares, the transmittee is bound by the notice if it was given to the shareholder before the transmittee's name has been entered in the register of Members.

Dividends and Other Distributions

49 Procedure for declaring dividends

49.1 The Company may by ordinary resolution declare dividends, and the Directors may decide to pay dividends (whether final or otherwise).

49.2 A dividend must not be declared unless the Directors have made a recommendation as to its amount. Such a dividend must not exceed the amount recommended by the Directors.

49.3 No dividend may be declared or paid unless it is in accordance with shareholders' respective rights.

49.4 Unless the shareholders' resolution to declare or Directors' decision to pay a dividend, or the terms on which shares are issued, specify otherwise, it must be paid by reference to each shareholder's holding of shares on the date of the resolution or decision to declare or pay it.

49.5 If the Company's share capital is divided into different classes, no interim dividend may be paid on shares carrying deferred or non-preferred rights if, at the time of payment, any preferential dividend is in arrear.

49.6 The Directors may pay fixed dividends on any class of shares carrying such a dividend expressed to be payable on fixed dates on the dates prescribed for payment if it appears to them that the profits available for distribution justify the payment.

49.7 If the Directors act in good faith, they do not incur any liability to the holders of shares conferring preferred rights for any loss they may suffer by the lawful payment of a fixed or interim dividend on shares with deferred or non-preferred rights.

50 Payment of dividends and other distributions

50.1 Where a dividend or other sum which is a distribution is payable in respect of a share, it must be paid by one or more of the following means:

50.1.1 transfer to a bank or building society account specified by the payee either in writing or as the Directors may otherwise decide;

50.1.2 sending a cheque made payable to the payee by post to the payee at the payee's registered address (if the payee is a holder of the share), or (in any other case) to an address specified by the payee either in writing or as the Directors may otherwise decide;

50.1.3 sending a cheque made payable to such person by post to such person at such address as the payee has specified either in writing or as the Directors may otherwise decide; or

50.1.4 any other means of payment as the Directors agree with the payee either in writing or by such other means as the Directors decide.

50.2 Subject to the provisions of these Articles and to the rights attaching to any shares, any dividend or other sum payable on or in respect of a share may be paid in such currency as the Directors may resolve, using such exchange rate for currency conversions as the Directors may select.

50.3 In the Articles, the "**payee**" means, in respect of a share in respect of which a dividend or other sum is payable:

50.3.1 the holder of the share; or

50.3.2 if the share has two or more joint holders, whichever of them is named first in the register of Members; or

50.3.3 if the holder is no longer entitled to the share by reason of death or bankruptcy, or otherwise by operation of law, the transmittee; or

50.3.4 such other person or persons as the holder (or, in the case of joint holders, all of them) may direct.

51 No interest on distributions

51.1 The Company may not pay interest on any dividend or other sum payable in respect of a share unless otherwise provided by:

51.1.1 the terms on which the share was issued; or

51.1.2 the provisions of another agreement between the holder of that share and the Company.

52 Unclaimed distributions

52.1 All dividends or other sums which are:

52.1.1 payable in respect of shares; and

52.1.2 unclaimed after having been declared or become payable,

may be invested or otherwise made use of by the Directors for the benefit of the Company until claimed.

52.2 The payment of any such dividend or other sum into a separate account does not make the Company a trustee in respect of it.

52.3 The Company shall be entitled to cease sending dividend warrants and cheques by post or otherwise to a Member if those instruments have been returned undelivered to, or left uncashed by, that Member on at least two consecutive occasions, or, following one such occasion, reasonable enquiries have failed to establish the Member's new address. The entitlement conferred on the Company by this Article 52.3 in respect of any Member shall cease if the Member claims a dividend or cashed a dividend warrant or cheque.

52.4 If:

52.4.1 twelve years have passed from the date on which a dividend or other sum became due for payment; and

52.4.2 the payee has not claimed it,

the payee is no longer entitled to that dividend or other sum and it ceases to remain owing by the Company.

53 Non-cash distributions

53.1 Subject to the terms of issue of the share in question, the Company may, by ordinary resolution on the recommendation of the Directors, direct the payment of a dividend in whole or in part or other distribution payable in respect of a share by the transfer of non-cash assets of equivalent value (including, without limitation, shares or other securities in any Company) and the Directors shall give effect to such resolution.

53.2 For the purposes of paying a non-cash distribution, the Directors may make whatever arrangements they think fit, including, where any difficulty arises regarding the distribution:

53.2.1 fixing the value of any assets;

53.2.2 paying cash to any payee on the basis of that value in order to adjust the rights of recipients; and

53.2.3 vesting any assets in trustees.

54 Waiver of distributions

54.1 Payees may waive their entitlement to a dividend or other distribution payable in respect of a share in whole or in part by giving the Company notice in writing to that effect, but if:

54.1.1 the share has more than one holder; or

54.1.2 more than one person is entitled to the share, whether by reason of the death or bankruptcy of one or more joint holders, or otherwise,

the notice is not effective unless it is expressed to be given, and signed, by all the holders or persons otherwise entitled to the share.

Capitalisation of Profits

55 Authority to capitalise and appropriation of capitalised sums

55.1 Subject to the Articles, the Directors may, if they are so authorised by an ordinary resolution:

55.1.1 capitalise any profits of the Company (whether or not they are available for distribution) which are not required for paying a preferential dividend, or any sum standing to the credit of the Company's share premium account, capital redemption reserve or other undistributable reserve; and

55.1.2 appropriate any sum which they so decide to capitalise (a "**capitalised sum**") to the persons who would have been entitled to it if it were distributed by way of dividend (the "**persons entitled**") and in the same proportions.

55.2 Capitalised sums must be applied:

55.2.1 on behalf of the persons entitled; and

55.2.2 in the same proportions as a dividend would have been distributed to them.

55.3 Any capitalised sum may be applied in paying up new shares of a nominal amount equal to the capitalised sum which are then allotted credited as fully paid to the persons entitled or as they may direct.

55.4 A capitalised sum which was appropriated from profits available for distribution may be applied in paying up new debentures of the Company which are then allotted credited as fully paid to the persons entitled or as they may direct.

55.5 Subject to the Articles the Directors may:

55.5.1 apply capitalised sums in accordance with Articles 55.3 and 55.4 partly in one way and partly in another;

55.5.2 make such arrangements as they think fit to deal with shares or debentures becoming distributable in fractions under this Article 55 (including to disregard fractional entitlements or for the benefit of them to accrue to the Company); and

55.5.3 authorise any person to enter into an agreement with the Company on behalf of all the persons entitled which is binding on them in respect of the allotment of shares and debentures to them under this Article 55.

Part 5
Decision-Making by Shareholders

Organisation of General Meetings

56 Attendance and speaking at general meetings

56.1 A person is able to exercise the right to speak at a general meeting when that person is in a position to communicate to all those attending the meeting, during the meeting, any information or opinions which that person has on the business of the meeting.

56.2 A person is able to exercise the right to vote at a general meeting when:

56.2.1 that person is able to vote, during the meeting, on resolutions put to the vote at the meeting; and

56.2.2 that person's vote can be taken into account in determining whether or not such resolutions are passed at the same time as the votes of all the other persons attending the meeting.

56.3 The Directors may make whatever arrangements they consider appropriate to enable those attending a general meeting to exercise their rights to speak or vote at it.

56.4 In determining attendance at a general meeting, it is immaterial whether any two or more shareholders attending it are in the same place as each other.

56.5 Two or more persons who are not in the same place as each other attend a general meeting if their circumstances are such that if they have (or were to have) rights to speak and vote at that meeting, they are (or would be) able to exercise them.

57 Quorum for general meetings

No business, other than the appointment of the Chairman of the Meeting, is to be transacted at a general meeting unless a quorum is present at the time when the meeting proceeds to

business and during the transaction of business. One person entitled to vote upon the business to be transacted, being a Member, the proxy of a Member or a duly authorised representative of a corporation which is a Member, shall be a quorum.

58 Chairing general meetings

58.1 If the Directors have appointed a Chairman, the Chairman shall chair general meetings if present and willing to do so.

58.2 If the Directors have not appointed a Chairman, or if the Chairman is unwilling to chair the meeting or is not present within ten minutes of the time at which a meeting was due to start:

58.2.1 the Directors present; or

58.2.2 (if no Directors are present), the meeting,

must appoint a Director or shareholder to chair the meeting, and such appointment must be the first business of the meeting.

58.3 The person chairing a meeting in accordance with this Article 58 is referred to as the "**Chairman of the Meeting**".

59 Attendance and speaking by Directors and non-shareholders

59.1 Directors may attend and speak at general meetings, whether or not they are shareholders.

59.2 The Chairman of the Meeting may permit other persons who are not:

59.2.1 shareholders of the Company; or

59.2.2 otherwise entitled to exercise the rights of shareholders in relation to general meetings, to attend and speak at a general meeting.

60 Adjournment

60.1 If the persons attending a general meeting within half an hour of the time at which the meeting was due to start do not constitute a quorum, or if during a meeting a quorum ceases to be present, the Chairman of the Meeting must adjourn it.

60.2 The Chairman of the Meeting may adjourn a general meeting at which a quorum is present if:

60.2.1 the meeting consents to an adjournment; or

60.2.2 the Chairman of the Meeting considers that an adjournment is necessary to protect the safety of any person attending the meeting or to ensure that the business of the meeting is conducted in an orderly manner.

60.3 The Chairman of the Meeting must adjourn a general meeting if directed to do so by the meeting.

60.4 When adjourning a general meeting, the Chairman of the Meeting must specify the time and place to which it is adjourned or state that it is to continue at a time and place to be fixed by the Directors.

60.5 If the continuation of an adjourned meeting is to take place more than 14 days after it was adjourned, the Company must give at least 7 clear days' notice of it (that is, excluding the day of the adjourned meeting and the day on which the notice is given):

60.5.1 to the same persons to whom notice of the Company's general meetings is required to be given; and

60.5.2 containing the same information which such notice is required to contain.

60.6 No business may be transacted at an adjourned general meeting which could not properly have been transacted at the meeting if the adjournment had not taken place.

Voting at General Meetings

61 Voting: general

A resolution put to the vote of a general meeting must be decided on a show of hands unless a poll is duly demanded in accordance with the Articles.

62 Errors and disputes

62.1 No objection may be raised to the qualification of any person voting at a general meeting except at the meeting or adjourned meeting at which the vote objected to is tendered, and every vote not disallowed at the meeting is valid.

62.2 Any such objection must be referred to the Chairman of the Meeting, whose decision is final.

63 Poll votes

63.1 A poll on a resolution may be demanded:

63.1.1 in advance of the general meeting where it is to be put to the vote; or

63.1.2 at a general meeting, either before a show of hands on that resolution or immediately after the result of a show of hands on that resolution is declared.

63.2 A poll may be demanded by:

63.2.1 the Chairman of the Meeting;

63.2.2 the Directors;

63.2.3 two or more persons having the right to vote on the resolution; or

63.2.4 a person or persons representing not less than 10% of the total voting rights of all the shareholders having the right to vote on the resolution.

63.3 A demand for a poll may be withdrawn if:

63.3.1 the poll has not yet been taken; and

63.3.2 the Chairman of the Meeting consents to the withdrawal.

63.4 Polls must be taken immediately and in such manner as the Chairman of the Meeting directs.

64 Content of proxy notices

64.1 Proxies may only validly be appointed by a notice in writing (a "**proxy notice**") which:

64.1.1 states the name and address of the shareholder appointing the proxy;

64.1.2 identifies the person appointed to be that shareholder's proxy and the general meeting in relation to which that person is appointed;

64.1.3 is signed by or on behalf of the shareholder appointing the proxy, or is authenticated in such manner as the Directors may determine; and

64.1.4 is delivered to the Company in accordance with the Articles and any instructions contained in the notice of the general meeting to which they relate.

64.2 The Company may require proxy notices to be delivered in a particular form, and may specify different forms for different purposes.

64.3 Proxy notices may specify how the proxy appointed under them is to vote (or that the proxy is to abstain from voting) on one or more resolutions.

65 Delivery of proxy notices

65.1 Proxy notices in hard copy form must be received at such place and by such deadline specified in the notice convening the meeting. If no place is specified, then the proxy notice must be received at the registered office of the Company for the time being. If no deadline is specified, proxy notices must be received, before the start of the meeting or adjourned meeting or, if a poll is taken otherwise than at or on the same day as the meeting or adjourned meeting, at the time for the taking of the poll at which it is to be used.

65.2 A person who is entitled to attend, speak or vote (either on a show of hands or on a poll) at a general meeting remains so entitled in respect of that meeting or any adjournment of it, even though a valid proxy notice has been delivered to the Company by or on behalf of that person.

65.3 An appointment under a proxy notice may be revoked by delivering to the Company a notice in writing given by or on behalf of the person by whom or on whose behalf the proxy notice was given.

65.4 A notice revoking a proxy appointment only takes effect if it is delivered before the start of the meeting or adjourned meeting to which it relates.

65.5 If a proxy notice is not executed by the person appointing the proxy, it must be accompanied by written evidence of the authority of the person who executed it to execute it on the appointor's behalf.

65.6 Any vote cast or poll demanded by a proxy shall not be invalidated by the previous death or insanity of the shareholder or by the revocation or termination of the appointment of the proxy or of the authority under which the appointment was made unless notice of such death, insanity, revocation or termination was received in writing at the place specified in the notice of meeting for the receipt of proxy notices (or, if no place is specified, the registered office for the time being) before the start of the meeting or (in the case of a poll taken otherwise than on the same day as the meeting or adjourned meeting) the time appointed for the taking of the poll.

66 Amendments to resolutions

66.1 An ordinary resolution to be proposed at a general meeting may be amended by ordinary resolution if:

66.1.1 notice of the proposed amendment is given to the Company in writing by a person entitled to vote at the general meeting at which it is to be proposed not less than 48 hours before the meeting is to take place (or such later time as the Chairman of the Meeting may determine); and

66.1.2 the proposed amendment does not, in the reasonable opinion of the Chairman of the Meeting, materially alter the scope of the resolution.

66.2 A special resolution to be proposed at a general meeting may be amended by ordinary resolution, if:

66.2.1 the Chairman of the Meeting proposes the amendment at the general meeting at which the resolution is to be proposed; and

66.2.2 the amendment does not go beyond what is necessary to correct a grammatical or other non-substantive error in the resolution.

66.3 If the Chairman of the Meeting, acting in good faith, wrongly decides that an amendment to a resolution is out of order, the Chairman of the Meeting's error does not invalidate the vote on that resolution.

67 Written resolutions

The shareholders may pass any resolution (other than a resolution to remove a Director or auditor before expiry of his/her term of office) as a written resolution in accordance with Chapter 2 of Part 13 of the Companies Act 2006.

Part 6
Administrative Arrangements

68 Means of communication to be used

68.1 Subject to the Articles, anything sent or supplied by or to the Company under the Articles may be sent or supplied in any way in which the Companies Act 2006 provides for documents or information which are authorised or required by any provision of that Act to be sent or supplied by or to the Company.

68.2 Any notice, document or information (including a share certificate) which is sent or supplied by the Company in hard copy form, or in electronic form but to be delivered other than by electronic means, which is:

68.2.1 sent by hand and properly addressed shall be deemed to have been received by the intended recipient on the day of delivery;

68.2.2 sent by pre-paid post and properly addressed shall be deemed to have been received by the intended recipient at the expiration of 24 hours (or, where first class mail is not employed, 48 hours) after the time it was posted,

and in proving such receipt it shall be sufficient to show that such notice, document or information was properly addressed and, in the case of post, pre-paid and posted.

68.3 Any notice, document or information which is sent or supplied by the Company by electronic means shall be deemed to have been received by the intended recipient 24 hours after it was transmitted, and in proving such receipt it shall be sufficient to show that such notice, document or information was properly addressed.

68.4 The accidental failure to send, or the non-receipt by any person entitled to, any notice of or other document or information relating to any meeting or other proceeding shall not invalidate the relevant meeting or proceeding.

68.5 Subject to the Articles, any notice or document to be sent or supplied to a Director in connection with the taking of decisions by Directors may also be sent or supplied by the means by which that Director has asked to be sent or supplied with such notices or documents for the time being.

68.6 A Director may agree with the Company that notices, documents or information sent to that Director in a particular way are to be deemed to have been received within a specified time of their being sent, and for the specified time to be less than that provided in this Article 68.

68.7 Each Director shall provide the Secretary with an up to date electronic mail address from time to time.

69 Joint holders

69.1 Except as otherwise specified in the Articles, anything which needs to be agreed or specified by the joint holders of a share shall for all purposes be taken to be agreed or specified by all the joint holders where it has been agreed or specified by the joint holder whose name stands first in the register of Members in respect of the share.

69.2 Except as otherwise specified in the Articles, any notice, document or information which is authorised or required to be sent or supplied to joint holders of a share may be sent or supplied to the joint holder whose name stands first in the register of Members in respect of the share, to the exclusion of the other joint holders.

69.3 The provisions of this Article 69 shall have effect in place of the provisions of Schedule 5 of the Companies Act 2006 regarding joint holders of shares.

70 Company seals

The Company has no common seal.

71 Right to inspect accounts and other documents and records

71.1 Each Director shall have the power to examine any accounting record, book, record, document or other record of corporate transactions of the Company and to communicate with the managers of the Company. The Secretary shall facilitate, as applicable, the exercise of such power by any Director.

71.2 Except as provided by law or authorised by the Directors or an ordinary resolution of the Company, no person is entitled to inspect any of the Company's accounting or other records or documents merely by virtue of being a shareholder.

72 Provision for employees on cessation of business

The Directors may decide to make provision for the benefit of persons employed or formerly employed by the Company or any of its subsidiaries (other than a Director or former Director or shadow Director) in connection with the cessation or transfer to any person of the whole or part of the undertaking of the Company or that subsidiary.

73 Bank mandates

The Directors may by majority decision or written resolution authorise such person or persons as they think fit to act as signatories to any bank account of the Company and may amend or remove such authorisation from time to time by resolution.

74 Authentication of documents

74.1 Any Director or the Secretary (if any) or any person appointed by the Directors for the purpose shall have power to authenticate:

74.1.1 any document affecting the constitution of the Company;

74.1.2 any resolution passed at a general meeting or at a meeting of the Directors or any committee; and

74.1.3 any book, record, document or account relating to the business of the Company,

and to certify copies or extracts as true copies or extracts.

74.2 A document purporting to be a copy of any such resolution, or an extract from the minutes of any such meeting, which is certified shall be conclusive evidence in favour of all persons dealing with the Company that such resolution has been duly passed or, as the case may be, that any minute so extracted is a true and accurate record of proceedings at a duly constituted meeting.

Directors' Liabilities

75 Indemnity

75.1 Subject to Article 75.2, a Relevant Officer shall be and hereby is indemnified out of the Company's assets against:

75.1.1 any liability incurred by or attaching to that Relevant Officer in connection with any negligence, default, breach of duty or breach of trust in relation to the Company or an Associated Company other than:

(i) any liability to the Company or any Associated Company; and

(ii) any liability of the kind referred to in Section 234(3) of the Companies Act 2006;

75.1.2 any other liability incurred by or attaching to him/her in the actual or purported execution and/or discharge of his/her duties and/or the exercise or purported exercise of his/her powers and/or otherwise in relation to or in connection with his/her duties, powers or office; and

75.1.3 any liability incurred by or attaching to that Relevant Officer in connection with the activities of the Company or an Associated Company in its capacity as a trustee of an occupational pension scheme (as defined in Section 235(6) of the Companies Act 2006).

75.2 This Article 75 does not authorise any indemnity which would be prohibited or rendered void by any provision of the Companies Acts or by any other provision of law or arising out of fraudulent conduct.

75.3 Where a Relevant Officer is indemnified against any liability in accordance with this Article, such indemnity shall extend to all costs, charges, losses, expenses and liabilities incurred by him/her in relation thereto.

76 Insurance

76.1 The Directors shall have the power to purchase and maintain insurance, at the expense of the Company, for the benefit of any Relevant Officer in respect of any relevant loss.

76.2 In this Article 76, a "**relevant loss**" means any loss or liability which has been or may be incurred by a Relevant Officer in connection with that Director's or Secretary's duties or powers in relation to the Company, any Associated Company or any pension fund or employees' share scheme of the Company or Associated Company.

77 Defence expenditure

77.1 So far as may be permitted by the Companies Acts, the Company may:

77.1.1 provide a Relevant Officer with funds to meet expenditure incurred or to be incurred by him/her in:

(i) defending any criminal or civil proceedings in connection with any negligence, default, breach of duty or breach of trust by him/her in relation to the Company or an Associated Company; or

(ii) in connection with any application for relief under the provisions mentioned in Section 205(5) of the Companies Act 2006; and

77.1.2 do anything to enable any such Relevant Officer to avoid incurring such expenditure.

77.2 The terms set out in Section 205(2) of the Companies Act 2006 shall apply to any provision of funds or other things done under Article 77.1.

77.3 So far as may be permitted by the Companies Acts, the Company:

77.3.1 shall provide a Relevant Officer with funds to meet expenditure incurred or to be incurred by him/her in defending himself/herself in an investigation by a regulatory authority or against action proposed to be taken by a regulatory authority in connection with any alleged negligence, default, breach of duty or breach of trust by him/her in relation to the Company or any Associated Company; and

77.3.2 may do anything to enable any such Relevant Officer to avoid incurring such expenditure.

78 Winding up

78.1 If the Company is wound up, the liquidator may, with the sanction of a special resolution and any other sanction required by the Companies Act 2006 or other applicable law, divide among the shareholders in specie the whole or any part of the assets of the Company. The liquidator may for that purpose value any assets and determine how the division shall be carried out as between the shareholders or different classes of shareholders.

78.2 The liquidator may, with the like sanction, vest the whole or any part of the assets in trustees upon such trusts for the benefit of the shareholders as he/she with the like sanction

determines but no shareholder shall be compelled to accept any assets upon which there is liability.

2. Terms of Reference of the Scottish Power Energy Networks Holdings Limited Board of Directors

Approved by Scottish Power Energy Networks Holdings Limited Board on 7 October 2025

Terms of Reference of the
Scottish Power Energy Networks Holdings Limited Board of Directors

Dated 7 October 2025

1 Purpose

1.1 The principal responsibility of the board of directors (the **"Board of Directors"**) of Scottish Power Energy Networks Holdings Limited (the **"Company"**, a director thereof being a "**Director**") is to facilitate the effective management of the businesses comprising the electricity transmission and distribution regulated activities within the ScottishPower Group and of the Iberdrola Group in Great Britain (**"SP Energy Networks Business"**) in accordance with the strategy set by the Scottish Power Limited Board of Directors. For the purposes of these Terms of Reference, and without prejudice to the application of any other provision made or agreed by the Board of Directors or the Company, or other requirement of the Company's Governance and Sustainability System or law, or any Director's fiduciary duties howsoever defined, the SP Energy Networks Business shall not include the business comprising the Electricity North West distribution business or any other business carried on by the ENW Group (as defined below) ("**ENW Business**)".

1.2 These Terms of Reference of the Board of Directors of the Company contain the guidelines that are to govern all actions taken by the Board of Directors of the Company, the basic rules for the organisation and operation thereof and the rules of conduct to be observed by its Directors, in order to achieve the greatest degree of transparency, effectiveness, dynamism, supervision and control in the performance of its management and duties and representation of the interests of the "**ScottishPower Group**" (being, for the purposes of these Terms of Reference, Scottish Power Limited and its subsidiaries), in accordance with the *Purpose and Values of the Iberdrola Group*, adopted by the Company from time to time as part of the Company's Governance and Sustainability System, and all applicable legislation, including, in particular, the applicable provisions regarding the separation of regulated activities.

1.3 These Terms of Reference further develop and supplement the legal provisions applicable to the Board of Directors of the Company and form part of the Company's Governance and Sustainability System. The Company's Governance and Sustainability System is the set of documents made up of the Company's Articles of Association, the policies and other internal regulations that are independently approved by the Board of Directors of the Company, as well as the following global policy documents which are approved by the Board of Directors of Iberdrola, S.A. (in the exercise of its functions as the ultimate holding company of its group (the "**Iberdrola Group**")) for the purposes of ensuring adequate coordination and coherence with the Governance and Sustainability System of Iberdrola, S.A.: the *Purpose and Values of the Iberdrola Group*, the *Ethical and Basic Principles of*

Governance and Sustainability of the Iberdrola Group, the *Foundations for the Definition and Coordination of the Iberdrola Group* (which govern the corporate and governance structure and the Iberdrola Group's Business Model), the *General Risk Control and Management Foundations of the Iberdrola Group*, and other regulations which apply throughout the Iberdrola Group.

1.4 These Terms of Reference have been prepared and approved taking into account the good governance recommendations generally recognised in international markets.

1.5 The guidelines for action and the rules for organisation and operation of the management decision-making bodies within the subsidiary companies within the group whose controlling entity, within the meaning established by law, is the Company (hereinafter, the **"Group"**) shall be governed by these Terms of Reference. For the purposes of these Terms of Reference, and without prejudice to the application of any other provision made or agreed by the Board of Directors or the Company, or other requirement of the Company's Governance and Sustainability System or law, or any Director's fiduciary duties howsoever defined, the Group shall not include the group of companies comprising North West Electricity Networks (Jersey) Limited, North West Electricity Networks (UK) Limited and their direct and indirect subsidiaries (the "**ENW Group**").

1.6 The principles set forth in these Terms of Reference, without prejudice to any adjustments that may be required based on the circumstances of each company, shall, in all cases, abide by the guarantees required by the Company's Governance and Sustainability System and the principles of coordination and information that must govern the relations among the management decision-making bodies of the various subsidiary companies of the ScottishPower Group in order for them to fully comply with their respective duties, all so far as in accordance with all applicable legislation, including, in particular, the applicable provisions regarding the separation of regulated activities.

2 Scope

2.1 These Terms of Reference apply to the Board of Directors, the representative decision-making bodies thereof (whether collective or single-person) and its internal committees (if any).

2.2 The persons and bodies to whom these Terms of Reference apply shall have the duty to be informed of them, to comply with them and to enforce them, for which purpose the secretary of the Company shall provide the Board of Directors with a copy that is to be acknowledged by means of a signed receipt, and that is to be published to the Directors' website and the Company's corporate website.

2.3 The Directors shall comply with and enforce the provisions of the Company's Governance and Sustainability System and shall confirm such commitment in writing

upon accepting their appointment or re-election in such manner as is determined by the secretary of the Company.

3 Approval, Amendment and Priority

3.1 These Terms of Reference of the Board of Directors established from time to time further develop and supplement the law and the provisions set out in the current Articles of Association of the Company.

3.2 In the event of a conflict between these Terms of Reference, the law and Articles of Association, the law and Articles of Association shall prevail.

3.3 These Terms of Reference shall be interpreted in accordance with the Company's Governance and Sustainability System.

3.4 These Terms of Reference, and any amendment to them, must be approved by resolution of the Board of Directors.

4 General Principles

4.1 Pursuant to the Board of Directors' powers to establish rules to regulate itself and make provision for the management of its internal activities and its disposal of matters, each member of the Board of Directors, including the Chief Executive Officer, shall, in accordance with their fiduciary duties (including in particular, but not limited to their duty under section 172 of the Companies Act 2006) independently carry out their functions and competencies with due regard to the corporate interest and common purpose, in accordance with the *Purpose and Values of the Iberdrola Group* and the *Ethical and Basic Principles of Governance and Sustainability of the Iberdrola Group*, adopted by the Company from time to time as part of the Company's Governance and Sustainability System, and all applicable legislation, including, in particular, the applicable provisions regarding the separation of regulated activities.

4.2 These Terms of Reference also express the Company's commitment to the Purpose (to continue building, together each day, a healthier, more accessible energy model, based on electricity) and the Values (sustainable energy, integrating force and driving force) of the *Purpose and Values of the Iberdrola Group* and the *Ethical and Basic Principles of Governance and Sustainability of the Iberdrola Group* as adopted by the Company from time to time, which shall form the basis of the Company's corporate ideology and ethical principles, and guide its corporate purpose and strategy and performance. The Board of Directors will take note of the fact that the Company shares (in so far as adopted by the Company) the concept of corporate interest of Iberdrola, S.A., which is aimed at creating comprehensive and sustainable value by engaging in the activities included in the corporate object, taking into consideration the Stakeholders related to the Iberdrola Group's business activity and consistent with the institutional reach of the Iberdrola Group, sharing with them the social dividend generated by its activities, particularly by means of contribution to the achievement

of the Sustainable Development Goals adopted by the United Nations, which, in sum, characterises it as a key institutional actor in the economic and social environment in which it carries out its activities (i.e. it is not only a company but also an institutional reality), in accordance with the aforementioned *Purpose and Values of the Iberdrola Group* and with the commitments made in the *Ethical and Basic Principles of Governance and Sustainability of the Iberdrola Group*.

4.3 The Company is included within the Iberdrola Group's decentralised corporate structure as the head of business company for the SP Energy Networks Business of the ScottishPower Group, being responsible of, within the necessary autonomy, the day-to-day administration and effective management of the activities it carries out, without prejudice to the supervision, organisation and strategic coordination functions carried out by Iberdrola, S.A. as the Group's (ultimate) holding company, as well as by Scottish Power Limited, as the Iberdrola Group's subholding company in the United Kingdom (and the Company's indirect, intermediate parent), which complements these functions with respect to the Company, disseminating, implementing and ensuring compliance with policies, strategies and general guidelines with projection at the Group level, in view of the characteristics and unique aspects of the respective territories, countries and businesses in which the Company is present. Thus, contributing to their global integration within the Iberdrola Group and within its Business Model.

4.4 The Company, as the head of business company of the Iberdrola Group which carries out the SP Energy Networks Business in Great Britain, groups together the equity stakes in those companies in which it has a direct or indirect interest, and which engage in the SP Energy Networks Business, in strict compliance with the applicable regulations, particularly those governing the separation of activities between regulated and non-regulated activities in the energy sector.

4.5 The Company has its own Governance and Sustainability System, approved within the framework of the performance of its responsibilities and in the exercise of its powers, which system constitutes its internal regulations, along with its own Compliance System, having the appropriate material and human resources to carry out the functions attributed to it by its Governance and Sustainability System and Compliance System.

5 Corporate Interest

The Company, as the head of business company of the SP Energy Networks Business, shares with the Iberdrola Group the concept that it is the duty of each Director to act in the way he/she considers, in good faith, would be most likely to be in the corporate interest of the Company, understood as that most likely to promote the success of the Company for the benefit of all shareholders of the Company (including, specifically, individual Stakeholders (if any)), taking into account other Stakeholders related to its business (including, in relation to the Company and in particular, having regard to the matters set out under section 172 of the Companies Act 2006), all so far as in

accordance with all applicable legislation, including, in particular, the applicable provisions regarding the separation of regulated activities.

6 Social Dividend

6.1 The performance of the activities included within the Company's corporate objectives, particularly the Company's innovation and digital transformation strategy, must be focused on the sustainable creation of value, in accordance with the *Purpose and Values of the Iberdrola Group* and the commitments made in the *Ethical and Basic Principles of Governance and Sustainability of the Iberdrola Group*.

6.2 The Company, as the head of business company of the SP Energy Networks Business, recognises and pursues the achievement of the social dividend consisting of the contribution of value, direct, indirect or induced that its activities represent for all its Stakeholders within the framework of the sustainable development strategy. In this respect, the Company may collaborate with entities related to the Iberdrola Group, including, namely, the ScottishPower Foundation, in order to promote and carry out activities developed in relation to the sustainable development policies of its business, all so far as in accordance with all applicable legislation, including, in particular, the applicable provisions regarding the separation of regulated activities.

6.3 The Company's performance in social, environmental and sustainability areas, as well as the social dividend generated and shared with its Stakeholders, make up the Company's non-financial information, and the Company shall in accordance with any Stakeholder engagement policy as may be approved by the Company (and in coordination with Iberdrola, S.A.) promote the public dissemination of its non-financial information and the corporate dividend generated, especially among its Stakeholders.

7 Applicable Legal Provisions, Governance and Sustainability System and Compliance System

7.1 The Company is governed by its constitutional documents and all applicable laws, rules and regulations, as well as its Governance and Sustainability System described in article 1.3, which is approved by the Board of Directors.

7.2 The Company adopts and incorporates into its own Governance and Sustainability System those corporate policies and other governance and compliance rules that have been approved by the board of directors of Iberdrola, S.A. pursuant to its status as the Iberdrola Group's ultimate parent holding company with application to all companies belonging to the Iberdrola Group (in addition to such policies and rules approved by the board of directors of Scottish Power Limited with application to the Company), and thus ensuring proper coordination and consistency with Iberdrola, S.A.'s Governance and Sustainability System.

7.3 The Company also approves and incorporates to its own Governance and Sustainability System its own corporate policies and other governance and compliance rules, informed by the policies established by Iberdrola, S.A. and Scottish Power Limited that do not apply to the Company directly

7.4 Accordingly, the Governance and Sustainability System is founded upon the principles of the *Purpose and Values of the Iberdrola Group*, which constitutes the corporate ideology that informs the orientation and organisation of the companies of the Iberdrola Group, guides their strategy and presides over their activity in the economic environment in which they operate, taking into account factors related to transparency and good governance, human and social capital, natural capital and compliance and consideration of the sustainable value chain.

7.5 The Board of Directors is responsible for the development, application and interpretation of the rules making up the Governance and Sustainability System (along with any rules approved by the sole parent(s) of the Company), including in relation to ensuring compliance at all times with the purposes of the Governance and Sustainability System and the fulfilment of the corporate interest of the Company.

7.6 Full or summarised versions of the rules making up the Governance and Sustainability System shall be made available on the Company's corporate website (in so far as not confidential or internal in nature).

7.7 Within the framework of the Governance and Sustainability System, the Company has a well-developed Compliance System, comprised of a structured set of rules, formal procedures and activities that are intended to ensure that the Company acts in accordance with ethical principles, the law and internal rules, particularly the Governance and Sustainability System, to contribute to the full realisation of the *Purpose and Values of the Iberdrola Group* and the corporate interest, and to prevent, manage and mitigate the risk of regulatory and ethical breaches or breaches of the Governance and Sustainability System itself, that may be committed by the directors, professionals, or suppliers thereof within the organisation.

7.8 The Compliance Unit is a collective, autonomous body configured in accordance with the highest standards of independence and transparency and linked to the Audit and Compliance Committee of the Board of Directors, which is responsible for the application and further development of the Compliance System of the Company, configured in accordance with the provisions of its Governance and Sustainability System, for which purpose it is vested with the broadest powers, budgetary autonomy and independence of action, all without prejudice to the responsibilities of other bodies and divisions of the Company

8 Powers of the Board of Directors

The provisions of this Article 8 are all so far as in accordance with all applicable legislation, including, in particular, the applicable provisions regarding the separation of regulated activities:

8.1 The principal responsibility of the Board of Directors (subject to their fiduciary duties) is the effective management and day to day operation of the SP Energy Networks Business in accordance with the Group's strategy, in the carrying out of which the Board of Directors shall take into account the ScottishPower Group strategy where the Board of Directors believe this is in the interests of the Group.

8.2 The effective management and operation of the Company will be administered by the Board of Directors.

8.3 In addition, without prejudice to the power of the shareholder(s) of the Company (in such capacity) to take shareholder type decisions in relation to the Company, there are a number of matters reserved exclusively to the Board of Directors (or to any Committee of the Board of Directors duly authorised in this regard) as set out in the following Article 9.

8.4 Within the scope of its authority relating to the general duty of supervision, organisation and strategic coordination of the SP Energy Networks Business, the Board of Directors shall deal with the following matters (among others):

(a) Coordinate with Scottish Power Limited, as the Iberdrola Group's subholding company in the United Kingdom, with regard to the establishment of the ScottishPower Group's management guidelines and strategic objectives in the United Kingdom;

(b) Subject always to legal requirements and restrictions regarding the separation of regulated/licenced activities, the Company shall remit to Scottish Power Limited relevant information and proposals regarding its annual objectives, results and required budget, in order to facilitate the performance of the parent company's own functions in the monitoring and strategic coordination of the ScottishPower Group in the United Kingdom;

(c) Approve objectives (short or long-term as the case may be) and performance programmes and indicators of the Company (and such of its officers) as may be determined from time to time;

(d) Prepare proposals for the distribution of dividends in accordance with any policy relating to dividends as adopted by the Company and in accordance with the Articles of Association of the Company;

(e) Promote and supervise the strategy relating to the Company´s engagement with its respective Stakeholders, informed by the policy and model established in this respect by Iberdrola, S.A., and approving in particular the signing of any collaboration agreement(s) (or accession agreement thereto) with Scottish Power Limited and the ScottishPower Foundation for the promotion and execution of activities relating to sustainable development policies within its own scope of activities;

(f) Oversee compliance by the Company and its direct or indirect subsidiaries with the personal data protection regulations in accordance with any policies in this regard within the Governance and Sustainability System of the Company, in respect of which the Data Protection Officer shall periodically (and in any case annually) as deemed necessary provide a report to the Board of Directors;

(g) Approve the annual consolidated budget of the Company and its direct and indirect subsidiaries;

(h) Approve, following a report from the Audit and Compliance Committee, the financial information relating to the Company and its direct and indirect subsidiaries, which shall have also been reviewed by the auditor of the Company, if appropriate;

(i) Consider the recommendations or other output of business groups or committees charged with the development of the Company's business which may promote or maximise the value of the SP Energy Networks Business as a whole;

(j) Subject to the legal requirements and restrictions regarding the separation of regulated/licensed activities, supervise contracts for the provision of intragroup services, and oversee and coordinate (as appropriate) any relevant support provided to the governance bodies established within the ScottishPower or Iberdrola Group as applicable to the Company or its Group, and review and approve each year the standards that must be met (to protect the corporate interest) for transactions carried out between the Company and its subsidiaries and all other companies within the ScottishPower or Iberdrola Group; oversee the implementation and development of Stakeholder engagement by the SP Energy Networks Business;

(k) In accordance with Article 11 of these Terms of Reference, approve, delegate or propose to the sole member of the Company for approval, as the case may be, the transactions that the Company undertakes with its sole member, with its subsidiaries or with any related party all under the terms established by law and in accordance with the Company's Governance and Sustainability System and all without prejudice, where applicable, to the relevant powers

of the Board of Directors or the board of directors of Iberdrola, S.A. or of Scottish Power Limited;

(l) Oversee the effective separation (to the extent required by law) of the SP Energy Networks Business's activities in relation to companies of the Iberdrola Group which perform liberalised activities, as well as oversee the compliance by employees, managers and directors with the independence criteria stated by law and other applicable regulations, including (without limitation) the *ScottishPower Business Separation Policy*;

(m) Oversee the implementation and development of Stakeholder engagement by the SP Energy Networks Business;

(n) Ensure the proper use of the Iberdrola brand, as well as the Company's brand, as an expression of the *Purpose and Values of the Iberdrola Group* and its commitment to the *Ethical and Basic Principles of Governance and Sustainability of the Iberdrola Group*;

(o) Support and promote the presence of the Company and its direct or indirect subsidiaries on social networks, and promote the development of the Iberdrola Group's communication and innovation strategy and digital transformation;

(p) Establish the structure and accessibility of the Company´s corporate website, through which the *Purpose and Values of the Iberdrola Group* as well as the *Ethical and Basic Principles of Governance and Sustainability of the Iberdrola Group* shall be disseminated, which shall identify the Company's activities, its relationship with the Iberdrola Group, and its position on matters of corporate Governance and Sustainability and the environment, and which shall facilitate the Company's engagement with its Stakeholders and the public; while also ensuring an appropriate level of coordination among the Company's corporate website and those of Scottish Power Limited;

(q) Authorise proposals for the appointment and removal of directors of direct subsidiaries of the Company, and note proposals for the appointment or removal of directors of indirect subsidiaries of the Company, in accordance with any Iberdrola Group policy adopted by the Company as it relates to the appointment and removal of directors of the ScottishPower Group;

(r) Review and decide on possible conflicts of interest among or with the companies of the Company's Group; and

(s) Approve, following a report from the Audit and Compliance Committee, the creation or acquisition of interests in special purpose entities or entities registered in countries or territories regarded as tax havens, as well as any

other transactions or operations of a similar nature that, due to the complexity thereof, might detract from the transparency of the Company's Group.

8.5 Subject to the provisions of the Articles of Association of the Company, the Board of Directors shall also be responsible for dispensing with the following (non-delegable) matters:

(a) Regulate its own organisation and operation.

(b) Approve the Company's non-financial statement in accordance with applicable law and the Company's Governance and Sustainability System only where required as part of its shareholder consolidated non-financial information reporting processes.

(c) Designate or classify officers of the Board of Directors or its committees as necessary, desirable or convenient.

(d) Propose, within any defined scope or limitation, resolutions relating to the remuneration of Directors acting in their capacity as such, and set the remuneration of executive directors acting in the capacity as such (and other terms to be included in their contract(s)).

(e) Approve the appointment and removal of members of the Company's senior management, being comprised of persons who report to the Board of Directors of one of its officers, whereby the Company's Head of Internal Audit or equivalent (if any) shall be deemed to be a senior manager.

(f) Approve, authorise or take note of proposals for the appointment and removal of directors of subsidiaries of the Company in accordance with any Iberdrola Group policy adopted by the Company.

(g) Decide on proposals submitted to it by the Chief Executive Officer of the Company, or by any committee of the Board of Directors, if any.

(h) Implement resolutions of the Company's shareholder(s) as appropriate.

(i) Further define the Company's decision-making structure to be approved by the Board of Directors itself or by any committee of it or by any other delegated management or decision-making body.

(j) Supervise the effective operation of any committee established by the Board of Directors, and the conduct of any delegated decision-making bodies or officers or representatives appointed by it.

(k) Make a decision on or else a proposal for shareholder approval on any matter attributable to the Board of Directors in relation to a Related Party

Transaction or interest or conflict of interest of a Director in accordance with the Company's Articles of Association, its Governance and Sustainability System or under applicable law.

8.6 Unless otherwise provided for herein, the Board of Directors shall entrust the day-to-day management and administration of the Company to its Chief Executive Officer, other executive Directors (if any) and members of management appointed by the same, who shall (amongst other things): (i) promote and supervise the management of the Company, and particularly compliance with the guidelines and objectives established by the Board of Directors, and (ii) define or elaborate any other guidelines, policies and practices and make provision for any other delegations in the normal course of management and day-to-day administration.

9 Reserved Matters

The Board of Directors shall further have reserved to it the following powers, all so far as in accordance with all applicable legislation, including, in particular, the applicable provisions regarding the separation of regulated activities:

Constitution

9.1 The making of any proposal to the shareholder(s) of the Company in relation to the alteration to the Articles of Association of the Company.

Financial Management, Reporting, and Audit

9.2 The making of any proposal to the shareholder(s) of the Company in relation to the appointment or termination of appointment of the Company's Auditors or its lead advisors.

9.3 Approval of the statutory accounts of the Company and, as required, the consolidated financial statements of the Company and the SP Energy Networks Business.

9.4 The declaration of any dividend payable to the immediate parent company.

Investments and Divestments

9.5 The approval of investment/divestment proposals and investment/divestment plans for the SP Energy Networks Business exceeding €6 million, and in accordance with the ScottishPower Group's investment policy, parameters and criteria (having regard to the *Standard for the Supervision of Investments and Divestments in the Companies Belonging to the Iberdrola Group*).

9.6 The acquisition or sale of assets or properties, whether in the form of a business undertaking or shares in an incorporated company, by the Company or any of its subsidiaries where the value exceeds €6 million (or where the value is negative).

Procurement/Purchasing

9.7 Approval of procurement/purchasing proposals for the SP Energy Networks Business exceeding €1 million, and in accordance with the ScottishPower Group's purchasing policy, parameters and criteria.

Operation & Maintenance (O&M)

9.8 Approval, identification and implementation of O&M proposals and operational efficiency initiatives for the SP Energy Networks Business all in accordance with any policy adopted relating to the foregoing, and parameters and criteria.

Contracts and Other Commitments

9.9 Approval of any contracts or investment or commitment, or amendment thereof, by the Company or any of the Company's subsidiaries, in relation to any matter not specifically provided for elsewhere in this section, which is "material" (as defined below) and, where applicable, in accordance with ScottishPower Group purchasing and/or investment policy, parameters and criteria. A contract, or amendment thereof, will be material where any of the following non-exclusive list exceeds €6 million;:

9.9.1 the consideration;

9.9.2 the price/market value of assets being acquired/disposed of;

9.9.3 the income generated;

9.9.4 the expenditure incurred; or

9.9.5 any associated liability or indemnity.

Other Operational Matters

9.10 All other decisions related to the effective management of the SP Energy Networks Business in accordance with the ScottishPower Group's business policies, parameters and criteria.

10 Director and Secretary Duties and Obligations

10.1 General Duties of Directors

Without prejudice to the Company's Articles of Association and any provision of law including any legal requirements and restrictions regarding the separation of regulated activities, including the Companies Act 2006, Directors must discharge and observe the duties of their office and those prescribed by law and the Company's Governance and Sustainability System with the diligence of a prudent business executive and must

discharge the duties of their office in accordance with their fiduciary duties towards the Company, and, in particular, each Director shall undertake to:

(a) Properly prepare for meetings of the Board of Directors and, if applicable, the meetings of the committees of which the Director is a member, for which purpose the Director shall diligently obtain all relevant information regarding the running of the Company and the matters to be discussed at such meetings.

(b) Attend meetings of the Board of Directors and, if applicable, the meetings of the committees of which the Director is a member, and actively take part in deliberations so that their judgement effectively contributes to decision-making.

(c) Perform any specific task entrusted to them by the Board of Directors, provided that such task reasonably falls within the scope of the Director's area of specialisation.

(d) Give notice to the Board of Directors of any irregularities in the management of the Company of which the Director becomes aware, subject always to any applicable provision of law or the Company's Governance and Sustainability System in relation to such irregularity.

(e) Propose that an extraordinary meeting of the Board of Directors be called or further items be added to the agenda of a meeting of the Board of Directors so that such matters as the Director deems appropriate may be discussed.

(f) Oppose resolutions that are contrary to the law, to the Company's Governance and Sustainability System or to the Company's corporate interests (and demand that their dissent be noted in the minutes of meetings of the Board of Directors), and, subject to their power, authority and discretion seek the invalidation of any such resolution.

10.2 **Duty not to Compete**

A Director may not be a director or executive of, nor provide services to, another company having a corporate purpose wholly or partly similar to that of the Company or operating as a competitor of the Company. The foregoing shall not apply to functions and offices held: (i) at Iberdrola Group companies; (ii) at companies where the Director acts as a representative of the Iberdrola Group's interests; (iii) at companies in which a member of the Iberdrola Group holds a minority interest and the Director does not act as a representative of the Iberdrola Group's interests (unless the Board of Directors takes the view that such role or services is or could be a risk to the corporate interests of the Iberdrola Group); and (iv) in other circumstances in which, in accordance with the Company's Articles of Association and any provision of law, the sole member of the Company or the Board of Directors releases him from

the above restriction following a review and consideration of any risk and/or damage to the corporate interest that might arise from doing so.

10.3 **Use of the Company's Assets**

Without prejudice to their director duties at law, a Director may not use the Company's assets nor exploit their position at the Company to obtain any economic advantage unless they have provided adequate consideration, on an arm's length basis, in respect of such and for standard services (although, as an exception, a Director may be released from the obligation to provide adequate consideration by the Board of Directors or the sole member of the Company (as appropriate), but in that event the economic advantage shall be treated as remuneration in kind).

10.4 **Return of Information**

Immediately prior to removal from office as Director of the Company, Directors shall return (and/or, at the request of the Company, delete their own personal copies of) all the corporate documentation and information they may have had access to in the exercise of their position, including information stored by any means or on any device, whether corporate or personal, and must expressly confirm, at the request of the Company, that they have done so.

10.5 **Conflict of Interest**

Without prejudice to the Company's Articles of Association and any provision of law:

(a) Communication

When a Director becomes aware of being involved in a conflict of interest, the Director must report it in writing to the Board of Directors through the secretary of the Company as soon as possible.

This communication must contain a description of the situation that has given rise to the conflict of interest, indicating whether it is a direct one or an indirect one through a related person, in which case the latter party must be identified.

The description of the situation must specify, as appropriate, the purpose and the main terms and conditions of the transaction or circumstance, including details of the financial amounts involved or an approximate estimate.

(b) Abstention

Any doubt as to whether or not a Director could be in a conflict of interest situation must be reported to the secretary of the Company. In such a case, the Director shall take all reasonable steps to avoid the continuation of such

conflict until the situation is resolved in accordance with the Company's Articles of Association or any applicable provision of law.

The secretary of the Company shall remind the Directors at all meetings of the Board of Directors, and any committees of it, which the secretary attends of the reporting and abstention rules set forth in this Article of these Terms of Reference and in the Company's Articles of Association before proceeding with the agenda of the meeting.

(c) Transparency

Whenever so required by law, the Company must report on any conflict of interest situations that Directors may find themselves in during the financial year in accordance with all applicable company reporting regulations.

10.6 **Business Opportunities**

(a) Subject always to any applicable provision of law including any legal requirements and restrictions regarding the separation of regulated activities, a Director may not, for their own or any related party's benefit, exploit any of the Company's business opportunities, unless such investment or transaction was previously offered to the Company and the Company declined to exploit it and was not influenced to do so by the Director, and the Director's exploitation of the transaction is authorised by the Board of Directors or the sole member of the Company.

(b) For the purposes of the foregoing paragraph, a "business opportunity" means any possible business transaction that arises or is discovered in connection with the Director's performance of their office or by the use of the Company's resources and information or under such circumstances where it is reasonable to conclude that the third party's offer was in fact to the Company and not to the Director.

(c) A Director shall abstain from using the Company's name or relying on their status as a Director of the Company for the purpose of entering into transactions on their own or any related party's behalf.

10.7 **Disclosure**

A Director shall, via the secretary of the Company, disclose to the Company:

(a) Any ownership or shareholding interest that they may have in any company having the same, a similar or a complementary type of business to that constituting the corporate purpose of the Company, any position or function they may perform at such company, and their pursuit, on their own or another's behalf, of any manner of activity that is complementary to that

constituting the corporate purpose of the Company. These disclosures shall be set out in the notes to the financial statements in accordance with statutory and financial reporting requirements.

(b) All positions that the Director holds in, and services the Director provides to, other companies or entities, with the exception of those within the Iberdrola Group, as well as all other professional duties they may have. In particular, the Director shall inform the Board of Directors prior to accepting any directorship or managerial office at another company or entity (except for the positions the Director is called upon to hold at companies belonging to the Iberdrola Group or at other companies in which they represent the interests of the Iberdrola Group).

(c) Any material change in their professional situation that might affect the nature or status under which they were appointed a Director.

(d) Any judicial, administrative or other proceedings instituted against them which, by reason of their nature or significance, might seriously affect the Company's reputation (including, but not limited to, a situation where a Director becomes subject to an order for criminal prosecution or a formal investigation). In such circumstances and subject always to the Company's Articles of Association and any applicable provision of law, the Board of Directors shall review the case as soon as practicable and shall adopt any measures it deems fit taking into account the interests of the Company (including, for example, the sanctioning of an internal investigation, requesting resignation, or proposing removal).

(e) In general, any other relevant circumstance or situation that may adversely impact their performance as a Director.

10.8 **Duties of Secretaries**

The secretary of the Company, and, if such office is in existence, any deputy secretary of the Company, shall be bound by the relevant obligations upon such an officer of the Company as set out under the Companies Act 2006.

11 Related Party Transactions

11.1 Related party transactions shall be deemed to be any transaction involving a transfer of resources, services or obligations between the Company or its subsidiaries or Associated Companies (within the meaning given thereto by section 256 of the Companies Act 2006) with related parties (within the meaning given thereto by the international accounting standards as defined in section 474 of the Companies Act 2006), whether or not any consideration is involved, but excluding those transactions which, in accordance with any provision of law (including the Disclosure Guidance and Transparency Rules and the Companies Act 2006), the Articles of Association of

the Company and these Terms of Reference or in accordance with Article 11.2 below, do not constitute related party transactions (**"Related Party Transactions"**).

11.2 Related Party Transactions shall not include: (i) operations or transactions between the Company and its direct or indirect wholly-owned subsidiaries, or between these subsidiaries; (ii) operations or transactions between the Company and its subsidiaries (or companies in which a member of the Iberdrola Group holds a minority interest) where no other party linked to the Company has interests in such subsidiaries (or such minority interest companies); (iii) the signing by the Company and any executive director or member of senior management of a contract governing the terms and conditions of the executive duties they are going to perform, including the determination of the remuneration to be paid for said duties (which must be approved pursuant to the provisions of the Articles of Association of the Company); nor (iv) transactions offered on the same conditions to all shareholders of the Company in which their equal treatment and the interests of the Company are assured.

11.3 Related Party Transactions must necessarily be approved by the sole member of the Company when they involve a transaction with a value exceeding ten percent of the Company's assets (or such other material value as determined by the sole shareholder of the Company). Where this threshold is not met, Related Party Transactions shall be submitted for approval to the Board of Directors. In both cases, a previous report from the Company's Audit and Compliance Committee shall be required.

11.4 The Board of Directors, through the Company's Audit and Compliance Committee, shall ensure that Related Party Transactions are fair and reasonable from the Company's standpoint.

11.5 Without prejudice to the foregoing of this Article 11, the Board of Directors may delegate the approval of transactions of the Company with other Iberdrola Group companies, or ScottishPower Group companies which are not excluded pursuant to Article 11.2 above, when these transactions are conducted in the ordinary course of business, including those resulting from the performance of a contract or framework agreement, and which are concluded on arms' length terms. The approval of Related Party Transactions referred to in this paragraph does not require a prior report from the Company's Audit and Compliance Committee, but the Board of Directors must establish an internal information control procedure with respect to them, which shall include oversight by the Company's Audit and Compliance Committee and which shall confirm the fairness and transparency of such transactions and, where appropriate, compliance with the criteria that allow for delegation.

11.6 The conducting of a Related Party Transaction places the Director who carries it out, or who is related to the person that carries it out, in a conflict of interest situation, thus the provisions of Article 10.5 of these Terms of Reference apply.

11.7 All Directors within the first quarter of each year (and in advance of the issue of the statutory auditor's report in respect of the Company's audited accounts) shall provide

a report addressed to the Company of those Related Party Transactions that they have carried out, or persons tied to the Company who are related to them have carried out, during the previous year. Without prejudice to the foregoing, the Directors must immediately report in writing any Related Party Transaction in which they are involved or anyone related to them is involved that require approval by the Board of Directors under law or in accordance with the provisions of the Company's Articles of Association or these Terms of Reference. The reporting of Related Party Transactions must contain the following information: (i) purpose and nature of the transaction; (ii) date on which it began; (iii) main terms and conditions, including the value or amount of the consideration and the terms and conditions of payment; (iv) identity of the people involved in the transaction and relationship, where applicable, with the Director; and (v) other aspects, such as price policies and guarantees, that enables it to be assessed, including, particularly, information that makes it possible to verify that it is a fair and reasonable transaction from the Company's standpoint.

11.8 The secretary of the Company or such appropriate other person shall cause to be recorded the Related Party Transactions concerning Directors.

11.9 On an annual basis, the Board of Directors shall report to the sole member of the Company on any and all Related Party Transactions, such as they may exist.

3. Terms of Reference of the Scottish Power Energy Networks Holdings Limited Audit & Compliance Committee

Approved by the Scottish Power Energy Networks Holdings Limited Board on 22 September 2026

Terms of Reference of the Scottish Power Energy Networks Holdings Limited Audit and Compliance Committee

Approved by the Scottish Power Energy Networks Holdings Limited Board on

22 September 2026

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CHAPTER I. NATURE, PURPOSE AND APPROVAL OF THE TERMS OF REFERENCE

Article 1. Nature and Purpose

1. In accordance with the provisions of the Articles of Association of Scottish Power Energy Networks Holdings Limited (the "**Company**"), the board of directors of the Company (the "**Board of Directors**", a director thereof being a "**Director**") has established the SP Energy Networks Audit and Compliance Committee (the "**Committee**"), a permanent internal body, having an advisory and consultative role, without executive functions, with powers of information, assessment and presentation of proposals to the Board of Directors within its scope of action, which shall be governed by the Articles of Association of the Company and these Terms of Reference of the Committee (the "**Terms of Reference**").

2. These Terms of Reference are based on the independence of the Committee and aim to develop its functions by establishing the principles of action and the internal operational regime of the Committee within the regulated business within the ScottishPower Group (being, for the purposes of these Terms of Reference, the group whose controlling entity, within the meaning established by law, is Scottish Power Limited) ("**SP Energy Networks Business**"), provided that this does not undermine the separation of activities and the protection of commercially sensitive information in accordance with the legal provisions regarding the separation of regulated activities; and provided that for the purpose of these Terms of Reference, and without prejudice to the application of any other provision made or agreed by the Board of Directors or other requirement of the Company's Governance and Sustainability System or law, SP Energy Networks Business shall not include any business carried on by North West Electricity Networks (Jersey) Limited, North West Electricity Networks (UK) Limited or their direct and indirect subsidiaries ("**ENW Business**").

3. Taking into consideration the fact that the indirect sole shareholder of the Company is the sub-holding company Scottish Power Limited, which in turn is indirectly wholly owned by Iberdrola, S.A., the listed holding company and controlling entity of the Iberdrola, S.A. group, to which the Company belongs (the "**Iberdrola Group**"), these Terms of Reference also aim to establish, as the Company is a head of business company of the Iberdrola Group and the ScottishPower Group, the framework of relationships and information exchange that is to exist between the Committee, the Scottish Power Limited Audit and Compliance Committee (the "**SPL Committee"**), and the Iberdrola, S.A. Audit and Risk Supervision Committee (the **"Iberdrola Audit and Risk Supervision Committee"**) and any committees of Scottish Power Limited and, as the case may be, of the subsidiaries of the Company, with the purpose of, without compromising its independence, enabling the proper exercise of its functions in accordance with the applicable law and provisions of the Company's Governance and Sustainability System, and safeguarding in all cases in the compliance with the regulations applicable to each company.

Article 2. Approval, Amendment and Priority

1. These Terms of Reference or any amendment of the same must be approved by way of a resolution of the Board of Directors of the Company, including upon the proposal of the chair of the Board of Directors or the Chair of the Committee.

2. These Terms of Reference further develop and supplement the provisions of the Articles of Association of the Company and the terms of reference of the Board of Directors applicable to the Committee. In the event of any conflict, the provisions of the terms of reference of the

Board of Directors shall prevail over these Terms of Reference, and in any case the Articles of Association of the Company shall prevail over the provisions of both.

CHAPTER II. FUNCTIONS OF THE COMMITTEE

Article 3. Functions

1. The Committee, shall perform its duties with full autonomy, without prejudice to the establishment of a suitable framework of cooperation with and exchange of information regarding the performance of their duties with the the SPL Committee, provided that this does not undermine the separation of activities and the protection of commercially sensitive information in accordance with the legal provisions regarding the separation of regulated activities.

2. The coordination of the relationship between the Committee and the SPL Committee shall be managed by the chairs of both committees and shall have the purpose of enabling the SPL Committee to be aware of any issues with a potential relevant influence at the level of the ScottishPower Group as covered by the Committee. Likewise, the Committee's (indirect) relationship with the Iberdrola's Audit and Risk Supervision Committee shall be performed according to the provisions of the *General Framework of Relations of Coordination and Information Among the Audit Committees of Iberdrola, S.A. and its Group* ("**General Framework**").

3. The Committee shall have the following functions to the extent applicable to the SP Energy Networks Business:

a) **Internal Audit and Risk:**

(i) To oversee the independence requirements and efficiency of the Company's Internal Audit and Risk Department, which is subordinate to the Committee, ensuring that such department has sufficient resources and that its members have suitable qualifications necessary to carry out its functions optimally.

(ii) To propose to the Board of Directors the appointment and removal of the Director of Internal Audit and Risk, which position is functionally subordinate to the Committee. In the preparation of such a proposal, the Chair of the Committee shall liaise as appropriate with the Director of Internal Audit and Risk of Scottish Power Limited reporting thereon to the Committee as required.

(iii) To supervise and guide the work of the Internal Audit and Risk Department, ensuring that it exercises its powers proactively and that its activity is primarily focussed on the significant risks of the Company and the SP Energy Networks Business (including reputational risks), receiving regular information on the activities it performs.

(iv) To evaluate the operation of the Internal Audit and Risk Department and (where applicable in relation to the Company) the performance of the Director of Internal Audit and Risk.

The evaluation shall be constructive and the conclusions of the evaluation carried out by the Committee shall be submitted to the Board of Directors so that they may be taken properly into consideration when determining remuneration. The Director of Internal Audit and Risk shall also be informed of such conclusions.

(v) To propose the budget of the Internal Audit and Risk Department teams, for its approval by the Board of Directors.

(vi) To approve the annual activities plan of the Company's Internal Audit and Risk Department, in accordance with the general plan established by the Internal Audit and Risk Department of Scottish Power Limited.

(vii) To monitor the annual activity plan to verify at least the following:

i. that significant incidents and changes that occur during the implementation thereof are reported:

ii. in relation to the internal audit functions:

a. that the conclusions reached by Internal Audit are appropriate, that the action plans contained in the various reports are being implemented as agreed and within the timetable provided, and that the Committee is timeously informed regarding the progress thereof;

b. that the members of senior management take into account the conclusions and recommendations contained in the reports of Internal Audit;

c. that any differences that may have arisen with the Company's senior management have been resolved, or otherwise have been submitted for the consideration of the Committee;

d. that the conclusions of its reports, prepared on the basis of the annual activities plan or other specific requests that may have been made or approved by the Committee, are submitted within the established periods or with the established frequency provided for. Said conclusions must include both the weaknesses or irregularities detected and the action plans for resolving them and monitoring the implementation thereof;

e. that there is sent to the Committee for acknowledgement an annual activities report that must contain at least a summary of the internal audit activities performed and reports issued during the financial year, explaining what work provided for in the annual plan has not been carried out or performed without being provided for in the initial plan, and shall include an inventory of the weaknesses, recommendations and action plans.

iii. in relation to risk functions:

a. that there is compliance with the risk strategy of the Company and the SP Energy Networks Business and that it covers the most significant risks (including reputational, corruption-related and emerging risks);

b. that the internal control and risk management systems operate effectively and properly identify, manage, mitigate and quantify the main risks (financial and non-financial) and they are maintained within pre-determined tolerance figures;

c. that taking into account the provisions of the *General Risk Control and Management Foundations of the Iberdrola Group,* there is proper coordination with other functions vested with powers regarding the management, supervision and assurance of risks and the responsibilities inherent in its role.

(viii) The Internal Audit and Risk Department shall regularly report on the implementation of the annual plan, informing the Committee of any significant incidents and changes that may arising in the course thereof.

(ix) The Committee, through its Chair, may request the presence of the Director of Internal Audit and Risk at certain parts of the Committee's meetings during which aspects related to the scope of the powers or duties thereof are discussed, all in accordance with the provisions of Article 14 below.

b) **Internal Monitoring and Risk Management Systems:**

(i) To be aware of and keep under review the Company's internal control system, internal risk monitoring and management systems and those of any of the Company's subsidiaries, ensuring that these are adequately adapted to the processes and general systems established within the Iberdrola Group.

(ii) To ensure, in accordance with the *General Risk Control and Management Foundations of the Iberdrola Group*, that the main risks of the Company and those of any of the Company's subsidiaries are identified, managed and adequately reported, identifying, on this basis, at least the different types of financial and non-financial risks (including operational, technological, cybersecurity, data protection, legal, social, environmental, political, and reputational, risks, or risks relating to corruption) which the Company and its subsidiaries may face, including amongst financial risks: contingent liabilities and other off balance-sheet risks; the setting and reviewing of risks map and the level of risk that the Company deems acceptable; the measures necessary to mitigate the impact of any risks, should any of them materialise; and the information and internal monitoring systems which will be used to monitor and manage the aforementioned risks, including the contingent liabilities or off balance-sheet risks.

(iii) To analyse, along with the auditors, the relevant weaknesses of the internal control system that may have been detected in the course of the audit of the Company, all without infringing the independence of any party. To this end, where appropriate, the Committee may submit recommendations or proposals to the Board of Directors and corresponding deadlines for their monitoring.

(iv) To promote, always within its responsibilities, a strategy in which risk is a key factor to be taken into account in all decisions and at all levels within the Company.

(v) To obtain creditable information as to whether the most significant risks are managed, controlled and maintained within the tolerance figures that have been established, and annually evaluate the list of the most significant financial and non-financial risks, as well as the various risk tolerance levels established in the risk guidelines and limits in order to, if appropriate, propose the adjustment

thereof based on the information provided by the Company's management and the Internal Audit and Risk Division.

(vi) To provide, at least every three months, a report regarding the internal control and risk management systems of the Company and its subsidiaries for the Board of Directors, which the Chair of the Committee will make available to the chair of the SPL Committee, in accordance with the General Framework in order to allow the SPL Committee to fulfill its duties relating to the internal control of the Iberdrola Group as well as its risk management systems.

(vii) To inform the Board of Directors of the main litigation matters relating to the Company and its subsidiaries, in order to identify the direct or indirect risks and contingent liabilities arising from existing claims and procedures.

(viii) To oversee the data protection and cybersecurity activities and matters to be reported to the Committee, which shall be in turn reported to the Board of Directors as required.

c) **Audited Accounts:**

(i) To propose to the Board of Directors the appointment, and terms of engagement, of the Company's auditors, in accordance with applicable regulations. The Chair of the Committee shall make such proposal available to the chair of the SPL Committee in accordance with the General Framework.

For the avoidance of doubt, the Company's auditors referred to in these Terms of Reference are the auditors which are the principal auditors of the Scottish Power Limited Group which have been formally appointed in accordance with the relevant applicable law.

(ii) To review the contents of the auditors' reports before they are issued, in order to avoid qualifications in their preparation and assess the results of each audit, overseeing the reply of the management of the Company to their recommendations.

(iii) To issue, and provide to the Board of Directors, on an annual basis and prior to the issuance of the Company's auditors' report, a report setting forth an opinion on the independence of the auditors (including whether or not their independence is compromised). This report shall take into account any additional services referred to in the following paragraph, considered individually and as a whole, and also taking into account the applicable requirements as to the independence of the auditors concerning the statutory audit. The Chair of the Committee shall make this report available to the chair of the SPL Committee in accordance with the General Framework.

(iv) To receive information about any kind of additional services other than the audit-services that the auditors may provide to the Company or to its subsidiaries. The Committee shall prepare a report for the Board of Directors and shall make it available for the chair of the SPL Committee for the purposes thereof.

(v) To establish appropriate relationships with the auditors and to obtain information on those issues related to the audit process which may put their independence,

at risk for examination by the Committee, and regarding any other matters relating to the auditing of accounts, as well as to ensure that there are no grounds that would prohibit the auditors from acting.

(vi) In any event the Committee shall obtain from the Company's auditors, on an annual basis, a written confirmation of their independence in respect of the Company or entities directly or indirectly related thereto, as well as itemised and detailed information regarding additional services of any kind provided to the Company and such entities by the said auditors or by persons or entities related thereto, pursuant to the legislation governing the audit of financial statements.

(vii) To obtain information regularly from the auditors on any issues which may be provided for in applicable legislation and/or the relevant audit practices in force from time to time, and establishing in such cases information channels between the Internal Audit and Risk Department and Scottish Power Limited's Internal Audit and Risk Department, and the Committee shall report to the Board of Directors accordingly.

(viii) To serve as a communication channel between the Board of Directors and the auditors, relaying to the Board of Directors regular information updates on the audit process and results received from the auditors.

d) **Financial Information:**

(i) To oversee the preparation and presentation process and the clarity and accuracy of the financial information (including half year information) related to the Company and its subsidiaries, and the Committee shall receive for that purpose relevant information from the Company's subsidiaries (as required). The Committee shall ensure that the interim financial information such as may be submitted to the Board of Directors maintains the same accounting standards as the annual financial reports.

(ii) To evaluate any proposal regarding any changes within the general accounting practices, policies and procedures of the Iberdrola Group as they relate to the Company and the ScottishPower Group and submit proposals or recommendations to the Board of Directors, aiming to safeguard the integrity of its application. Such monitoring function of the Committee shall be carried out on an ongoing basis and subject to any specific request or direction of the Board of Directors.

(iii) To prepare a report for the Board of Directors on the annual and interim financial statements. The Chair of the Committee will make these reports available to the chair of the SPL Committee in accordance with the General Framework in order to allow the SPL Committee to supervise the process of preparation and submission and ensuring the integrity of the financial information related to the Iberdrola Group in Great Britain.

A report on the financial information for consolidation purposes shall be prepared by the Committee and submitted to the Board of Directors pursuant to the *Iberdrola Group Financial Information Preparation Policy*.

(iv) To gather information on significant adjustments to financial statements identified by the auditor or resulting from the reviews carried out by the Internal Audit and Risk Department and the management team's position on such adjustments.

(v) To oversee compliance with the legal requirements and the correct application of the national, generally accepted accounting principles, and those international financial reporting standards which may be applicable in relation to the Annual Report and Accounts and the Director's Report of the Company.

(vi) To inform the Board of Directors of the principles on which any transactions have been carried out between the Company and any of the other companies forming part of the Iberdrola Group, and any of the Company's subsidiaries.

e) **Non-Financial Information and Sustainable Development:**

(i) To review the non-financial information of the Company and its subsidiaries based on available sources of information insofar as such non-financial information is required, and remit such information to the Board of Directors, where required.

(ii) To supervise the Company's actions relating to the sustainable development activities of the Company and, particularly, whether its environmental and social practices conform to the global strategy and policies of the Iberdrola Group, and of the Company, and report on the same to the Board of Directors, where required.

f) **Compliance Unit:**

(i) On its own initiative or upon a proposal of the Compliance Unit, to propose to the Board of Directors the appointment of the members of the Compliance Unit, having regard to profiles that may be appropriate for the performance of the duties of the same and to the Company's activities.

(ii) To review and validate the annual budget of the Compliance Unit, prior to its submission to the Board of Directors for final approval.

(iii) To approve the annual activity plan for the Compliance Unit, and endeavour to ensure that the Compliance Unit has the necessary human and material resources available to it to perform its duties, while also ensuring its independence and effectiveness.

(iv) Each year, to issue an opinion on compliance with the annual activities plan and the performance of the Company's Compliance Unit, submitting it to the Board of Directors.

(v) To receive information from the Compliance Unit in connection with any significant matters relating to regulatory compliance and the prevention and correction of improper or illegal conduct or acts which are contrary to the Governance and Sustainability System or to the applicable law.

(vi) To receive information from the Compliance Unit concerning any significant matters relating to the effectiveness of the Company's Compliance System (as defined in the Terms of Reference of the Board of Directors of the Company). The Committee shall issue its opinion on the annual report of the Compliance

Unit regarding the effectiveness of the Company's Compliance System (and its subsidiaries) and submit it to the Board of Directors.

(vii) To have the Compliance Unit review the internal policies and procedures of the Company to prevent improper conduct and identify any policies or procedures that might be more effective at promoting the highest ethical standards.

(viii) To report to the Board of Directors on any proposed amendments to the Regulations of the Compliance Unit.

(ix) To, each year, issue an opinion on the Compliance Unit's compliance with its annual activities plan and its performance and submitting it to the Board of Directors.

(x) To review the status of the Company's compliance with laws, regulations and internal procedures and the scope and status of systems designed to promote the Company's compliance with laws, regulations and internal procedures, through review of reports from management, legal counsel and third parties as determined by the Committee.

g) **Irregular and Improper Financial Conduct:**

(i) To have direct access, in accordance with the provisions of the Regulations of the Compliance Unit, to complaints or reports submitted through the Internal Reporting Channels, as defined and developed in the Regulations of the Compliance Unit of the Company, that might have a material impact on the financial statements or internal controls thereof, and, if it so deems necessary, to propose appropriate actions to mitigate or reduce the risk of future occurrences thereof. To this end, the Compliance Unit shall inform the Committee of the existence of the aforementioned complaints or reports, and provide it with any documentation requested in connection to the processing of the same, as appropriate.

h) **Related Party Transactions**

(i) To report on Related Party Transactions (as defined in the Terms of Reference of the Board of Directors of Scottish Power Energy Networks Holdings Limited) such as there may be, prior to their approval by the Company's sole shareholder or Board of Directors as appropriate, and subject to any applicable provisions in the Company's Articles of Association or the Terms of Reference of the Board of Directors.

(ii) To reasonably ensure that Related Party Transactions are fair and reasonable to the Company, for which purpose the Committee may request reports from experts if deemed appropriate.

(iii) To verify, in accordance with any internal regular reporting or control procedure as may be established by the Board of Directors from time to time, where the approval of a Related Party Transaction is given without the basis of a prior report from the Committee, the fairness and transparency of that operation and, to the extent applicable, compliance with the applicable legal or regulatory criteria for disposal of such matter by delegation of the Board of Directors and without a prior report of the Committee.

(iv) To prepare, within the first six months following the relevant financial year-end of the Company, a report on the Related Party Transactions of the Company with respect to which the Committee has issued a report in respect of that financial year.

(v) To inform the sole shareholder of the Company of Related Party Transactions affecting a specific class of director.

(j) **Special Purpose Entities and Tax Haven Companies:**

(i) To inform the Board of Directors, in accordance with the *Procedure for the creation or acquisition of equity interests in special purpose entities or entities domiciled in tax havens* ("**SPE Procedure**") prior to adoption of any decision on the creation or acquisition of holdings in special purpose entities as subsidiaries (direct or indirect) of the Company or in entities domiciled in countries or territories which are considered tax havens (including in the European Union's blacklist of non-cooperative jurisdictions for tax purposes), and of other transactions similar in nature that, because of their complexity, could undermine the transparency of the activity of the Company's Group in Great Britain, and produce for the Board of Directors a report on any such proposals. The Chair of the Committee shall make this report available to the chair of the SPL Committee in accordance with the General Framework.

(ii) To produce annually, for the Board of Directors, in accordance with the SPE Procedure, a report on the monitoring of special purpose entities as subsidiaries (direct or indirect) of the Company or in entities domiciled in countries or territories which are considered tax havens and, when applicable, about their operational status. The Chair of the Committee shall make this available to the chair of the SPL Committee in accordance with the General Framework.

(k) **Business Separation of Activities Compliance:**

(i) To consider, on an annual basis, the Business Separation Compliance Officer Report on Business Separation, submitted to the Committee to provide an update on compliance with the separation of activities focusing on the effectiveness of the practices, procedures, and systems adopted in accordance with applicable regulatory requirements of the Company and its subsidiaries.

(ii) To overview any regulated activities business separation report of the Company and its subsidiaries. To inform the Board of Directors in advance of any changes to the business separation regulatory requirements applicable to the Company and its subsidiaries.

(iii) To consider the suitability and inform the Board of Directors in advance of any proposed director appointment and removal to regulated subsidiaries of the Company in order to protect the effective independence of those regulated companies, and in accordance with the relevant appointments procedure(s) employed by the Company and its group of companies.

(l) **Tax Policy Compliance:**

(i) To produce, for the Board of Directors, reporting on the level of compliance with the *Corporate Tax Policy* and the tax criteria used throughout the relevant financial year and after the submission of tax returns. The Chair of the Committee shall make this available to the chair of the SPL Committee in accordance with the General Framework.

(ii) To endorse, for the acknowledgement and assurance of the Board of Directors, any specific tax strategy of the Company and the ScottishPower Group, which may require to be set from time to time in the UK.

4. The Committee shall similarly assume any other functions which, as the case may be, the Articles of Association of the Company or the Board of Directors attribute to it within the SP Energy Networks Business.

Article 4. Scope of Functions and Information to the Board of Directors

1. The functions indicated in the above Article shall extend to the Company and any and all of the Company's subsidiaries within the SP Energy Networks Business, in any event without prejudice to their autonomy.

2. At the first meeting of the Board of Directors subsequent to any meeting(s) of the Committee the Chair shall inform the Board of Directors of the resolutions and significant events which occurred at the meeting(s) of the Committee.

Article 5. Annual Report

The Committee shall, within six months following the end of the year, submit to the Board of Directors for its approval an annual report of its activities, which shall include an evaluation of the adequacy of the Committee's Terms of Reference and an evaluation of the Committee's performance during the previous year. This annual report shall subsequently be made available to the chair of the SPL Committee for the purposes of its compliance activities in accordance with the General Framework, all of it fully respecting the principle of separation of activities and the protection of commercially sensitive information, according to the regulations on separation of regulated activities.

CHAPTER III. FORMATION, APPOINTMENT AND CESSATION OF MEMBERS

Article 6. Composition

1. The Committee shall be formed of at least three (3) Directors, from among which at least two (2) of them shall be external Directors (as defined in the Company's Articles of Association), provided that the external Directors shall not be outnumbered by the other Directors.

2. The Committee shall have a chair (the "**Chair**") and a secretary, with the secretary responsible for the record keeping, preservation and safekeeping of the minute books of the Committee and of the corporate documentation produced in relation to its functioning.

3. In the event of absence of the Chair at a meeting of the Committee, the role of the Chair shall be taken up by the member with the greatest seniority by length of service in office at the meeting for the purposes of that meeting only, and in the case of equal seniority by length of service in office, by mutual agreement of the members present as to which of the persons with equal seniority should take up the role.

In the event of absence of the secretary at a meeting of the Committee, the members of the Committee present shall nominate one of them to carry out his/her duties.

4. The Chair of the Committee must be appointed from among the external Directors forming part thereof and must have the required capacity and sufficient availability to provide greater dedication to the Committee than the other members thereof.

Article 7. Appointment

1. The members of the Committee, as well as the Chair, shall be appointed by the Board of Directors.

2. The Board of Directors shall endeavour to ensure that the members of the Committee as a whole, and in particular its Chair, have the necessary experience and knowledge of accounts, audit or (financial, or non-financial) risk management, which is adequate for the functions they are asked to provide, that at least one of them has experience in information technology and that, the members of the Committee have relevant expertise in financial and internal control matters, as well as in relation to the energy (or utilities) sector, all to the extent relevant. It shall not be necessary for them to be experts in these areas as such.

Article 8. Duration

1. The Directors sitting on the Committee shall exercise this office while their appointment as Directors of the Company continues in force, unless the Board of Directors agrees otherwise.

2. The Directors which make up the Committee, and which are re-elected as Directors of the Company in accordance with the Articles of Association, shall continue to carry out their positions on the Committee without the need for a new election, unless the Board of Directors agree otherwise.

Article 9.- Cessation

The members of the Committee shall cease in their positions:

(a) if/when they cease to be Directors of the Company; or

(b) by resolution of the Board of Directors.

Article 10. Training Programme

1. The Committee shall have a periodic training scheme to ensure that its members are kept up to date with developments in accounting standards, the specific regulatory framework for the Company's businesses, the processes for preparing financial and non-financial information, internal and external audit, risk management and supervision, internal control, cybersecurity and technological advances, and compliance all as relevant to the Company.

2. New members of the Committee shall be given a member´s welcome pack (which shall include any Welcome Programme published on the secure Directors' website) or induction prior to their attendance of their first meeting. Members of the Committee are required to be familiar with the contents of the welcome pack or induction provided to them, as applicable.

CHAPTER IV. MEETINGS OF THE COMMITTEE

Article 11. Sessions

1. The Committee shall meet as many times as is considered necessary in the opinion of the Chair to comply with their obligations, and at least four (4) times a year, or when half of its members so request it. The meeting schedule shall be fixed by the Committee before the beginning of each calendar year and shall include the tentative agendas and any attendance by non-Committee members that may be deemed necessary, subject, in each case, to any

amendment of the same made by Committee resolution or at the direction of the Chair ad hoc. In the case of a meeting taking place by telephonic or other electronic means, such meeting shall be called to take place at the registered address of the Company, and the meeting shall be deemed to take place where the largest group of those participating in the conference is assembled, or, with the agreement of the majority of the participants, deemed to be where one of them physically then is.

2. The chair of the Board of Directors and, where appropriate, the Chief Executive Officer, may request informative meetings of or with the Committee, on an exceptional basis.

Article 12. Meeting Calls

1. The secretary of the Committee at the request of the Chair, may give notice of the calling of a meeting of the Committee by the use of any telematic or digital means and, particularly, through a secure Directors´ website, indicating the place, date and time of the meeting, as well as the agenda to be followed.

2. The calling of a meeting must be made in time to be received by the members of the Committee not later than the third day prior to the date of the meeting, unless there is a need for an urgent meeting.

3. In relation to the information made available to the Directors prior to or during the meeting, any digital tools that are necessary for the fulfilment of their duties shall be made available to the Directors, where appropriate

4. It shall not be necessary to call meetings of the Committee in advance when all the members of the Committee are present and unanimously accept holding the meeting and debating the points on the agenda.

Article 13. Quorum, Attendance and Adoption of Resolutions

1. The Committee shall be quorate when a majority of its members are present or duly represented.

2. Any member of the Committee may delegate his/her representation and vote to another member of the Committee in writing (including by electronic means), which may include specific instructions as to how to cast his/her vote, addressed to the secretary of the Committee.

3. Meetings of the Committee shall be presided over by the Chair, who will be assisted by the secretary of the Committee.

4. A meeting of the Committee may be held in several places provided that the members are connected to each other by a system that permits for discussion to take place among those participating in the proceedings, as well as for the casting of votes, all in real time, adopting, where appropriate, any procedure that ensures that those participating in the proceedings can be identified, that the confidentiality of the proceedings is preserved and that an account of the proceedings (and any decisions adopted therein) is duly taken and preserved.

5. If none of the members of the Committee make any objection, votes may be made in writing and without a Committee meeting, as permitted by the Articles of Association of the Company.

6. Resolutions shall be adopted by a majority of votes of the members of the Committee present or duly represented at the meeting. In the event of a tie, the Chair will have a casting vote.

7. The secretary of the Committee shall:

a) draw up the minutes of each meeting, which shall be approved at the end of the same meeting or at the start of the immediately subsequent meeting; and

b) make, maintain and circulate to the members of the Committee records of resolutions passed in writing.

Article 14. Other Attendance at Meetings of the Committee

1. At the request of the Chair, addressed for such purposes to the chair of the Board of Directors, any Director may be requested to attend a meeting of the Committee. The Chair may also request, through the secretary of the Committee, the attendance of any manager or employee of the Company as well as of any member of the management decision-making bodies of the companies in which the Company has an interest provided that there is no legal impediment thereto.

2. The Committee may request the presence at its meetings of both the Company's auditor as well as the auditor of any entity in which the Company has an interest, provided that there is no legal impediment thereto. Under no circumstances shall the Company's auditor attend the decision-making part of the meetings of the Committee.

3. The attendance of other managers, employees or other Directors, executive or otherwise, or third parties to the meetings of the Committee shall be only as required, and with the previous invitation of the Committee's Chair, through the secretary of the Committee, and each such attendance shall be limited to those items on the agenda for which the attendee has been called and the attendee shall not attend the decision-making part of the meetings of the Committee.

4. Without prejudice to the proper functioning of the Committee, the Chair shall endeavour to minimise the number of annual appearances at the Committee by the same guest, to the extent appropriate.

5. The Chair may, if they deem it appropriate, authorise the remote attendance of guests using the communication systems described in Article 13.4 above.

CHAPTER V. POWERS OF THE COMMITTEE, PARTICIPATION, RIGHTS TO RECEIVE INFORMATION AND DUTIES

Article 15. Specialist Services

1. The Committee shall have free access, through the secretary of the Board of Directors, to any type of information or documentation held by the Company relating to matters within the Committee's competence and which it considers necessary for the fulfilment of its functions, without prejudice to the limitations arising from the legal provisions regarding the separation of regulated activities in Great Britain.

2. Likewise, the Committee may, at the Company's expense, seek cooperation or advice from outside professionals, which, once approved, shall be reported to the secretary of the Board of Directors. The Committee shall take reasonable steps to ensure the independence of such advisor and shall ensure that potential conflicts of interest do not prejudice the independence of the outside advice received. Outside professionals must address their reports directly to the Chair of the Committee. The rules set out in Article 14 above shall apply to the attendance of outside professionals at meetings of the Committee, to the extent applicable.

3. Likewise, the Committee may, at the Company's expense, seek the collaboration or advice of external professionals, who shall submit their reports directly to the Chair of the Committee, who may attend the meetings of the Committee, as well as the meetings of the Board of Directors when required, and who may speak at the meetings but may not vote. In that case, the Committee shall take any such action to ensure that any conflict of interest which may arise does not undermine the independence of the external advice received.

4. Employment of such specialists shall be made in accordance with any relevant provision of the Articles of Association of the Company, the Governance and Sustainability System of the Company and any other applicable rule or regulation.

Article 16.- Participation and Rights to Receive Information

1. The Chair of the Committee may take any action to ensure that each member may participate in the deliberations of the Committee free from any internal or third-party pressure (perceived or otherwise), and to encourage constructive, critical, diverse and free dialogue between members, in order to support the activities of the Committee.

2. The Chair of the Committee, by way of the secretary of the Committee as required, shall provide all required information and documentation to the other members of the Committee sufficiently in advance of each meeting so that they can properly analyse such information in advance and prepare for the meeting.

Article 17. Duties of Committee Members

1. Without prejudice to their duties as Directors under UK law (as applicable), Committee members must act with independence with respect to the rest of the Iberdrola Group and perform their work with the utmost diligence and professional competence. In particular, the members shall sufficiently analyse and evaluate all required information and documentation in advance of each meeting of the Committee.

2. The members of the Committee shall comply with the provisions of these Terms of Reference and applicable law in the exercise of their powers. The members of the Committee shall, in reviewing and investigating business conclusions reached by the executive Directors and members of senior management of the Company, take into account all factors and circumstances made available to them such as they shall deem relevant. Without prejudice to the foregoing, the members of the Committee shall endeavour to act together to deliver a consistent position of the Committee as a whole in its final representations to the Board of Directors.

3. Committee members are subject to all the fiduciary duties of a director including under the Companies Act 2006.

CHAPTER VI. COMPLIANCE AND INTERPRETATION

Article 18. Compliance

1. The members of the Committee, as well as the other Directors affected, have the obligation to be aware of and comply with these Terms of Reference, for which purpose the secretary of the Board of Directors shall provide all of them with a copy.

2. Additionally, the Committee shall have the obligation to oversee compliance with these Terms of Reference, adopting any measures necessary for such purpose.

3. If the Board of Directors so directs, an annual evaluation of the Committee for a given financial year shall be undertaken in order to strengthen the operation thereof.

Article 19. Interpretation

1. These Terms of Reference shall be interpreted in accordance with the law, the Articles of Association and the Governance and Sustainability System.

2. Any doubts or discrepancies as regards the interpretation of these Terms of Reference shall be resolved by an absolute majority of the votes of the members of the Committee, and in the absence of such majority, by the Chair, to be assisted by any persons the Board of Directors may appoint for this purpose. The interpretation and resolution of any doubts or discrepancies which may arise must be reported to the Board of Directors.

3. In the absence of any specific regulations, the provisions of the Articles of Association of the Company relating to the operation of the Board of Directors, provided they are not incompatible with its nature and function, shall be applicable to the Committee.

4. In these Terms of Reference the term “Group” shall mean a group as defined in section 1261 of the Companies Act 2006.

4. Foundations for the Definition and Coordination of the Iberdrola Group

1. Scope of Application
2. Purpose
3. Definition of the Group's Structure
4. Presence on Social Media and Corporate Websites
5. Implementation and Monitoring

Foundations for the Definition and Coordination of the Iberdrola Group

25 March 2025

1. Scope of Application

2. Purpose

3. Definition of the Group's Structure

4. Presence on Social Media and Corporate Websites

5. Implementation and Monitoring

The Board of Directors of IBERDROLA, S.A. (the "**Company**") has the power to establish the structure of the group of companies, of which the Company is the controlling company within the meaning established by law (the "**Group**"), define its organisational model and supervise compliance therewith and further development thereof.

In the exercise of these powers and within the framework of legal regulations, the By-Laws, the Purpose and Values of the Iberdrola Group and the Ethical and Basic Principles of Governance and Sustainability of the Iberdrola Group, the Company's Board of Directors hereby approves these Foundations for the Definition and Coordination of the Iberdrola Group (the "**Foundations**").

1. Scope of Application

These Foundations apply to all of the Companies belonging to the Group, as well as to the companies in which the Company holds an equity interest that do not form part of the Group but over which it has effective control, within the limits established by legal provisions and by their respective governance and sustainability systems.

Without prejudice to the provisions of the preceding paragraph, to the extent that listed country subholding companies form part of the Group, they and their subsidiaries, under their own special framework of enhanced autonomy, may establish principles and rules that must have content consistent with the provisions of these Foundations.

To the extent applicable, these Foundations must also govern the conduct of the foundations linked to the Group.

2. Purpose

The purpose of these Foundations is:

a. to define the Group's corporate and governance structure and Business Model, which are based on a recognition of the reality of a multinational group made up of multiple companies that is diversified and efficiently organised and coordinated group for the best development of the corporate object and the achievement of the corporate interest of each of the Group's companies; and

b. to provide for the social media presence of the Company, the country subholding companies and the head of business or country companies (the "**Head of Business or Country Companies**") and the main content of their respective corporate websites.

3. Definition of the Group's Structure

■ 3.1. General principles for the definition of the Group's structure

Pursuant to the provisions of its By-Laws, the Company pursues its corporate object indirectly, by owning shares or membership interests in other companies.

In this regard, the Group is configured on the basis of the separation between the functions of strategic definition, organisation, coordination and supervision, on the one hand, and those of day-to-day administration and effective management of the businesses, on the other, providing itself in this respect with a decentralized structure inspired by the principle of subsidiarity and respect for the autonomy of the companies that comprise it, which do business in accordance with the highest ethical standards and in compliance with the good governance recommendations generally recognised in international markets, adjusted to their needs and particularities, in all cases respecting the industry regulations regarding the separation of regulated and liberalised activities in effect in each of the countries or territories in which the Group's companies have a presence.

Therefore, essential premises for the Group's structure are the differentiation of the functions corresponding to the Company, as the holding company of the Group, domiciled in Biscay and with Spanish nationality, from the country subholding companies established in the territories in which the companies of the Group do business, and the Head of Business or Country Companies, whether Spanish or foreign.

All of them share the principles reflected in the Purpose and Values of the Iberdrola Group and in the Ethical and Basic Principles of Governance and Sustainability of the Iberdrola Group and conceive of the social dividend as the direct, indirect or induced contribution of value of their activities for their Stakeholders.

■ 3.2. Corporate structure

The corporate structure of the Group, which is an essential element of the governance and sustainability systems of the companies that make it up, is comprised of:

a. the Company, which is configured as a listed holding company, the main function of which is to act as the entity owning the equity stakes in the country subholding companies;

b. the country subholding companies, which in turn group together the equity stakes in the Head of Business or Country Companies; and

c. the Head of Business or Country Companies.

All of them have their own human and material resources to autonomously carry out the duties assigned thereto by the Governance and Sustainability System.

This corporate configuration is intended to favour an agile and rapid decision-making process in day-to-day administration and management, which is within the purview of the Head of Business or Country Companies, while at the same time achieving proper coordination of business activities at the Group level, as described below, as a result of the duties of organisation, coordination and supervision performed by the country subholding companies and the Company and within their respective purviews.

■ 3.3. Governance structure

Based on the corporate organisation, the Group's governance structure, which is a key part of the Governance and Sustainability System, is governed by the principles described below, which duly distinguish between the duties of strategic definition, organisation, coordination and supervision, on the one hand, and day-to-day and effective management of the businesses, on the other:

a. Vesting the Company's Board of Directors with powers relating to the approval of the strategic goals at the Group level, the definition of its organisational model, the supervision of compliance therewith and further development thereof, as well those relating to decisions on matters of strategic importance at the Group level, while fully observing the special framework of strengthened autonomy of the listed country subholding companies to which d) below refers.

b. Assumption by the chairman of the Board of Directors by the chief executive officer, with the technical support of the Operating Committee, and by the management team, together with any corresponding support committees, of the duty of organisation, coordination and supervision at the Group level through the dissemination, implementation and monitoring of the overall strategy and the basic guidelines for the management thereof established by the Company's Board of Directors.

c. The function of organisation, coordination and supervision is strengthened through the country subholding companies, which perform it with respect to each of their corresponding territories, countries or businesses on the terms decided by the Company's Board of Directors, disseminating, implementing and ensuring compliance with the strategies and general guidelines at the Group level based on the characteristics, needs and particularities of their respective territories, countries or businesses.

   One of the main functions of the country subholding companies is to centralise the provision of services common to their Head of Business or Country Companies, in accordance with operational efficiency standards and fully respecting the provisions of applicable law and especially the legal provisions regarding the separation of regulated activities.

   In this regard, the country subholding companies facilitate the coordination of companies in which they hold an interest and are given the responsibility of ensuring compliance with legal provisions on the separation of regulated activities.

   In compliance with the duties and responsibilities allocated to them by their respective governance and sustainability systems, the country subholding companies specify the application of the Group-level strategies and general guidelines approved by the Board of Directors, based on the applicable legal provisions in each territory, country or business, as well as their characteristics, needs and particularities. For this purpose, they approve rules and principles applicable to their respective subsidiary Head of Business or Country Companies and specify the application of the content of the Group-level general strategies and main guidelines, and particularly of the Ethical and Basic Principles of Governance and Sustainability of the Iberdrola Group approved by the Company's Board of Directors and with Group-level coverage.

   To best carry out their functions, country subholding companies have within their boards of directors at least one external director who, because of the personal and professional qualities thereof, may carry out their duties without being constrained by relationships with the companies of the Group or with the directors, significant shareholders or members of the management thereof, as well as audit and compliance committees, in addition to their own internal audit and compliance units or divisions and, if applicable, management committees or support committees for the management team thereof.

   The executive directors of each country subholding company, appointed by their respective boards of directors, shall promote the specific application of the overall strategies and the basic guidelines, and particularly the Ethical and Basic Principles of Governance and Sustainability of the Iberdrola Group, for management thereof in each territory, country or business, as applicable, proposing the annual targets and budget, with the ability to represent their respective companies before domestic institutions in coordination, if appropriate, with the executive directors of the Head of Business or Country Companies in accordance with the provisions of e) above, and perform such other duties as are determined by each board of directors, always acting under the supervision thereof.

d. The listed country subholding companies have a special framework of strengthened autonomy that mainly covers the regulatory, related-party transactions and management areas.

   In the regulatory area, the boards of directors of the listed country subholding companies are authorised to approve their own rules and other internal codes and procedures that specify, develop or make exceptions from the content of the equivalent rules of the Governance and Sustainability System that have a global scope.

In the related-party transactions area, the boards of directors of listed country subholding companies have a committee of their board of directors comprised exclusively of directors without a connection to the companies of the Group other than their subsidiaries, and which have the power to approve all transactions between the listed country subholding company and the subsidiaries thereof with the other companies of the Group in addition to the authorisations generally required in each case based on the nature of each transaction.

In the management area, listed country subholding companies enjoy a system of strengthened autonomy vis-à-vis the Company, which prevents it and the other companies of the Group from giving to their management team and the management teams of their subsidiaries instructions that interfere with the exercise of the powers vested therein by the Governance and Sustainability System.

The special framework of strengthened autonomy is implemented in the respective contracts signed by the Company with each listed country subholding company.

e. The Head of Business or Country Companies assume decentralised executive responsibilities, enjoy the independence necessary to carry out the day-to-day administration and effective management of their businesses, and are responsible for the day-to-day control thereof.

These Head of Business or Country Companies mostly have boards of directors, which where appropriate include external directors who, because of the personal and professional qualities thereof, carry out their duties without being constrained by relationships with the companies of the Group or with the directors, significant shareholders or members of the management thereof, and have their own managing boards, and may also have their own audit committees, internal audit areas and compliance units or divisions.

The executive directors of each Head of Business or Country Company are responsible for the effective management thereof under the supervision of its board of directors, to which they shall propose the objectives of the businesses and the annual budgets within the framework of the overall strategy of the businesses established at the Group level, and may represent their respective companies before national institutions if they are domiciled in a country or territory other than that of the country subholding company to which they are subordinate, on a coordinated basis with the executive director of the latter.

The provisions of the preceding paragraphs shall be without prejudice to respect for the corporate autonomy of the subsidiaries of the Head of Business or Country Companies domiciled in countries or territories other than that of the Head of Business or Country Company. These subsidiaries may be vested with the effective management of their business activities within their country or territory.

■ 3.4. Supporting committees

Within the framework of the Group's corporate and governance structure, the Company's Board of Directors promotes the creation and operation of committees providing support or advice to the management team.

The supporting committees, which are cross-functional and linked to strategic functions, strengthen the management bodies as centres that make effective decisions and support the Company's Board of Directors. These supporting committees linked to strategic functions have powers to supervise, manage and organise certain areas of action. They functionally report to the corresponding head of senior management or member of the management team, and they shall maintain appropriate coordination with their counterpart committees that are created at

the country subholding companies. For this purpose, specific measures may be established to ensure this coordination and the appropriate exchange of information.

In particular, among the supporting committees, as regards the Group's corporate and governance structure, the Operating Committee is an internal committee of the Company that engages in activities under the management and direction of the chairman of the Board of Directors, who decides the composition thereof based on its essential power which is to provide technical support to the chairman of the Board of Directors and to the chief executive officer in the function of organisation, coordination and supervision at the Group level in order to facilitate the development of the Business Model.

The chairman of the Board of Directors may request the appearance of the CEOs of the country subholding companies at meetings of the Operating Committee, as well as of other members of the management team of the Company, of the country subholding companies and of the head of business companies, provided that tis favours appropriate coordination at the Group level. In any event, the Company's chief executive officer shall be part of the Operating Committee.

In the performance of its duties, the Operating Committee shall fully respect the autonomy of the country subholding companies and the strengthened autonomy of the listed country subholding companies, the rules governing the separation of regulated activities applicable in each jurisdiction, as well as the legal requirements of the various markets and regions in which the Group's companies do business.

■ 3.5. Business model

The corporate and governance structure of the Group referenced above achieve appropriate coordination of the activities of the respective companies that comprise it, by means of the global integration of the corporate and business areas through the Group's Business Model.

This Model is focused on maximising the operational efficiency of the various corporate and business areas and ensures the dissemination, implementation and monitoring of the overall strategy and the basic management guidelines established for each of them. These goals are achieved without undermining the corporate autonomy of the Group's companies or the requirements imposed on their directors by legal provisions and those arising from their respective governance and sustainability systems.

As part of the Business Model, with the purpose of maximising the generation of synergies and their exploitation by each of the companies of the Group, the Company's Board of Directors promotes, within the framework of the duties assigned thereto, the creation and operation of support committees for specific corporate or business areas, which encourage the development in each country or territory of local corporate business or activities in accordance with the strategy and the global guidelines, disseminate and coordinate technological and operational practices at the Group level and endeavour to ensure the existence of certain quality levels, guidelines and homogeneous standards of conduct in a specific area, as well as the exchange of information and sharing of best practices.

These committees can approve global guidelines and recommendations, propose initiatives for improvement and favour the exchange of information, thus allowing the effective performance of their duties of strategic supervision, organisation, coordination, supervision, management and dissemination, as applicable, all without undermining the corporate and decision-making autonomy of the other companies of the Group.

4. Presence on Social Media and Corporate Websites

The Company, the country subholding companies and the Head of Business or Country Companies shall have a presence on the internet, and in particular shall actively participate

in social media in order to engage with their respective Stakeholders, working together on the innovation and digital transformation strategy at the Group level.

For these purposes, the Country, the country subholding companies and the Head of Business or Country Companies shall have their own identity on social media and their corporate website, the contents of which must be managed in accordance with the guidelines established for such purpose by the Company, and for each territory, country or business by the country subholding companies, if applicable.

The country subholding companies and the Head of Business or Country Companies shall adopt the measures necessary to avoid their corporate websites being confused with that of the Company.

The corporate websites of the Company, the country subholding companies and the Head of Business or Country Companies shall be structured around specific sections intended to identify the corresponding company and its activities, describe its relationship with the other companies of the Group and its position regarding natural and social capital, corporate governance and social market economy, and promote its relations with communities and with the other relevant Stakeholders, fostering their engagement and strengthening their identification with the Company.

5. Implementation and Monitoring

For the implementation and monitoring of the provisions of these Foundations, the Board of Directors has the cooperation of the Office of the General Secretary and Secretary of the Board of Directors, which will coordinate with the corresponding areas, divisions and functions of the country subholding companies to implement these powers.

* * *

These Foundations were approved by the Board of Directors on 25 February 2025 and were last amended on 25 March 2025.

Book Two - Corporate Policies

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1. Transparency and Good Governance

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SCOTTISHPOWER CORPORATE GOVERNANCE POLICY

8 July 2026

The Board of Directors of Scottish Power Limited (the "**Company**") has the power to design, assess and continuously revise the Company's Governance and Sustainability System, and specifically to approve and update policies, which contain the guidelines governing the conduct of the Company, and furthermore, to the extent applicable, inform the policies that the companies belonging to the group of which the Company is the controlling entity, within the meaning established by law (the "**SP Group**"), decide to approve in the exercise of their autonomy.

In exercising these powers within the framework of legal provisions, the *Articles of Association* and the *Purpose and Values of the Iberdrola Group*, as well as the Company's corporate governance strategy, the Board of Directors hereby approves this *ScottishPower Corporate Governance Policy* (the "***Policy***"), which respects, further develops and adapts the *Ethical and Basic Principles of Governance and Sustainability of the Iberdrola Group* with respect to the Company.

1. Scope of Application

This *Policy* applies to the Company. Without prejudice to the foregoing, it includes basic principles that, in the area of corporate governance, complement those contained in the *Ethical and Basic Principles of Governance and Sustainability of the Iberdrola Group* and, to this extent, must inform the conduct and standards-setting implemented in this area, as the case may be, by their subsidiaries in the exercise of their powers and in accordance with their autonomy.

To the extent applicable, these principles must also inform the conduct of the foundations linked to the Company.

For companies that do not form part of the SP Group but in which the Company holds an interest, as well as for joint ventures, temporary joint ventures (*uniones temporales de empresas*) and other entities in which it assumes management, the Company shall also promote the alignment of its regulations with the basic principles regarding corporate governance contained in this *Policy*.

2. Purpose

The purpose of this *Policy* is to establish the Company's general corporate governance strategy and commitments based on the general corporate governance strategy defined by the Board of Directors of Iberdrola, S.A. (the ultimate holding company of the Iberdrola Group), as provided for in the *Foundations for the Definition and Coordination of the Iberdrola Group* and taking into account the highest ethical standards and compliance with generally accepted good governance recommendations,

with attention to the applicable regulations, as well as their characteristics and particularities.

In this sense, the SP Group regards corporate governance as elementary in the delivery of the corporate interest, focused on the creation of integral (economic, environmental and social) and sustainable value by engaging in the activities included in its corporate object, taking into account the other Stakeholders related to its business activity, in accordance with the *Purpose and Values of the Iberdrola Group*, the *Ethical and Basic Principles of Governance and Sustainability of the Iberdrola Group* and with the contribution to the achievement of the social dividend.

3. Main Principles of the Corporate Governance Strategy

In order to achieve the objectives relating to the corporate governance strategy, the Company adopts and promotes the following main principles of conduct in each of the areas indicated below:

a) In relation to good governance: the Company shall adopt leading corporate governance practices, taking into account applicable legal provisions and generally accepted good governance recommendations, based upon business transparency and mutual trust with its Stakeholders.

   The Company shall incorporate into its corporate governance practices the application of the basic rules that characterise the Rule of Law, linked to the principles of legality and legal certainty.

b) In relation to the separation of duties and decentralised management within the organisation: the Company strictly respects the legal and functional separation of regulated companies and the autonomy that the other companies of the SP Group must have, and complies with the provisions of the *Foundations for the Definition and Coordination of the Iberdrola Group*. For this purpose, it relies on specific mechanisms and procedures to prevent, identify and resolve situations involving conflicts of interest and the separation of powers, whether specific or structural and ongoing.

c) In relation to transparency: the Company's Governance and Sustainability System entrusts to the Board of Directors the highest-level supervision of the financial and non- financial information approved by the Company and remitted to Iberdrola, S.A. for consolidation and publication, and the Company shall endeavour to ensure that such information is truthful, adequate, relevant, correct, complete, clear, reliable and useful.

   In this regard, the provisions of the *Iberdrola Group Financial and Non-Financial Information Preparation Policy* (as approved by the Board of Directors of Iberdrola, S.A.) will be taken into account.

d) In relation to taxes: the Company's tax strategy is based on three fundamental

pillars, i.e. compliance with tax obligations, ongoing cooperation with the tax authorities, and transparency. Furthermore, the Company shall endeavour to ensure an appropriate coordination of the tax practices followed by the companies of the SP Group, all within the framework of fulfilling the corporate interest and supporting a long-term business strategy that avoids tax risks and inefficiencies in the implementation of business decisions.

e) In relation to the internal audit and risk function: the Company has its own Internal Audit and Risk Department, which carries out its responsibilities under the principles of coordination, collaboration and information with the Internal Audit and Risk Department of Iberdrola, S.A. and with the management or functions of the Company's head of business companies. This aligns with the decentralised structure of the Iberdrola Group and the corresponding independence and separation of the responsibilities of each of the companies that make up the Iberdrola Group.

f) In relation to regulatory compliance and ethics: the Company endeavours to ensure compliance with applicable legal provisions and its Governance and Sustainability System, as well as the ethical principles, promotes a preventive culture based on the principle of "zero tolerance" towards improper conduct and acts that are illegal or contrary to law or its Governance and Sustainability System, on the one hand, and on the other the application of ethical principles and principles of responsible behaviour that must govern the conduct of its directors, professionals and suppliers.

It is for this reason that the Company has its own effective, autonomous, independent and robust Compliance System consisting of a structured set of rules, formal procedures and substantive actions intended to ensure that the Company acts in accordance with ethical principles, the law and internal rules (particularly its Governance and Sustainability System), to contribute to the full realisation of the *Purpose and Values of the Iberdrola Group* and the corporate interest, and to prevent, manage and mitigate the risk of regulatory and ethical breaches that may be committed by the directors, professionals or suppliers thereof within the organisation.

The Compliance Unit, a collective permanent and internal body linked to the Company's Audit and Compliance Committee, is responsible for proactively and autonomously endeavouring to ensure the implementation and effectiveness of said Compliance System. It has the broadest powers, budgetary autonomy and independence of action to meet its goals.

The Company's Compliance Unit exercise their powers under principles of coordination, cooperation and information sharing with the Compliance Unit of Iberdrola, S.A.. as well as with the compliance units and functions of its subsidiaries, particularly complying with the provisions in relation to the decentralisation of the effective management of the businesses and the

corresponding individualisation and separation of the responsibilities of each of the companies comprising the SP Group.

4. Corporate and Governance Structure and Business Model of the Iberdrola Group

The Board of Directors, the body with the broadest powers to administer the Company, focuses its activity on the approval of the strategic objectives with projection in the United Kingdom based on the general objectives at Iberdrola Group level approved by the Board of Directors of Iberdrola, S.A., as well as in the development of organisation, coordination and supervision with attention to the characteristics, needs and particularities in the United Kingdom and in the businesses developed by the head of business companies of the SP Group.

In relation to the corporate and governance structure of the Iberdrola Group, which is defined in the *Foundations for the Definition and Coordination of the Iberdrola Group*, the Company's Board of Directors has the following powers in any event:

a) Disseminate, implement and ensure within the head of business companies of the SP Group, the monitoring of strategies and general guidelines established by Iberdrola, S.A., taking into account in this regard the characteristics and singularities of the territories within its scope of action, as well as of the businesses developed by the head of business companies of the SP Group and respecting their autonomy to carry out the effective management and ordinary management of their businesses, as well as their responsibility for the ordinary control of the same.

b) To approve the consolidated annual budget of the Company and its subsidiaries, directly or indirectly, taking into account their budgetary forecasts and in accordance with the budgetary bases of Iberdrola, S.A..

c) To promote and supervise, as subholding company in the United Kingdom, the strategy relating to relations with its respective Stakeholders, in accordance with *Ethical and Basic Principles of Governance and Sustainability of the Iberdrola Group*, approving in particular the framework for collaboration with the ScottishPower Foundation for the promotion and implementation of activities related to sustainable development policies in the United Kingdom.

d) To establish along with Iberdrola, S.A., the mechanisms allowing for the exchange of information between the Company and its head of business companies required for strategic coordination at the SP Group level in the interest of all the companies in the SP Group, without undermining the autonomy of the Company and the companies in which it holds an interest or the requirements imposed by law on the directors thereof.

e) Supervise the provision of common services to the head of business companies in which the Company has an interest stake, promoting and supervising contracts for the provision of intra-group services.

Within the framework of the SP Group's corporate and governance structure, the Company's Board of Directors promotes the creation and operation of committees providing support or advice to the management team.

The supporting committees, which are cross-functional and linked to strategic functions, strengthen the management bodies as centres that make effective decisions and support the Company's Board of Directors. These supporting committees linked to strategic functions have powers to supervise, manage and organise certain areas of action. They report functionally to the head of the corresponding management team member and shall maintain appropriate coordination with their counterpart committees of Iberdrola, S.A. and with the corresponding functions in their head of business companies.

Specifically, the Management Committee provides technical support to the Chief Executive Officer of the Company with regard to the activities of the Company and the SP Group and the proper discharge of his responsibilities and executive authority in connection thereto.

The aforementioned governance structure of the Company, in accordance with the *Foundations for the definition and coordination of the Iberdrola Group*, pursues an adequate coordination of the activity of the different companies that make up the SP Group and the integration of the SP Group's corporate and business areas with the Iberdrola Group's Business Model.

This Model is aimed at maximizing the operational efficiency of the different corporate and business areas of the Iberdrola Group, and guarantees the dissemination, implementation and monitoring of the general strategy and the basic management guidelines established for each of them. These objectives are achieved without prejudice to the corporate autonomy of the Company and its head of business companies.

5. Structure of the Board of Directors and Checks and Balances

5.1. Composition

The Board of Directors is composed by a minimum of three and a maximum of ten directors, where there will be a significant presence of directors classified as external who, in view of their personal and professional conditions, can carry out the duties thereof without being constrained by relationships with the Company, with any other company of the Group, or with the directors, significant shareholders or members of management thereof

5.2 Positions on the Board of Directors

a) Chairman of the Board of Directors

The Chairman of the Board of Directors shall exercise the powers given to him in

accordance with the law and the Company's Governance and Sustainability System and, in particular, the following: to convene and chair the meetings of the Board of Directors, setting the agenda for the meetings and directing the discussions and deliberations, to stimulate debate and the active participation of the directors during the meetings, safeguarding their independence.

The Board of Directors may elect a deputy chairman from its ranks, on the proposal of the Chairman. In the event that the Board of Directors has elected a vice chair, he or she shall temporarily replace the Chairman of the Board of Directors in the event of absence. In the event that there is no vice chair, the Directors present may choose one of their number to be chair of any meeting in the absence of the Chairman.

b) Executive Director

The Chief Executive Officer is responsible for the day-to-day management of the businesses of the SP Group's companies as the person with overall responsibility for all of them, with the highest executive duties in this area, within the framework of the corporate and governance structure defined in the *Foundations for the Definition and Coordination of the Iberdrola Group*. The Chief Executive Officer also reinforces and facilitates the exercise of the powers vested in the Chairman of the Board of Directors, to whom the Chief Executive Officer reports.

It is the responsibility of the Chief Executive Officer of the Company, appointed by its Board of Directors, to promote the concrete implementation of the general strategies and basic guidelines of the Iberdrola Group and, in particular, of the *Ethical and Basic Principles of Governance and Sustainability of the Iberdrola Group*, within the SP Group, proposing the objectives and the annual budget and being able to represent the Company before governmental and other relevant authorities in coordination, where appropriate, with the executive directors of the head of business companies of the SP Group, as well as performing such other functions as determined by the Board of Directors, always acting under the supervision of the latter.

The Chief Executive Officer also reports to the Board of Directors and regularly submits management reports thereto, presenting any proposed decisions regarding the matters within their purview.

For the proper exercise of his functions and in order to ensure strategic coordination, and subject always to any provision regarding the separation of the regulated businesses, the Chief Executive Officer may receive information from the CEOs of the head of business companies of the SP Group, who organisationally report to their boards of directors.

c) Secretary of the Board of Directors

The secretary of the Board of Directors endeavours to ensure, by advising on, the

formal and substantive legality of the actions of the Board of Directors, as well as the coordination among the secretaries of the committees of the Board of Directors in all matters relating to the Governance and Sustainability System and to compliance with it.

5.3 Committees of the Board of Directors

The Board of Directors shall have at least an Executive Committee and an Audit and Compliance Committee. The composition, powers and operation of these committees are governed by their respective regulations, which are approved by the Board of Directors.

The Executive Committee is a basic corporate governance instrument of the Company, the primary function thereof being to support the Board of Directors in supervising the implementation of the strategy defined thereby, ensuring the continuous implementation thereof throughout the year.

The chair of the Executive Committee informs the Board of Directors of the matters dealt with and the resolutions adopted at the first meeting of the Board held after the meetings of the Executive Committee.

The Audit and Compliance Committee shall be composed of a minimum of three (3) directors appointed by the Board of Directors, with a majority of the directors being classified as external.

5.4 Meetings of the Board of Directors and its committees

The directors must personally attend the meetings held by the Board of Directors and the committees of which they are members and, if unable to attend in person, they must give a proxy to another director, together with appropriate instructions.

As regards the means for attending meetings, the Company shall promote the use of new technologies by the Board of Directors and its committees, which constitute a fundamental element for the efficient performance of their duties, and have the tools required to allow for the holding of meetings of its corporate decision-making bodies by remote means of communication.

Annex I to this *Policy* sets out the specific rules that must be met to use remote communication systems to hold meetings of the Board of Directors and of the committees thereof.

5.5 Checks and balances system

The structure of the Board of Directors, with relevant presence of external directors, the existence of consultative committees and the corporate and governance structure and the Iberdrola Group's Business Model described above articulate a system of checks and balances ensuring that the decision-making power of the Chief Executive Officer

and the Executive Committee is subject to appropriate controls and balances, ensuring that they are under the effective supervision of the Board of Directors.

Along the same lines, the corporate and governance structure of the SP Group itself is designed such that management power is not centralised within a single governance body or a single person, but rather is decentralised among the boards of directors of the head of business companies, the Company's main function being the development in the United Kingdom of the strategic definition, organisation, coordination and supervision of the SP Group.

6. Implementation and Monitoring

For the implementation and monitoring of the provisions of this *Policy*, the Board of Directors is assisted by the Office of the Secretary of the Board of Directors, which shall further develop the procedures required for such purpose.

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This *Policy* was last amended by the Board of Directors of Scottish Power Limited on 8 July 2026 and adopted by the Board of Directors of Scottish Power Energy Networks Holdings Limited on 22 September 2026.

ANNEX I

Specific Rules regarding the Use of Remote Communication Systems to Hold Meetings of the Board of Directors and of the Committees thereof, security and IT privacy

Rule One. Forms of Holding Meetings

1. Meetings of the Board of Directors and of the committees thereof shall be held in person at the place indicated in the call to meeting.

2. If so decided by the chair of the decision-making body in question on an exceptional basis, a meeting may be called to be held at several connected places or on-line by using remote communication systems that permit the recognition and identification of the attendees, permanent communication among them and participation in discussion and the casting of votes, all in real time, which meeting shall be deemed, where appropriate, to be held at the registered office. The directors in attendance at any of such interconnected places shall be deemed for all purposes to have attended the same meeting.

3. The call to meetings to be held at several places connected among themselves shall prioritise the use of rooms available at facilities of the Iberdrola Group's companies and the use of systems in the following order of priority: telepresence, video-conference and conference calls.

Rule Two. Attendance at Meetings by Remote Communication Systems

1. On an exceptional basis, based on the circumstances in each case, the chair of the decision-making body in question may authorise the attendance at the meeting of one or more directors by using remote connection systems that permit the recognition and identification thereof, permanent communication with the place where the meeting is held, and their participation therein and the casting of votes, all in real time.

2. For this purpose, efforts shall be made for the director who must attend a meeting using remote communication systems to connect from a room available at the facilities of the Iberdrola Group's companies.

3. If this is not possible or appropriate, the chair of the decision-making body in question may authorise the connection from other locations using devices provided by the Company (computer, tablet or mobile phone), giving priority to the use of video-conference systems, and allowing telephonic means (without image) on an exceptional basis.

4. The chair of the decision-making body in question may approve the use of other access systems on justified grounds, provided that this does not endanger the confidentiality or security of the meeting.

5. These instructions must be observed for the attendance of guests at meetings of the Board of Directors and of the committees thereof.

Rule Three. Confidentiality

1. If the attendance of directors or guests at any meeting of the Board of Directors or of the committees thereof does not take place at the facilities of the Group's companies, the attendees shall be responsible for taking the measures necessary to ensure the confidentiality and security of the meeting.

2. For this purpose, they must connect from a private, closed and silent room that ensures the confidentiality of the deliberations, resolutions and materials used at the meeting and without the presence of third parties.

Rule Four. Identification of Attendees

1. The secretary for the meeting shall be responsible for identifying the remote attendees at the beginning of the meeting and, in the case of guests, when they connect. If the secretary connects remotely, the chair of the meeting shall be responsible for the identification thereof.

2. If there are reasonable concerns regarding the identity of an attendee at the meeting, the chair may decide that they must leave the meeting.

Rule Five. Conduct of the Meeting

1. In the interests of good order and conduct of the meetings held using remote communications systems, the attendees (whether directors or guests) must observe the measures indicated by the chair of the decision-making body, including, by way of example and not limitation, the disconnection of calls placed on hold or muting the microphones of the devices from which they are connecting.

2. Meetings at which remote communications systems are used may not be subject to any type of recording, storage, broadcast or dissemination.

3. If a director attending remotely must leave the meeting during deliberations or voting on a matter, the director must disconnect from the meeting. The secretary for the meeting must verify the disconnection and record it in the minutes.

4. The secretary for the meeting shall be responsible for verifying that guests attending meetings remotely do so at the portion of the meeting decided by the chair.

5. The chair of the meeting may suspend or end the meeting at any time due to technical incidents that prevent the proper conduct thereof or endanger the confidentiality of the deliberations, the resolutions or the materials used.

6. If a technical incident definitively prevents the connection of the chair of the meeting with the other attendees, the meeting shall automatically be deemed to have ended. The secretary shall record this in the minutes, and no additional resolution or action shall be required. In other instances, the chair of the meeting shall be responsible for deciding whether to continue with or to suspend the meeting.

Rule Six. Compliance with Rules

Prior to connecting to any of the meetings of the Board of Directors or of the committees thereof (or immediately after connecting, if not possible beforehand), the attendees (whether directors or guests) must confirm that they are aware of and undertake to comply with the rules described above.

Rule Seven. IT Security and Privacy Rules

The following mandatory rules and limitations are established on the use by the directors of the software and on-line systems, applications and elements relating to the performance of their duties, and particularly on accessing the directors' website and information regarding the Iberdrola Group, as well as on participating in meetings of the Board of Directors or of the committees thereof:

a) Directors must follow the instructions established and communicated to them by the Company concerning access, security, operation and use of the hardware and software, including computer programs, access to websites, applications and mobile communication devices.

b) Before using private data transmission devices to access the Company's systems and applications, they must inform the Office of the Secretary of the Board of Directors and comply with the security and privacy protocols established by the Company.

c) At the meetings of the Board of Directors and of the committees thereof, as well as at any other meeting in which the directors of the Company participate in their capacity as directors, they must observe the security and privacy protocols established by the Company, which may contemplate that mobile telephones and data transmission devices in general are to be switched off during the entire duration of such meetings, as well as restrictions on receiving or making calls or connections during the meetings.

The Company shall respect and protect the privacy of directors' communications and data in the use of the software and on-line systems, applications and elements it makes available to them.

Rule eight. Interpretation

The Chairman of the Board of Directors shall be responsible for the final interpretation of these rules. Without prejudice to the foregoing, if any issues arise regarding the interpretation hereof which must be resolved during the meeting and the Chairman of the Board of Directors is not in attendance because it is a meeting of another decision-making body, they shall be resolved by the person chairing the meeting, and in the absence thereof, by the secretary of the decision-making body in question.

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SCOTTISHPOWER SUSTAINABLE DEVELOPMENT POLICY

8 July 2026

The Board of Directors of Scottish Power Limited (the "**Company**") has the power to design, assess and continuously revise the Company's Governance and Sustainability System, and specifically to approve and update policies, which contain the guidelines governing the conduct of the Company, and furthermore, to the extent applicable, inform the policies that the companies belonging to the group of which the Company is the controlling entity, within the meaning established by law (the "**SP Group**"), decide to approve in the exercise of their autonomy.

In exercising these powers, within the framework of legal provisions, the *Articles of Association* and the *Purpose and Values of the Iberdrola Group*, as well as the Company's sustainable development strategy, the Board of Directors hereby approves this *ScottishPower Sustainable Development Policy* (the "***Policy***"), which respects, further develops and adapts the *Ethical and Basic Principles of Governance and Sustainability of the Iberdrola Group* with respect to the SP Group.

1. Scope of Application

This *Policy* applies to the Company. Without prejudice to the foregoing, it includes basic principles that, in the area of respect for human rights, complement those contained in the *Ethical and Basic Principles of Governance and Sustainability of the Iberdrola Group* and, to this extent, must inform the conduct and standards-setting implemented by the other companies of the SP Group in this area in the exercise of their powers and in accordance with their autonomy.

To the extent applicable, these Principles must also inform the conduct of the foundations linked to the SP Group.

For companies that do not form part of the SP Group but in which the Company holds an interest, as well as for joint ventures, temporary joint ventures (*uniones temporales de empresa*) and other entities in which it assumes management, the Company shall also promote the alignment of its regulations with the sustainable development strategy and with the basic principles regarding sustainability contained in this *Policy*.

2. Purpose

The purpose of this *Policy* is to structure the foundations that must govern the Company's sustainable development strategy to encourage all the corporate activities and businesses of the SP Group's companies to be carried out while fostering the sustainable creation of value for the shareholders and taking into account the other Stakeholders related to their

business activities and institutional realities, equitably compensating all groups that contribute to the success of their respective business enterprises, and promoting the values of sustainability, integration and dynamism.

The principles and foundations set forth in this *Policy* are further developed and specified for the Company in terms of its impacts on its Stakeholders, as well as in specific policies that make up its Governance and Sustainability System and address certain needs and expectations thereof.

3. Sustainable Development Strategy

The fulfilment of the corporate interest, as defined in the *Introduction* to the Company's Governance and Sustainability System, requires a focus on the creation of comprehensive (economic, environmental, social and governance) and sustainable value through the performance of the activities included in the corporate object.

The Company's Board of Directors has further developed this strategy, focused on the sustainable creation of value, providing a quality service through the supply of electricity from renewable, environmentally-friendly sources, staying alert to the opportunities offered by the knowledge economy and encouraging the supply of accessible, efficient, competitive and clean energy, as well as promoting environmental performance.

In this regard, the Company drives real and global energy electrification through the development of sustainable energy generated from renewable sources, working together with Iberdrola's people, communities, supply chain and customers in line with the provisions of the Governance and Sustainability System and specifically the *ScottishPower Policy on Respect for Human Rights* and the due diligence systems in that area.

For the stated purposes, the Company innovates, makes new investments and promotes more efficient, sustainable and clean technologies, fosters growth and develops talent and the technical and human capacities of its professionals, works for the safety of people and the supply of energy, and labours to build a successful business enterprise together with all of the participants in its value chain, sharing the achievements with its Stakeholders.

3.1 Objectives of the sustainable development strategy

The sustainable development strategy particularly endeavours to ensure the achievement of the following objectives:

a) Promote compliance with the purpose, i.e. *to continue building together each day a healthier, more accessible energy model, based on electricity*, and promote the three corporate values, i.e. sustainable energy, integrating force and driving force.

b) Cause its Stakeholders to participate in the success of the Company's business enterprise, through the social dividend generated.

c) Favour the achievement of strategic goals at the SP Group level in order to offer a safe, reliable and high-quality supply of energy that is respectful of the environment.

d) Improve the competitiveness at the SP Group level through the assumption of management practices based on innovation.

e) Promote information and communication in the various communities in which the companies of the SP Group do business, taking into account the particularities of the various groups that are present, so that they are thought of as an ideal place for the development of professional relationships based on a sense of belonging, equal opportunities and non-discrimination, productivity, profitability, efficiency and sustainability.

f) Responsibly manage the risks and opportunities deriving from changes in the surroundings, and maximise the positive impacts of their activities in the various territories in which the companies of the SP Group operate and avoid and minimise the negative impacts, to the extent possible, avoiding short-term approaches or those that do not sufficiently take into account the interests of its respective Stakeholders, as well as implementing remedial measures.

g) Encourage a culture of ethical behaviour that increases business transparency in order to generate credibility and trust within the respective Stakeholders and in the various communities in which the SP Group's companies do business.

h) Promote relationships based on trust with the Stakeholders, providing a balanced and inclusive response to all of them, particularly emphasising the involvement of local communities to glean their viewpoints and expectations regarding significant potential issues, and thus be able to take them into consideration, on the one hand, and to understand and manage the impacts that the activities of the SP Group's companies have on their respective Stakeholders, on the other; and

i) Contribute to the recognition of the SP Group's companies and the improvement of their reputation.

3.2 Implementation and supervision of the Iberdrola Group-level sustainable development strategy

The implementation and supervision of the Iberdrola Group-level sustainable development strategy is the responsibility of the various companies of the Iberdrola Group, including the Company, in accordance with their corporate and governance structure defined in the *Foundations for the Definition and Coordination of the Iberdrola*

Group and in the other rules of their respective governance and sustainability systems, and it is particularly put into practice through committees that assume responsibility in the area of sustainable development and reputation, while respecting the principles of subsidiarity and decentralised management.

Specifically, the Company's Sustainability Committee has an advisory, informative and co-ordinating role regarding: the SP Group's compliance with the sustainable policies and guidelines adopted by the Company; the SP Group's strategy and reporting among the companies of the SP Group in relation to sustainable development; and responses of the SP Group to any requests of the Corporate Sustainable Development Committee of Iberdrola, S.A.

4. Social Dividend

The Company is an international leader and is the first integrated energy utility in the UK to have 100% of its generation of electricity derived from renewable energy sources.

It contributes, to the benefit of all its Stakeholders, with the social dividend generated through its activities, including its tax contribution, and with the development of its corporate object in accordance with the principles set forth in its transparency and good governance, human and social capital, natural capital, sustainable value chain, risk, corporate control and compliance policies, to the stimulation of society, both from an economic viewpoint as well as from different perspectives: business ethics, promotion of equality of opportunity, respect for human rights, protection of vulnerable groups, encouragement of innovation and efficiency, caring for and protecting nature, universal access to energy supply and water, climate action and the generation of high-quality employment based on merit and equal opportunity, the recruitment of talent, and a sense of belonging, among other measures of well-being. Through all of the above, it favours a more resilient economic system, based on locally sourced, secure, competitive and clean renewable electricity.

The SP Group's companies generate their social dividend by carrying out their respective business activities, which are the main source for the creation of value for their Stakeholders, prioritising cleaner, more autonomous and safer energy and promoting measures to protect vulnerable groups, with specific partnerships, sponsorships and activities focusing on social content, either directly or in collaboration with the ScottishPower Foundation, and generally with a global institutional strategy linked to business ethics, open to their Stakeholders, favouring the engagement thereof as well as the design and regular execution of plans for raising awareness regarding various issues that promote sustainable development.

The measurement of the social dividend encompasses the principal positive direct, indirect and induced impacts, both present and future, generated by the activities of the SP Group's companies, consistent with their link to the long-term creation of shared sustainable value for their shareholders and taking into account their other Stakeholders.

5. Main Principles of Conduct with respect to the Creation of Shared Sustainable Value

Set forth below is a description of the main principles of conduct followed by the Company in the implementation of its activities, with respect to various aspects of sustainable development common to all of its Stakeholders, and which represent its link to the social dividend generated.

The principles of conduct that the Company adopts and promotes in relation to the creation of shared sustainable value are summarised as follows:

a) Develop a business model based on environmental, social and economically sustainable guidelines.

b) Establish instruments to strengthen the competitiveness of the energy products supplied, through efficiency in energy generation, storage, transmission, distribution and sale processes, and pay special attention to the excellent management of processes and resources.

c) Implement measures tending to attain a high quality of service and the safe and reliable supply of energy products.

d) Promote the reduction of the environmental impact of all of its activities, striving to promote a rational and sustainable use of water, confront climate change through the development of clean energy, prevent or if applicable minimise impacts on biodiversity, polluting emissions and the effects thereof, as well as improve the circularity of its activities and those of its value chain.

e) Advance the responsible use of energy and the sustainable use of natural resources, promoting the minimisation of impacts caused by its activities, in line with the provisions of its natural capital policies, and public awareness regarding the efficient consumption of products and services.

f) Strengthen the social dimension of its activities and, specifically, respect for human rights, in order to, among other issues, improve the quality of life of the people in the communities in which it does business, promoting universal access to energy supply, paying special attention to customers who are economically disadvantaged or in any other situation of vulnerability.

6. Main Principles of Conduct with respect to Transparency

Transparency is one of the hallmarks of the identity of the Company and one of the fundamental goals of its communication strategy. It is fundamental to build trust and credibility in the relationships of the Company with its Stakeholders.

The Company adopts and promotes the following principles of conduct in relation to transparency:

a) Disseminate truthful, sufficient, relevant, correct, complete, clear, reliable and useful information on its performance and significant activities.

b) Endeavour to ensure honesty in the communication of information both within the Group's boundary and externally, and not disseminate or deliver information that is incorrect, disorganised or may be confusing for its recipients.

c) Endeavour to ensure respect for the principle of equal treatment in the dissemination of information.

d) Obtain information from third parties in accordance with applicable legal provisions.

e) Promote transparency through the preparation and annual publication of the financial and non-financial information of the Company and, if applicable, that of its subsidiaries, following generally accepted methodologies for the non-financial information and submitting the information to independent external assurance.

f) Publish the information required by applicable legal provisions other than as stated in the preceding section, or voluntarily assumed by the Company.

g) Facilitate information regarding the taxes that it pays in the countries and territories in which it does business.

h) Endeavour to ensure that the principles of informational transparency and collaboration inform the relationships maintained with the media.

7. Main Principles of Conduct with respect to Sustainable Event Management

The Company adopts and promotes the following principles of conduct in relation to sustainable event management:

a) Direct its management at achieving objectives that generate positive impacts in terms of sustainability, and particularly in aspects related to human and social capital, natural capital and the sustainable value chain.

b) Promote the engagement of its affected Stakeholders, taking into account their needs and expectations.

c) Favour the contribution of the participants in its value chain.

d) Foster the implementation of sustainable management systems for events where it

is advisable due to their importance and complexity, prepared taking into account these principles and those established in the *Ethical and Basic Principles of Governance and Sustainability of the Iberdrola Group*.

e) Comply with the guidelines established in the *Iberdrola Group Events Manual* that are applicable for each event.

8. Main Principles of Conduct with respect to Corporate Volunteerism

The Company may develop corporate volunteering programmes and campaigns that promote the participation of their professionals in community service actions, the goal of which is to put into practice the provisions of the *Purpose and Values of the Iberdrola Group* and this *Policy* as regards improving the quality of life of people, looking after the environment and sustainable development, as well as universal access to energy and the elimination of hunger, including collection campaigns that seek to respond to social needs.

The Company will be guided by the following main principles of conduct in the implementation of the aforementioned campaigns and volunteering programmes:

a) Contribute to social development and community service (solidarity).

b) Improve the labour climate.

c) Contribute to the ethical training of professionals, channelling their spirit of community service.

d) Promote the values of participation, commitment, responsibility and teamwork.

9. Implementation and Monitoring

For the implementation and monitoring of the provisions of this *Policy*, the Board of Directors is assisted by the Climate Change and Sustainable Development Team of the CEO Office (or such division as assumes the powers thereof at any time), which shall further develop the procedures required for such purpose.

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This This *Policy* was last amended by the Board of Directors of Scottish Power Limited on 8 July 2026 and adopted by the Board of Directors of Scottish Power Energy Networks Holdings Limited on 22 September 2026.

SCOTTISHPOWER STAKEHOLDER ENGAGEMENT POLICY

6 May 2025

The Board of Directors of Scottish Power Limited (the "**Company**") has the power to design, assess and continuously revise the Company's Governance and Sustainability System, and specifically to approve and update policies, which contain the guidelines governing the conduct of the Company, and furthermore, to the extent applicable, inform the policies that the companies belonging to the group of which the Company is the controlling entity, within the meaning established by law (the "**SP Group**"), decide to approve in the exercise of their autonomy.

The *Articles of Association*, the *Purpose and Values of the Iberdrola Group*, the *Ethical and Basic Principles of Governance and Sustainability of the Iberdrola Group*, the *ScottishPower Sustainable Development Policy* and the Company's other policies express the Company's commitment to the sustainable creation of shared long-term value with its shareholders, as well as taking into consideration its other Stakeholders related to its business activity and its institutional reality.

It is not possible to achieve the social interest and develop a responsible and sustainable business model without the strong engagement in its business enterprise of the Company's Stakeholders, which are defined as those groups and entities whose decisions and opinions have an influence thereon and who, at the same time, are affected by its activities.

The Company assumes the commitment to involve all its Stakeholders in the social dividend generated by its activities, whether directly or in cooperation with the ScottishPower Foundation.

The Company's Stakeholders have a leading role in its corporate reputation, which is understood as the set of perceptions regarding a company. These perceptions are quite important, as they determine the decisions of the Stakeholders to invest, purchase and make recommendations, all of which directly affect the long-term sustainability of a company.

In exercising these powers and within the framework of legal provisions, the *Articles of Association* and the *Purpose and Values of the Iberdrola Group*, the Board of Directors hereby approves this *ScottishPower Stakeholder Engagement Policy* (the "***Policy***"), which respects, further develops and adapts the *Ethical and Basic Principles of Governance and Sustainability of the Iberdrola Group* with respect to the Company.

This *Policy* supplements and further develops the *ScottishPower Corporate Reputation Policy*. Furthermore, proper management by the Company of its Stakeholder engagement makes a decisive contribution to the achievement of the purpose of the *ScottishPower Policy on Respect for Human Rights*.

1. Scope of Application

This *Policy* applies to the Company. Without prejudice to the foregoing, it includes basic principles that, in the area of Stakeholder engagement, complement those contained in the *Ethical and Basic Principles of Governance and Sustainability of the Iberdrola Group* and, to this extent, must inform the conduct and standards-setting implemented by the other companies of the SP Group in this area in the exercise of their powers and in accordance with their autonomy.

To the extent applicable, these principles must also inform the conduct of the foundations linked to the SP Group.

For companies that do not form part of the SP Group but in which the Company holds an interest, as well as for joint ventures, temporary joint ventures (*uniones temporales de empresa*) and other entities in which it assumes management, the Company shall also promote the alignment of its regulations with the basic principles regarding Stakeholder engagement contained in this *Policy*.

2. Purpose

The purpose of this *Policy* is to establish the general framework for the Company's Stakeholder engagement within the course of its activities and operations, in order to continue, promote and increase, to the extent possible:

a) the engagement of its Stakeholders in the Company's business enterprise, through the creation of shared sustainable value for all of them;

b) the response to the legitimate interests of the Stakeholders with which it interacts;

c) trust among its Stakeholders, in order to build close, long-lasting, stable and robust relationships;

d) recognition by its Stakeholders of its commitment to fostering a diverse and inclusive work environment where the dignity of professionals is respected and where everyone can give their best; and

e) through all of the foregoing, the preservation of its corporate reputation.

For the aforementioned purposes, the Company will proactively manage engagement through the *Global Stakeholder Engagement Model of the Iberdrola Group* (the "***Global Engagement Model***"), so that its conduct and behaviour conform to the expectations of its Stakeholders.

The Company's Board of Directors may approve other policies aimed at specific Stakeholders.

3. The Company's Stakeholders

The value chain made up of the activities carried out by the Company means that its Stakeholders are quite numerous. Therefore, for purposes of this *Policy*, the Stakeholders are grouped into the following categories:

- The SP Group's people.
- Iberdrola, S.A., its shareholders and the financial community.
- Customers.
- Communities.
- Supply chain.
- The environment.

These Stakeholders are in turn divided into other categories, the Sub-stakeholders, made up of various groups and entities, which allows the management of the relationships to be adjusted to specific and local realities, needs and expectations, paying special attention to communities in situations of vulnerability.

4. Main Principles of Conduct

Set forth below is a description of the main principles of conduct common to all of the Company's Stakeholders, which are intended to engage and establish relations of trust with them:

a) Responsibility: act responsibly and build relationships based on ethics, integrity, sustainable development and respect for human rights and those of the communities affected by its various activities.

b) Transparency: seek transparency in relationships, and in financial and non-financial communications by means of clear and responsible communication, sharing truthful, sufficient, relevant, correct, complete, clear, reliable and useful information.

c) Active listening: practice active listening, promoting the effective communication by the Company with its Stakeholders and vice-versa, as well as direct, fluid, constructive, diverse, inclusive and intercultural dialogue.

d) Participation and engagement: encourage the participation and engagement of the Stakeholders in the activities of the SP Group's companies, promoting voluntary consultation processes or other similar channels of interaction at the SP Group level.

e) Consensus: work in directions compatible with consensus with the Stakeholders, taking into consideration their viewpoints and expectations.

f) Collaboration: promote collaboration with the Stakeholders, in order to contribute to compliance with the *Purpose and Values of the Iberdrola Group* and the *Ethical and Basic Principles of Governance and Sustainability of the Iberdrola Group*.

g) Continuous improvement: seek continuous improvement, regularly reviewing Stakeholder engagement mechanisms to ensure that they respond in the most efficient way possible to the needs of each moment.

The foregoing principles shall be supplemented by the provisions of law and the Governance and Sustainability System.

The Company shall establish and disseminate communication channels to involve its Stakeholders in its activities, as well as to strengthen their engagement, accessibility and identification therewith. These channels may be general, such as the corporate website, social media, digital applications and consultation procedures, or specific, for interaction with a particular Stakeholder.

5. Monitoring of the Stakeholder Engagement Strategy

From the corporate governance standpoint, the Board of Directors is vested with the power to approve and supervise the overall strategy on engagement with the Stakeholders of the SP Group's companies, endeavouring to ensure the proper coordination thereof.

In order to do so, the Corporate Affairs Division (or such division as assumes the powers thereof at any time) promotes and coordinates the actions necessary to comply with this *Policy* and the *Global Engagement Model*, which has the purpose of ensuring that Stakeholder engagement is managed and documented in accordance with a common methodology, respecting the particularities of each business, and that suitable channels and mechanisms are available for an appropriate relationship, as well as to promote best practices in this area.

6. Implementation and Monitoring

For the implementation and monitoring of the provisions of this *Policy*, the Board of Directors is assisted by the Corporate Affairs Division (or such division as assumes the powers thereof at any time), which shall further develop the procedures required for such purpose.

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This *Policy* was approved by the Board of Directors of Scottish Power Limited on 6 May 2025 and adopted by the Board of Directors of Scottish Power Energy Networks Holdings Limited on 24 June 2025.

SCOTTISHPOWER CORPORATE TAX POLICY

8 July 2026

The Board of Directors of Scottish Power Limited (the "**Company**") has the power, within its purview, to design, assess and continuously revise the Company's Governance and Sustainability System, and specifically to approve and update policies, which contain the guidelines governing the conduct of the Company, and furthermore, to the extent applicable, inform the policies that the companies belonging to the group of which the Company is the controlling entity, within the meaning established by law (the "**SP Group**"), decide to approve in the exercise of their autonomy.

The Board of Directors of the Company is also responsible for further developing and implementing in the United Kingdom the tax strategy approved by the Board of Directors of Iberdrola, S.A. ("**Iberdrola**"), as the holding company of the group of companies of which Iberdrola, S.A. is the controlling entity, within the meaning established by law (the "**Iberdrola Group**").

In exercising these powers within the framework of legal provisions, the Company's *Articles of Association* and the *Purpose and Values of the Iberdrola Group*, as well as the Company's sustainable development strategy, the Board of Directors hereby approves this *ScottishPower Corporate Tax Policy* (the "**Policy**"), which respects, further develops and adapts the *Ethical and Basic Principles of Governance and Sustainability of the Iberdrola Group* with respect to the Company.

1. Scope of Application

This *Policy* applies to the Company. Without prejudice to the foregoing, it includes basic principles that, in the tax area, complement those contained in the *Ethical and Basic Principles of Governance and Sustainability of the Iberdrola Group* and, to this extent, must inform the conduct and standards-setting implemented by the other companies of the SP Group in this area in the exercise of their powers and in accordance with their autonomy.

To the extent applicable, these principles must also inform the conduct of the foundations linked to the SP Group.

For companies that do not form part of the SP Group but in which the Company holds an interest, as well as for joint ventures, temporary joint ventures (*uniones temporales de empresas*) and other entities in which it assumes management, the Company shall also promote the alignment of its regulations with the basic principles regarding tax contained in this *Policy*.

2. Purpose

The purpose of this *Policy* is to establish the Company's tax strategy as the Iberdrola Group´s subholding company in the United Kingdom, based on excellence and a

commitment to the application of good tax practices within the framework of the corporate and governance structure of the SP Group.

The tax strategy is based on three fundamental pillars: compliance with tax obligations, ongoing cooperation with the tax authorities, and transparency. Furthermore, the Company shall endeavour to ensure an appropriate coordination of the tax practices followed by the companies of the SP Group, all within the framework of fulfilling the corporate interest and supporting a long-term business strategy that avoids tax risks and inefficiencies in the implementation of business decisions.

To that end, the Company takes into account legitimate interests, including public interests, that converge in its business. In this regard, the taxes that the companies of the SP Group pay in the countries and territories in which they do business are their main contribution to the funding of public purpose needs and, accordingly, one of their main contributions to society.

3. Main Principles of Conduct

The Company's compliance with its tax obligations and its relations with the tax authorities shall be governed by the *Ethical and Basic Principles of Governance and Sustainability of the Iberdrola Group* and also by the following main principles of conduct:

a) Endeavour to ensure compliance with tax rules in the various countries and territories in which the companies of the SP Group operate, paying all taxes due in accordance with the legal system.

b) Make decisions on tax matters based on a reasonable interpretation of applicable legal provisions, taking into account both the literal wording thereof and their purpose and underlying spirit, and in close relationship to their activities.

c) Prevent and reduce significant tax risks, ensuring that taxes bear an appropriate relationship to the structure and location of activities, human and material resources, and business risks.

d) Strengthen a relationship with the tax authorities that is governed by the principles of lawfulness, transparency, fidelity, reliability, professionalism, cooperation, reciprocity and good faith, without prejudice to the legitimate disputes that, observing the aforementioned principles of conduct established in this section of the *Policy* and in the defence of the corporate interest, may arise with such authorities.

e) Provide information to the management decision-making bodies on the main tax implications of the transactions or matters submitted to it for approval, when they are a significant factor in making a decision.

4. Good Tax Practices

In application of the main principles of conduct established in the preceding section of this *Policy*, the Company adopts and promotes the following good tax practices:

a) Not to use artificial structures unrelated to its business for the sole purpose of reducing its tax burden or, in particular, enter into transactions with related entities solely to erode the taxable basis or to shift profits to low-tax jurisdictions, while ensuring that profits are reported and taxed in the place where the corresponding economic activity is generated.

b) Avoid opaque structures for tax purposes, which are understood as structures calculated to prevent knowledge by the competent tax authorities of the party ultimately responsible for the activities or of the ultimate owner of the assets or rights involved.

c) Not to directly or indirectly create or acquire companies resident in countries or territories that the United Kingdom or Spanish legal provisions deem to be tax havens or that are included in the EU blacklist of non-cooperative jurisdictions, with the sole exception of those cases in which it is forced to do so because there is an indirect acquisition in which the company in question is part of a group of companies that are being acquired, in which case the provisions of the *Procedure for the Creation of or Acquisition of Equity Interests in Special Purpose Entities or Entities Domiciled in Tax Havens* approved by the Board of Directors of Iberdrola, S.A. must be taken into account.

   This procedure shall also apply in the case of creation or acquisition of entities residing in countries or territories not considered to be tax havens under the United Kingdom or Spanish legal provisions but included in the EU grey list of non-cooperative jurisdictions and with which the United Kingdom and Spain has not signed a treaty for the avoidance of double taxation.

d) Cooperate with the competent tax authorities in the detection of and search for solutions for fraudulent tax practices of which the Company is aware that may be used in the markets in which the companies of the SP Group have a presence.

e) Provide significant tax-related information and documents that may be requested by the competent tax authorities in the exercise of their powers, as soon as practicable and with the required scope.

f) Notify the appropriate body of the tax authority and sufficiently discuss therewith all significant issues of fact of which it has notice, in order to commence the appropriate investigative proceedings, if any, and to promote agreements and

consents during the course of inspection proceedings, to the extent reasonably possible and without impairing good corporate management.

g) Make available the reporting channels established in legal provisions to facilitate the reporting of conduct that may involve the commission of an improper act or an act contrary to law or the Company's Governance and Sustainability System, particularly including the provisions of the *Ethical and Basic Principles of Governance and Sustainability of the Iberdrola Group* and of the *ScottishPower Code of Conduct and Disciplinary Rules* and the *ScottishPower Code of Conduct for Suppliers* and, as a result, conduct in the tax area.

In Spain, Iberdrola has adhered to the *Code of Good Tax Practices* approved on 20 July 2010 by the full Forum of Large Businesses (*Foro de Grandes Empresas*) established on 10 July 2009 at the behest of the National Tax Administration Agency (*Agencia Estatal de administración tributaria*) (the "***Code of Good Tax Practices***").

Without prejudice to any revision of this *Policy* by the Company's Board of Directors within the framework of ongoing improvement and updating of the Company's Governance and Sustainability System, the Company's commitment concerning compliance with, further development, and implementation of the *Code of Good Tax Practices* shall extend to any other good tax practices that stem from the recommendations of the *Code of Good Tax Practices* in effect at any time, even if not expressly set forth in this *Policy.*

The Company is also committed to compliance with the *OECD Guidelines for Multinational Enterprises* in the area of taxation.

5. Implementation of the Tax Strategy

The Board of Directors of the Company has the power to further develop and implement in the United Kingdom the global tax strategy established by the Board of Directors of Iberdrola, S.A., as the holding company of the Iberdrola Group in accordance with the corporate and governance structure defined in the Company's Governance and Sustainability System, and particularly in the *Foundations for the Definition and Coordination of the Iberdrola Group*, and is put into practice respecting the principles of subsidiarity and decentralised management. In this regard:

a) The head of business or country companies of the SP Group shall report to the Company on an annual basis regarding the level of compliance with the tax strategy that has been established at the Iberdrola Group level. In turn, the Audit and Compliance Committee of the Company shall report to Iberdrola's Audit and Risk Supervision Committee on the level of compliance with the aforementioned tax strategy.

b) The Company assumes its own responsibilities with respect to compliance with tax obligations and in relation to the implementation in its countries, territories and businesses of the global tax strategy that is established at the Iberdrola Group level, respecting the principles and good tax practices established in sections 3 and 4 of this *Policy,* and assuming the responsibilities of supervising, organising and coordinating compliance, in the territories, countries and businesses in which it operates, with the standards that must be followed in the application of those taxes that, due to the nature thereof, affect more than one company of the SP Group.

The foregoing provision shall be without prejudice to the corporate autonomy of each of the companies of the SP Group or to their own responsibility in complying with their tax obligations while observing the principles and good tax practices set forth in sections 3 and 4 of this *Policy*.

6. Transparency

Without prejudice to applicable legal provisions and the provisions established in the preceding section 5 of this *Policy*, the management decision-making body of each company of the SP Group shall be responsible for ensuring that the information such company provides to comply with the tax obligations of the tax group to which it belongs complies with applicable tax provisions.

7. Implementation and Monitoring

For the implementation and monitoring of the provisions of this *Policy*, the Board of Directors is assisted by the Company's Tax Division (or such division as assumes the powers thereof at any time), which shall coordinate with the Company's Compliance Unit to proactively and independently endeavour to ensure compliance with the principles and good tax practices established in sections 3 and 4 of this *Policy*.

The Company's Audit and Compliance Committee shall, in accordance with the provisions of its regulations, provide the Board of Directors with annual information on the Company's level of compliance with this *Policy* in each financial year.

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This *Policy* was last amended by the Board of Directors of Scottish Power Limited on 8 July 2026 and adopted by the Board of Directors of Scottish Power Energy Networks Holdings Limited on 22 September 2026.

POLITICAL ENGAGEMENT POLICY

2024

ScottishPower Political Engagement Policy

Policy Objective

The Political Engagement Policy (the "**Policy**") regulates what ScottishPower staff must do before engaging with politicians and their advisers and what to do following any unplanned contact as part of their day-to-day activities.

This Policy was first approved on 29 May 2018 and amendments may be approved from time to time by the Board of Directors of Scottish Power Limited (the "**Company**") as part of its Governance and Sustainability System. It applies to all subsidiaries and investees of the Company's group of companies ("**ScottishPower**"), including ScottishPower employees, contractors, suppliers agents and other parties instructed by or acting on behalf of ScottishPower (in general, its "**representatives**"), on any business dealings and transactions in the United Kingdom ("**UK**"), the Republic of Ireland ("**ROI**") and in any other countries or jurisdictions in which ScottishPower, affiliate entities administered by it, or its representatives may operate, in relation to the matters set out in this Policy.

The ScottishPower Government Affairs team within Corporate Affairs is responsible for the oversight of the Political Engagement Policy. The Director of Government Affairs is the Senior Officer responsible for the day-to-day operation this policy.

Key Political Engagement Principles

ScottishPower is committed to the following key political engagement principles:

- Transparency and openness.
- Remaining political neutral.
- A consistent professional and coordinated approach.
- Providing a clear single point of contact for parliamentarians and their staff.
- Good stakeholder engagement practice.
- Full compliance of all existing Group anti-bribery policies.
- Maintaining a publicly available register of contact with politicians.

Lobbying – Authorisation, Implementation and Monitoring

Political Engagement

including for:

- In-person or online meetings.
- Telephone calls.
- Attending events such as roundtables or receptions where politicians are known to be present including political party conferences or other party events in a professional capacity.
- Direct correspondence including letters, emails and other forms of electronic communication.

All political engagement must be authorised and logged in advance via this ***online form*** and by emailing the Government Affairs team via **govaffairs@scottishpower.com**

This should include information about who initiated the contact, when any invitation came to you, and where and when the engagement is taking place. This information is required to ensure the Company is fully compliant with the ScottishPower Policy on Anti-Bribery and Corruption and to ensure the Scottish or ROI Lobbying Registers are updated within timeframes in line with the Scottish and ROI legislation ("**Relevant Lobbying Legislation**"), a summary of which is noted below.

On occasions of any chance meetings or contact initiated by a parliamentarian, government minister, adviser or other staff, you must alert the Government Affairs team at the earliest opportunity to advise of this contact. This includes any conversations outside the UK and ROI.

POLITICAL PAYMENTS & DONATIONS

ScottishPower is a politically neutral organisation and its group companies are subject to the Political Parties, Elections and Referendums Act 2000, which defines political "donations" and "expenditure" in wider terms than would be commonly understood by these phrases. This includes payment for attending party conferences, party fundraisers, sponsorship of receptions or any other political party event, insofar as such occasions provide an important opportunity for ScottishPower to represent its views on a non-partisan basis to politicians from across the political spectrum and are open to everyone, including party members, non-governmental organisations, the media, and trade unions. The payments do not indicate support for any particular party.

No payment from the Company may be made to a political party or politician without the prior written consent of the Director of Government Affairs and clearance under the internal Sponsorships, Donations and Collaboration Agreements request process.

Correspondence

In order to provide parliamentarians with a dedicated single point of contact with ScottishPower, all correspondence should be sent via the Government Affairs mailbox, unless there are specific circumstances such as direct correspondence from the Chief Executive Officer (CEO) of the Company. This includes all emails and letters to ministerial private offices, Special Advisers and the parliamentary or constituency offices of parliamentarians.

Compliance

Failure to comply with this Policy implies a breach of the key political engagement principles (defined above), could also constitute a breach of the Iberdrola Code of Ethics, the ScottishPower Anti-bribery and Corruption Policy, and the ScottishPower Code of Conduct and Disciplinary Rules, and potentially a breach of the Relevant Lobbying Legislation.

The consequences for ScottishPower could be severe including a fine, serious reputational damage, and loss of investor confidence.

Having regard to similar or potential schemes being implemented elsewhere in the UK and ROI, this policy applies to any and all engagement with UK, Scottish, Welsh, Northern Irish and ROI government ministers; Members of the UK Parliament (MPs); Members of the Scottish Parliament (MSPs); Members of the Welsh Senedd (MSs); Members of the Legislative Assembly in Northern Ireland (MLAs); Teachta Dálas (TDs) and Senators in the ROI, Members of European Parliament (MEPs) for constituencies in the ROI; political advisers and staff.

Relevant Lobbying Legislation

Lobbying (Scotland) Act 2016

The Scottish Parliament passed legislation in 2016 to create a register of "regulated" lobbying, designed to improve transparency of lobbying contact between organisations and:

- Members of the Scottish Parliament (MSPs).
- Members of the Scottish Government.
- The Permanent Secretary of the Scottish Government.
- Scottish Government Special Advisers.

There are three tiers of compliance with the Act:

- The Lobbying Registrar can issue an Information Notice to anyone reported to have been engaged in regulated lobbying where this has not been registered.
- The Commissioner for Ethical Standards in Public Life in Scotland can investigate complaints about non-compliance with the Act and submit a report to Parliament

upon conclusion of an investigation. Ultimately, the Parliament could then censure the subject of the Commissioner's report.

- Non-compliance could also result in criminal prosecution and the application of penalties.

ROI Regulation of Lobbying Act 2015

The Regulation of Lobby Act 2015 came into effect on 1 September 2015 with amendments (The Regulation of Lobbying (Amendment) Act 2022) being passed into law on 22 June 2023.

This Act, and its regulations, captures engagement with the following "public officials":

- Ministers and Ministers of State.
- Teachta Dálas (TDs) and Senators.
- Members of European Parliament (MEPs) for constituencies in ROI.
- Members of local authorities.
- Special Advisers.
- Secretaries General and Assistant Secretaries in the Civil Service.
- Chief Executive Officers and Directors of Services in Local Authorities.

Enforcement provisions:

- The Standards Commission has authority to:
    - investigate possible relevant contraventions.
    - prosecute offences.
    - serve fixed payment notices to persons who are late submitting a return of lobbying activities.
    - Impose an administrative sanction. Such a sanction may be 'major sanction' or a 'minor sanction.
        - If you are prosecuted in the District Court and found guilty (summary conviction), you may be fined up to €2,500 (this is known as a Class C fine).
        - If you are prosecuted in the Circuit Criminal Court and found guilty (conviction on indictment), you may be fined and imprisoned for up to two years.
        - Administrative sanctions may be applied. For a relevant contravention under section 18 (f) (avoidance or circumvention of the person's obligations under the Act) or under section 22(1) (Not seeking a waiver of the cooling off period) a minor or a major sanction may be imposed. A Minor sanction will be advice, reprimand or

caution. A Major sanction will be a financial sanction not exceeding €25,000, a prohibition on the person from registering on the Register for no more than two years, and a prohibition on the person from making or having a return made for no more than two years.

Report a Concern

The Company is committed to countering the risk of ScottishPower being in breach of the Lobbying (Scotland) Act and the ROI Regulation of Lobbying Act 2015.

Any concerns relating to a breach of the Relevant Lobbying Legislation or of the wider Policy should be reported to the Government Affairs team at govaffairs@scottishpower.com

Alternatively, concerns related to a breach of this policy can also be reported through one of the following established Speaking Out routes:

Through the Ethics Helpline reporting tab	Available on the ScottishPower Employee Portal
Through People InTouch, our external third party Speaking Out service provider	Online at: http://www.speakupfeedback.eu/web/scottishpower/gb By calling: 0800-169-3502 ScottishPower Access Code (for both services): 45042

Further information and guidance

Cross-reference is made to the following relevant documents, which are available on the ScottishPower Compliance Unit intranet site:

- Iberdrola Code of Ethics
- ScottishPower Code of Conduct and Disciplinary Rules
- ScottishPower Anti-Bribery and Corruption Policy
- ScottishPower Business Separation Policy

Further external information and guidance are available as follows:

- The Scottish Parliament Lobbying Register website
- The Scottish Parliament Lobbying Code of Conduct website
- The Scottish Government Ministerial Code website
- The MSP Code of Conduct website
- Civil servants and Special Advisers are covered by the UK Civil Service Code website
- The ROI Register of Lobbying website

2. Human and Social Capital

1. ScottishPower Policy on Respect for Human Rights
2. ScottishPower Sustainable Human Capital Management and Anti-Harassment Policy
3. ScottishPower Modern Slavery Policy

Internal Use

SCOTTISHPOWER POLICY ON RESPECT FOR HUMAN RIGHTS

17 February 2026

The Board of Directors of Scottish Power Limited (the "**Company**") has the power to design, assess and continuously revise the Company's Governance and Sustainability System, and specifically to approve and update policies, which contain the guidelines governing the conduct of the Company, and furthermore, to the extent applicable, inform the policies that the companies belonging to the group of which the Company is the controlling entity, within the meaning established by law (the "**SP Group**"), decide to approve in the exercise of their autonomy.

In exercising these powers, within the framework of legal regulations, the *Articles of Association* and the *Purpose and Values of the Iberdrola Group*, and aware that the respect for human rights is a fundamental part on which the Company's Governance and Sustainability System is based, the Board of Directors hereby approves this *ScottishPower Policy on Respect for Human Rights* (the "***Policy***"), which respects, further develops and adapts the *Ethical and Basic Principles of Governance and Sustainability of the Iberdrola Group* with respect to the Company.

1. Scope of Application

This *Policy* applies to the Company. Without prejudice to the foregoing, it includes basic principles that, in the area of respect for human rights, complement those contained in the *Ethical and Basic Principles of Governance and Sustainability of the Iberdrola Group* and, to this extent, must inform the conduct and standards-setting implemented by the other companies of the SP Group in this area in the exercise of their powers and in accordance with their autonomy.

To the extent applicable, these Principles must also inform the conduct of the foundations linked to the SP Group.

For companies that do not form part of the SP Group but in which the Company holds an interest, as well as for joint ventures, temporary joint ventures (*uniones temporales de empresas*) and other entities in which it assumes management, the Company shall also promote the alignment of its regulations with the basic principles regarding respect for human rights contained in this *Policy*.

2. Purpose

The purpose of this *Policy* is to formalise the commitment of the Company to human rights recognised in applicable legal provisions and to define the main principles of conduct that shall be applied within the Company for due diligence in the area of human rights pursuant to applicable legal provisions and/or the United Nations (UN) *Guiding Principles on Business and Human Rights*, the *OECD Guidelines for Multinational Enterprises*, the principles underpinning the *United Nations Global Compact*, the *Tripartite Declaration of*

Principles Concerning Multinational Enterprises and *Social Policy*, the conventions of the International Labour Organization (including Convention 169), the *Universal Declaration of Human Rights*, the *United Nations Declaration on the Rights of Indigenous Peoples*, as well as such documents and texts as may replace or supplement those mentioned above, and with the *Ethical and Basic Principles of Governance and Sustainability of the Iberdrola Group.*

3. Main Principles of Conduct

The Company adopts and promotes the following principles in relation to human rights:

a) Identify the potential impacts on the human rights of affected communities and groups that the operations and activities carried out by the Company, its subsidiaries or its value chain may generate.

b) Have due diligence processes that identify situations and activities and manage above all those with a higher risk of violating human rights, in order to develop mechanisms for the prevention of such risk, as well as for mitigation and ultimately redress of the impacts if they occur.

c) Evaluate the effectiveness of the due diligence processes on a regular basis using monitoring indicators, with special attention on those facilities in which there might be a higher risk of violating human rights. This evaluation will rely on the internal control systems of the SP Group's companies.

d) Report the results of the evaluation of the effectiveness of the due diligence processes in the information that the Company periodically publishes and that is available on its corporate website.

e) Foster a culture of respect for human rights, applying a policy of zero tolerance for any threat or abuse, contributing to the creation of safe spaces for dialogue and respecting the peaceful leadership activities of defenders of human and environmental rights

f) Advance actions intended to promote training and awareness-raising in this field directed at the people of ScottishPower, the communities and the other Stakeholders of the Company.

g) Have in place reporting and grievance mechanisms, equipped with adequate guarantees and settlement procedures, in order to respond to potential violations of human rights. These mechanisms should be communicated both to the professionals and to external persons and organisations, their communities, legitimate representatives and professionals in their value chain. To this end, internal management and reporting procedures regarding the issues communicated shall be defined in order to allow for an evaluation of the due diligence processes.

   If a violation of human rights is detected at the facilities of the Company or at those of its suppliers, adopt as soon as possible any corrective measures that provide the affected persons with access to an effective remedy through legitimate processes and

active cooperation, and report to the competent government authorities if such violation may amount to an administrative, criminal or any other type of offence.

h) Monitor the adoption by the Company's business partners of measures similar to the main principles of conduct established in the above sections, which make it possible to offer corrective measures and effective redress mechanisms

4. Expectations in relation to Stakeholders

The Company recognises and adopts the universality, indivisibility and interdependence of human rights, as well as the need for the protection thereof in its relations with its Stakeholders, and particularly with ScottishPower's people, the supply chain, shareholders and the financial community.

As regards ScottishPower's people, the professionals of the Company must show strict respect for the human rights recognised under applicable legal provisions in the conduct of their activities in all countries in which they operate, and shall particularly endeavour to ensure compliance with this *Policy* and with the regulatory framework for human rights established at the SP Group level.

The Company expects all of its professionals to act as a first line of defence for human rights, reporting any potential impact thereon or breach of the Company's policies through the channels activated within the internal reporting system referred to in the *ScottishPower Internal Reporting and Whistleblower Protection System*.

On the other hand, the Company is aware that the supply chain is configured globally and that not all links in the supply chain have sufficient traceability mechanisms. Therefore, the Company shall continue to identify actions and opportunities to address the impacts and risks related human rights in its direct activities and shall and shall promote the identification thereof within the supply chain, in collaboration with its Stakeholders, through the corresponding due diligence process.

In particular, the Company believes that its suppliers are a key ally for compliance with this *Policy* and thus assume a shared responsibility therewith and must also show strict respect for the human rights recognised by applicable legal provisions and the highest international standards in carrying out their business activities. In this regard, suppliers shall respect the commitments regarding labour practices, health and safety, and the environment, as well as their other commitments regarding respect for human rights as set out in the *ScottishPower Code of Conduct and Disciplinary Rules* and the *ScottishPower Code of Conduct for Suppliers*.

In relation to shareholders and the financial community, and particularly in relation to investment partners with operational control over the Company's facilities, the alignment of their own policies with this *Policy* shall be promoted.

5. Group-level Coordination

The Sustainability Reporting Team of the CEO Office (or such division as assumes the

powers thereof at any time), through the Sustainability and Reputation Committee, shall coordinate with the Corporate Sustainability Division of Iberdrola, S.A. (or such division as assumes the powers thereof at any time) or the Sustainability and Reputation Committee of Iberdrola, S.A. regarding compliance with the provisions of the *Ethical and Basic Principles of Governance and Sustainability of the Iberdrola Group,* the *ScottishPower Code of Conduct and Disciplinary Rules* and the *ScottishPower Code of Conduct for Suppliers* regarding respect for human rights, as well as of this *Policy*.

Furthermore, the Sustainability Reporting Team of the CEO Office (or such division as assumes the powers thereof at any time), through the Sustainability and Reputation Committee, shall supervise and coordinate with the head of business companies of the SP Group to endeavour to ensure compliance with the provisions of the *Ethical and Basic Principles of Governance and Sustainability of the Iberdrola Group,* the *ScottishPower Code of Conduct and Disciplinary Rules* and the *ScottishPower Code of Conduct for Suppliers* regarding respect for human rights, as well as of this *Policy*, to the extent applicable thereto

6. Implementation and Monitoring

For the implementation and monitoring of the provisions of this *Policy*, the Board of Directors is assisted by the Sustainability Reporting Team of the CEO Office (or such division as assumes the powers thereof at any time), through the Sustainability and Reputation Committee, which shall establish a procedure for regular monitoring and reporting to the Board of Directors.

The Board of Directors, through the Sustainable Development Committee, shall receive regular information on the measures and procedures adopted by the companies of the SP Group to implement and monitor the provisions of the *Ethical and Basic Principles of Governance and Sustainability of the Iberdrola Group,* the *ScottishPower Code of Conduct and Disciplinary Rules* and the *ScottishPower Code of Conduct for Suppliers* regarding respect for human rights, as well as with the provisions of this *Policy*, which they have approved in accordance with their autonomy.

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This *Policy* was approved by the Board of Directors of Scottish Power Limited on 17 February 2026 and adopted by the Board of Directors of Scottish Power Energy Networks Holdings Limited on 13 April 2026.

SCOTTISHPOWER SUSTAINABLE HUMAN CAPITAL MANAGEMENT AND ANTI-HARASSMENT POLICY

6 May 2025

The Board of Directors of Scottish Power Limited (the "**Company**") has the power to design, assess and continuously revise the Company's Governance and Sustainability System, and specifically to approve and update policies, which contain the guidelines governing the conduct of the Company, and furthermore, to the extent applicable, inform the policies that the companies belonging to the group of which the Company is the controlling entity, within the meaning established by law (the "**SP Group**"), decide to approve in the exercise of their autonomy.

Human capital fundamentally determines the difference between competitive and efficient companies and those that are not, and between those that sustainably create value and those that gradually lose their capacity to generate long-term wealth and value. In this regard, the Company defines, designs and disseminates a model for the sustainable management of human capital that is at the forefront of best practices in the area.

In exercising these powers, within the framework of legal provisions, the *Articles of Association* and the *Purpose and Values of the Iberdrola Group,* and aware of the importance of the workforce as the main strategic asset and key element to achieve a successful business enterprise and comply with the purpose and values set forth in the Company's Governance and Sustainability System, the Board of Directors hereby approves this *ScottishPower Sustainable Human Capital Management and Anti-Harassment Policy* (the "***Policy***"), the content of which is consistent with the provisions of the *ScottishPower Policy on Respect for Human Rights* and which respects, further develops and adapts the *Ethical and Basic Principles of Governance and Sustainability of the Iberdrola Group* with respect to the Company.

1. Scope of Application

This *Policy* applies to the Company. Without prejudice to the foregoing, it includes basic principles that, in the area of sustainable human capital management, complement those contained in the *Ethical and Basic Principles of Governance and Sustainability of the Iberdrola Group* and, to this extent, must inform the conduct and standards-setting of the other companies of the SP Group in this area in the exercise of their powers and in accordance with their autonomy.

To the extent applicable, these principles must also inform the conduct of the foundations linked to the SP Group.

For companies that do not form part of the SP Group but in which the Company holds an interest, as well as for joint ventures, temporary joint ventures (*uniones temporales de empresas*) and other entities in which it assumes management, the Company shall also promote the alignment of its regulations with the basic principles regarding the sustainable management of human capital contained in this *Policy*.

2. Purpose

The purpose of this *Policy* is to define, establish and disseminate a model for the sustainable management of human capital that makes it possible to ensure equal opportunity and non-discrimination, promote a multi-layered, diverse, inclusive and non-discriminatory professional environment that is respectful of people and promotes training and performance, prevents harassment, recruits, selects, manages, promotes and retains the best talent, encourages merit, uses the intellectual capital that constitutes a basic pillar for the creation and protection of value, and fosters a balance between personal and professional life, which will drive the professional and personal development thereof and result in a better experience for personnel and greater creativity and productivity, contributing to the achievement of business objectives for all of the foregoing reasons.

The Company shall involve its professionals in the successful business enterprise that it develops and leads, offering them the opportunity to have a high-quality and stable job position in an appropriate environment, and with a work climate that is consistent with the principles of dignity, mutual respect, confidentiality, cooperation and trust, which generates motivation, which will promote the professional and personal development of the workforce and contribute to maximising performance and the creation of long-term value, and to greater creativity and productivity, thus contributing to the achievement of business objectives and to economic and social development.

The consolidation of the workforce shall be promoted with stable and quality jobs, appropriate salaries, competitive remuneration systems at the forefront of the market and the best practices in this area, professional development based on merits, standards and performance evaluations, a broad offer of training, and respect for private life and digital disconnection.

The management of human resources and capital, as well as professional relations, must be informed by compliance with applicable legal provisions, respect for the human and labour rights recognised therein, the eradication of conduct contrary to the values of the Company and to the ethics-based culture thereof, as well as by the alignment of the interests of the professionals with the strategic objectives established at the SP Group level.

3. Main Principles of Conduct

The principles established in this section promote the development of the standardised global framework for the processes of managing human, social and intellectual resources and capital and talent established at the Iberdrola Group level in the following areas: (i) the prevention of harassment; (ii) the promotion of a professional, multi-layered, diverse, inclusive and non-discriminatory environment; (iii) the selection and hiring of professionals; (iv) knowledge management; (v) performance and professional development evaluations; (vi) the remuneration system; (vii) balance between personal and professional life; (viii) respect for private life and digital disconnection; and (vii) the labour climate.

3.1 Main principles of conduct to prevent harassment

The Company makes a firm decision to prevent and combat harassment (defined as unwanted verbal or physical conduct of a moral or sexual nature that is intended to or has the effect of attacking the dignity of a person or creating an intimidatory, hostile, degrading, humiliating or offensive environment for such person) and for this reason the Company adopts and promotes the following main principles of conduct:

a) Foster a preventive culture as regards any expression of any form of workplace violence, intimidation or harassment, through dissemination, education and training activities that occur annually to promote up-to-date knowledge in this area and the establishment of specific programs that include measures of protection, support and information for victims.

b) Encourage leaders to set an example within their purviews, promoting a respectful professional environment.

c) Endeavour to ensure that the principle of zero tolerance towards any conduct that involves intimidation or harassment is effectively applied.

d) Implement solutions and measures to safeguard the well-being of the persons affected by this behaviour, endeavouring to ensure that there will be no retaliation and adopting the measures that are necessary, including such disciplinary measures as are deemed appropriate, if applicable.

e) Encourage the development and use of artificial intelligence systems in human capital processes in a way that promotes equality at the same time as eliminating biases and prejudice with discriminatory effects and permit adequate tracking and transparency and that users are aware that they are communicating or interacting with an artificial intelligence system, pursuant to the provisions of the *ScottishPower Policy on the Responsible Development and Use of Artificial Intelligence Tools.*

3.2 Main principles of conduct in relation to fostering a multi-layered, diverse, inclusive and non-discriminatory professional environment

The Company believes that fostering a multifaceted and diverse professional environment, where the workforce are respected and included (with the inclusion of professionals understood as the recognition and appreciation of the different perspectives that each individual can contribute, generating opportunities for people to develop their full potential and also fostering a sense of belonging that makes them feel valued and part of a group or community) and where non-discrimination (understood as any distinction, exclusion or preference based on race, colour, sex, religion, age, political opinion, national extraction or social origin that has the effect of nullifying or altering equal opportunity or treatment in the professional sphere) is promoted, constitute organisational values and competitive differentials. In order to foster them, the Company adopts and promotes the following main principles of conduct:

a) Endeavour to ensure non-discrimination among its professionals and positioning against any practice associated with prejudice on grounds of nationality, ethnic origin, skin colour, marital status, family responsibilities, religion, age, disability, social status, health, gender, sexual orientation, gender identity and expression, or any other condition or characteristic of a person that is not related to the requirements to perform their job.

b) Promote an organisational culture and management processes that enable its professionals to contribute their abilities, skills, knowledge and experience, regardless of any personal or social conditions or circumstances.

c) Encourage multifaceted and varied representation within the various decision-making bodies and levels, encouraging participation in consultative and decision-making areas on the basis of merit and professional achievements.

d) Strengthen respect and equality of career opportunities, both internally and externally.

e) Foster an inclusive culture based on respect and collaboration.

f) Promote physical and technological accessibility and support professionals with disabilities, encouraging the effective occupation thereof.

g) Facilitate the internal mobility and interaction of professionals to create networks and teams that take advantage of multiculturalism, skills, knowledge and experience.

h) Implement measures that foster integration and togetherness and increase pride in contributing to excellence and the creation of long-term value.

i) Promote a professional environment where the dignity of professionals is respected.

j) Propose measures to help minimise inequalities that arise, taking into account the abilities, skills, knowledge and experience of professionals.

k) Promote the legally recognised rights of freedom of association in order to preserve the choice of each person in their relationship with trade unions and the conduct of these organisations in the defence of their legitimate interests.

l) Protect pregnancy, childbirth and post-delivery as specific situations of the female group, endeavouring to ensure that this does not negatively affect their professional career, and facilitate co-parenting between women and men.

m) Include content in leadership programmes that encourages better decision-making in processes related to people management and contributes to advance towards the search for excellence, merit-based promotions and a more inclusive culture.

3.3 Main principles of conduct in relation to the selection and hiring of

professionals

The success of the business enterprise is critically dependent upon attracting, selecting and retaining the best talent in order to engage professionals with the behaviour reflected in the *Purpose and Values of the Iberdrola Group* and in the *Code of Conduct for Directors, Professionals and Suppliers* and to have a workforce that is capable, competent, qualified and motivated.

Along these lines, the Company adopts and promotes the following principles of conduct in this area:

a) Identify, include, motivate and retain the best talent.

b) Value and promote internal talent.

c) Endeavour to ensure that selection and hiring, whether managed internally or subcontracted to external entities, are carried out exclusively on the basis of merit and capability, including, during the entire process and at the final stage, all candidates meeting the knowledge, aptitudes, abilities and skills profile required for the various positions, promoting fair treatment during the process and keeping professionals with family or similar personal connections from holding posts directly reporting - either hierarchically or functionally - to the professionals with which they are connected.

d) Endeavour to ensure that selection and hiring processes are rigorous, objective and impartial, avoiding biases and barriers that prevent equal access to professional opportunities, promoting multifaceted and diverse representation in the composition of the interviewing panels, and in any event prioritising the hiring of the most qualified candidates, avoiding any interference in the selection processes.

e) Implement selection and hiring processes that endeavour to ensure that the candidates are persons who are respectable and competent, aligned with the provisions of the *Purpose and Values of the Iberdrola Group* and with the principles and guidelines assumed in the *Code of Conduct for Directors, Professionals and Suppliers*, and which permit the identification and rejection of those who lack the required competence in view of their personal record.

f) Endeavour to ensure that during the talent recruitment and selection process, candidates are provided with an experience that prioritises clear communication and frequent feedback in the development of an efficient process and a reliable infrastructure.

g) Facilitate the access of young people to their first job through scholarship programmes and other agreements.

h) Present candidates with a valuable, attractive and comprehensive professional offer, based upon competitive remuneration, a broad offering of professional training and

development, a healthy and safe work environment, contribution to the business enterprise, and measures that facilitate a balance between personal and professional life.

i) Promote hiring using stable contracts.

3.4 Main principles of conduct in relation to knowledge management

The intellectual capital of the Company depends to a large extent on all of the people that comprise it, but also depends on its operational and organisational structures and on internal and external relations with the Company's Stakeholders, as well as on the dissemination and knowledge thereof within the SP Group's boundary. Organisational and personal training must therefore be permanent and ongoing and must be in line with the strategy established at the SP Group level.

To disseminate knowledge and promote continuous learning and cultural exchange such that operational efficiency is increased, the Company adopts and promotes the following principles of conduct that enable it to truly and effectively exploit intellectual capital:

a) Align knowledge management with the competencies, skills and requirements set out in the strategy established at the SP Group level, such that an intelligent organisation is structured with the capacity for continuous learning, innovation and digital transformation.

b) Establish a line of work to constantly improve the initiatives and their application at all SP Group-level business units, putting in place the resources required to enable the development and internal dissemination thereof through communication, awareness-raising and training, as well as the efficient use thereof.

c) Identify the knowledge of each professional and make it accessible to others, thereby generating a multiplier effect.

d) Recognise the value of the existing knowledge within the SP Group, boosting its development and promoting the sharing and internal dissemination thereof and a business culture that encourages the dissemination of this knowledge.

e) Incentivise coexistence and the exchange of knowledge between different generations as a source of continuous enrichment and innovation.

f) Promote professional methods and environments that favour the sharing of ideas and knowledge.

g) Recognise different forms of knowledge.

h) Promote the education and training of all professionals in the knowledge and skills required for the proper performance of their work.

i) Preserve the financial value that knowledge and business information represent.

j) Respect the intellectual and industrial property rights of third parties in the management of knowledge.

3.5 Main principles of conduct in relation to performance and professional development evaluations

Evaluations of the professionals and communication of the results thereof to those evaluated are an essential aspect of their professional training. The Company adopts and promotes the following principles of conduct in this area:

a) Conduct annual performance evaluations based on objective criteria and on the suitability of professionals, on the basis of their individual and collective professional performance.

b) Communicate the results thereof to the employees evaluated, so as to favour their professional development and contribute to the creation of a feedback culture.

c) In the process of salary evaluation or review, avoid direct participation by staff who might have a conflict of interest with the professionals involved.

3.6 Main principles of conduct in relation to the remuneration system

The Company considers it a priority for the remuneration system to promote human capital as a factor differentiating it from its competitors. The following principles of conduct must guide the remuneration systems that the Company adopts and promotes:

a) Favour the attraction, hiring, retention and loyalty of the best professionals.

a) Promote homogenisation of working conditions and the benefits received by part-time and full-time professionals.

b) Promote the principle of equal pay for work of equal value in the establishment of working conditions, ensuring adequate and competitive wages, including, where applicable, a collection of benefits adapted to the various social and labour realities.

c) Maintain consistency between its strategic positioning and that of the Iberdrola Group and its objective of excellence, as well as the international and multicultural reality of the Iberdrola Group.

d) Recognise and remunerate the dedication, responsibility and performance of its professionals through the use of neutral and objective criteria related to merit, skill and the results obtained thereby.

e) Promote appropriate integration of the professional into their workgroup, establishing remuneration terms based on the responsibilities and other demands of the job position.

f) Position itself and remain at the forefront of the market.

3.7 Main principles of conduct in relation to the balance between personal and professional life

The Company encourages a balance between the personal and professional life of the members of the workforce through the following main principles of conduct, which it adopts and promotes:

a) Foster the organisation of working conditions and implement measures that promote respect for the personal and family life of professionals and facilitate the achievement of an optimal balance between the latter and professional responsibilities, particularly those related to flexibility of time and place of work.

b) Address, among other things, the situations of single, married, domestically partnered, divorced, separated, widowed and plurally cohabiting persons, with or without children, in situations of pre-adoption and adoption, and with any other particular family or emotional circumstances.

c) Favour the hiring of those suppliers that favour a balance between the personal and professional life of their personnel.

3.8 Main principles of conduct in relation to respect for private life and digital disconnection

The most recent organisational dynamics and the implementation of new technologies promote organisational efficiency, but at the same time can blur the limits between the time dedicated to work and private life.

In line with the foregoing, the Company adopts and promotes the following principles of conduct to promote the effective separation of the personal and professional areas and encourage its professionals to be able to fully develop their personal life in a way that is compatible with, and enriches, their professional activities, with a particular focus on disconnection from digital devices:

a) Promote appropriate digital disconnection guidelines intended to encourage respect for rest time and facilitate the full development of a professional's personal life outside working hours and with the least possible interference from their professional obligations, which should only occur when the need is justified.

b) Establish the standards for disconnection, which should take into account the specific situation of the different groups of professionals, particularly including: (i) those who must make themselves particularly available due to their high level of responsibility, their engagement in work covering territories in different time zones, or their state of preparedness to meet unpredictable needs, and (ii) those who engage in their work completely or predominantly from a distance, and particularly from their homes.

In this latter case, standards should be defined to ensure full respect for personal life and disconnection from professional responsibilities, without prejudice to the business powers to control work and the required flexibility in working hours.

These guidelines for disconnection should be appropriate, based on the responsibilities of the different workforce groups and should cover the multiple and varied digital communication and information instruments supplied to professionals for the performance of work, particularly mobile devices, computers and tablets enabled for remote work or that receive professional e-mails.

3.9 Main principles of conduct in relation to the labour climate

The Company shall promote a labour climate consistent with the principles of dignity, mutual respect, confidentiality, cooperation and trust, which generates motivation and fosters the well-being of the workforce, and shall make available to its professionals tools and protocols to minimise the possibility of burnout, work-related stress or anxiety, as well as means to enable them to generate resilience in the face of adversity, whether work-related or even those that come from the personal sphere.

Along these lines adopts and promotes the following principles of conduct:

a) Recognise that the work culture and environment contribute significantly to boosting the ability of professionals to make healthy lifestyle choices, as well as to raise their awareness of the importance of physical health in the personal and professional sphere.

b) Advocate for a healthy lifestyle that is not limited to preventing the occurrence of certain diseases, but promotes physical, mental and emotional well-being, encouraging professionals to regularly engage in physical activity and reduce sedentary practices.

c) Facilitate collaboration and interaction among the professionals of the SP Group's companies that stimulate the raising and discussion of initiatives and ideas.

d) Promote team-building actions aimed at generating a work environment that is consistent with the principles of dignity, mutual respect, confidentiality, cooperation and trust among professionals, improving existing links with the goal of creating a cohesive and motivated team.

e) Facilitate access to physical, mental and emotional health initiatives by promoting choices that improve collective health, providing access to healthy food choices, assisting in the process of avoiding bad habits and fostering motivating work environments.

4 Human Capital Management and Promotion

Human capital management and promotion are key aspects to improve the Company's position vis-à-vis its competitors.

Therefore, in the process of analysis and deliberation prior to the adoption of its resolutions, the Board of Directors generally gives special consideration to the impact that its decisions might have on the human capital management and promotion strategy.

The Company also works continuously to configure a value offering addressed to its professionals that favours the selection, hiring, promotion and retention of the best talent, and promotes and values internal talent.

One of the fundamental aspects of global human capital promotion and management is the encouragement of training, which the Company considers as a key element of professional qualification and development, and as a gateway to opportunities for promotion within the boundary of the SP Group.

5 Training Programmes and Plans

Implementation of training programmes and plans that support advanced professional training for the performance of the job, adjustment to technological and organisational changes, adjustment of the workforce to the Company's requirements and greater capacity for professional development. Additionally, they facilitate processes of knowledge refreshment and ongoing reconversion of skills, so that technologies, innovation and training make up an interactive triangle that operates to advance sustainable competitiveness at the SP Group level.

Training programmes and plans are supervised for effectiveness and must include aspects relating to respect for human rights, as well as foster a culture of ethical conduct, without exclusionary or discriminatory biases.

They must be comprehensive, such that the technical, social and human aspects are considered as a whole in order for professionals to develop in their work not only the best qualifications, but also the principles and values to be promoted with society at the SP Group level.

6 Instruments

The Company has the following instruments to promote the principles set forth in this *Policy*:

a) Applicable legal provisions, the rules established in the Governance and Sustainability System and other regulations and internal procedures that complement and further develop them. Particularly, the *Compliance Policy* and the *Internal Reporting and Whistleblower Protection System* for the principles set forth in section 3 above.

b) The procedures and guidelines to further develop this *Policy* approved by the People & Organisation Division (or such division as assumes the powers thereof at any time).

c) Collective bargaining agreements or equivalent agreements governing aspects

relating to human resources management, as well as the existing specific monitoring mechanisms.

d) Channels for communication and dialogue with the workforce, and particularly mixed subcommittees or committees involving the participation of professionals, professional climate or satisfaction surveys, meetings with members of senior management, specific meetings, the corporate website and the various intranets of the SP Group's companies.

e) International mobility programmes aligned with the Iberdrola Group's Business Model to favour the exchange of experiences and knowledge, professional development and the promotion of human capital, and the firm establishment of a Iberdrola Group-level culture.

f) Training programmes and plans that foster the development of intellectual capital and the promotion of professionals within the companies of the SP Group and the training and preparation of the workforce in the knowledge and skills required to properly carry out their work.

g) Dissemination, education and training activities related to the prevention of harassment and discrimination, developed with sufficient regularity to promote up-to-date knowledge in this area.

h) A specific programme for the training and monitoring of management personnel that favours internal promotion and ensures orderly succession in senior management positions and other key positions within the Company and the other companies of the SP Group.

i) Occupational risk prevention programmes and processes and a global workplace safety and health system based on defined standards applicable to all companies of the Iberdrola Group.

j) Guidelines and programmes to promote physical, mental and emotional well-being and a healthy, safe and pleasant working environment that fosters the personal and professional development of the workforce and addresses their global training concerns.

7 Implementation and Monitoring

For the implementation and monitoring of the provisions of this *Policy*, the Board of Directors is assisted by the Company's People & Organisation Division (or such division as assumes the powers thereof at any time), which shall prepare the guidelines and procedures for human capital management and promotion by the Company in accordance with the purpose and principles established in this *Policy*.

The People & Organisation Division (or such division as assumes the powers thereof at

any time) is responsible for the implementation of this *Policy* and the achievement of its objectives, and it shall establish a procedure for regular monitoring and reporting.

The Company's People & Organisation Division (or such division as assumes the powers thereof at any time) shall coordinate with the corresponding divisions of Iberdrola S.A..

To exercise its powers, the People & Organisation Division (or such division as assumes the powers thereof at any time) may create specialised committees in areas like the selection and hiring of professionals, training, remuneration systems and social-welfare benefits, which will act in coordination with any global committees created by the human resources division of Iberdrola S.A. (or such divisions as assume the powers thereof at any time).

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This *Policy* was approved by the Board of Directors of Scottish Power Limited on 6 May 2025 and adopted by the Board of Directors of Scottish Power Energy Networks Holdings Limited on 24 June 2025.

Policy on Modern Slavery

ScottishPower Compliance Unit

Prepared:	Reviewed:	Approved:
ScottishPower Compliance Unit	ScottishPower Chief Compliance Officer	Scottish Power Limited Board of Directors



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Version Control

Version	Author	Purpose	Date
1.0	SP Compliance Division	Final approved version	October 2022
1.1	SP Compliance Division	Annual review of content and update to Speaking Out options.	June 2023
2.0	SP Compliance Division	Final approved version.	July 2023
2.1	SP Compliance Unit	Annual review and update of content.	November 2024
3.0	SP Compliance Unit	Final approved version.	December 2024
3.1	SP Compliance Unit	Updated contact details for reporting a concern.	May 2025



1. Purpose

Modern Slavery is a crime and a violation of fundamental human rights. It takes various forms, but ultimately means the reduction of a person's freedom by another, in order to exploit them for personal or commercial gain. At ScottishPower (the "Company"), we are strongly opposed to any form of Modern Slavery in either our business or supply chain and believe it has no place in an ethical business model. We are committed to combatting such activity that is connected to our business.

As part of the Iberdrola Group (the "Group"), we maintain a number of policies that are designed to protect and strengthen human rights within the organisation. These policies form a hierarchy which commits ScottishPower and its suppliers to maintaining the standards of business ethics and human rights that are considered best practice, through establishing principles relating to:

- Delivering clear value for society through our activities.
- Recognizing human and labour rights commitments enshrined in international law.
- Encouraging ethical and responsible behaviour by employees.
- Requiring suppliers to adhere to the same principles of business ethics and human rights.

The ScottishPower Modern Slavery Policy (the "Policy") is designed to consolidate those principles and set out how they are applied within Scottish Power.

For ScottishPower employees, the Policy is accompanied by the ScottishPower Compliance & Ethics Manual, which provides further guidance for employees on key signs of potential risk for Modern Slavery and options for reporting of any suspected violations.

2. Scope

The Policy applies to all individuals working at all levels of the Company, including directors, officers, managers, employees (whether temporary or permanent), and contractors. It applies to all business dealings and transactions.

The Policy also supports the Group-wide Supplier Code of Ethics, to which all third parties working on the Company's behalf are expected to adhere. To that end, any third party working on the Company's behalf, including all relevant suppliers, contractors, and business partners, are expected to put in place appropriate measures to comply with the principles of this Policy.

The Policy extends to all types of Modern Slavery as defined in section 3 below, recognising that this could affect employees or workers across our supply chain.

3. Modern Slavery Defined

Modern Slavery is an overarching term used to describe slavery and forced labour in its various forms. In the United Kingdom it is a criminal offence. Victims of Modern Slavery could be trafficked for different types of exploitation including:



- Forced labour, where the person is coerced to work under a threat of some sort of punishment. This includes forced child labour.
- Bonded labour, where a person is required to work to repay a real or alleged debt.
- Slavery & servitude, where a person exercises (perceived) power of ownership over another. This includes domestic servitude, where a person is subject to the power of a family member or partner.
- Human trafficking, where a person arranges or helps to transport another person into a situation of exploitation.

4. Key Principles

ScottishPower is committed acting across our business to prevent Modern Slavery within our activities. We will:

- Undertake appropriate checks for all directly employed employees to ensure that they are eligible to work in the UK and have independent access to their relevant documents.
- Only work with an authorised agency to recruit temporary or indirectly employed workers. For these workers, we will ensure that they are also subject to appropriate and rigorous checks to ensure their security to work.
- Carry out appropriate risk assessment and due diligence on third parties and transactions in order to identify areas of risk in relation to Modern Slavery.
- Include appropriate human rights and modern slavery clauses within our contractual arrangements to ensure that human rights principles are embedded within our business operations.
- Avoid doing business with others who do not commit to having appropriate processes and controls in place to mitigate the risk of Modern Slavery within their business.
- Communicate Company-wide, with the aim of raising employees' awareness of ScottishPower's approach to Modern Slavery and the Modern Slavery Statement.
- Provide appropriate training to all employees on the risks of Modern Slavery, including targeted training as appropriate.
- Set out on an annual basis the practical steps that we have taken, and which we intend to take, in tackling Modern Slavery through the ScottishPower Modern Slavery Statement, in accordance with the requirements of the Modern Slavery Act 2015.

5. Control, Evaluation and Review

The ScottishPower Compliance Unit is responsible for this Policy and shall review the contents in accordance with the frequency set out in the Compliance Policy Management Framework. Such review shall aim to ensure that the Policy reflects the recommendations and best international practices in effect at that point in time. The ScottishPower Compliance Unit shall propose to the Scottish Power Limited Board those amendments and updates that contribute to the development and ongoing improvement of the policy.



This Policy was last approved by the Scottish Power Limited Board on 10 December 2024.

6. Further Information and Guidance

ScottishPower has adopted a number of policies which reflect our respect for human rights and our approach to fair and lawful labour practices. These policies are available at Governance and Sustainability System - ScottishPower:

- Policy on Respect for Human Rights.
- People Management Policy.
- Diversity and Inclusion and Anti-Harassment Policy.
- Selection and Hiring Policy.
- Sustainable Management Policy.

Further information can also be obtained from the UK Home Office Modern Slavery website at https://www.gov.uk/government/collections/modern-slavery

7. Reporting a Concern

It is the responsibility of all employees and third parties to report any perceived breaches of this Policy or any suspected incidences of Modern Slavery within our business activities. If you feel comfortable to do so, you can discuss your concern with your line manager in the first instance. You or your line manager should report any concerns relating to a breach of this policy in one of the following ways:

In person or by email to your Business Compliance Officer (BCO)	The ScottishPower Compliance Unit structure and contact details are available to employees on the ScottishPower Employee Portal (*here*)
Through the Ethics Helpline reporting tab	Available on the ScottishPower Employee Portal (*a guide for ScottishPower employees on How To Report can be found here*)
By email to the Compliance Unit mailbox	compliancedivision@scottishpower.com
Access our Speaking Out Channel on the ScottishPower website	Speaking Out Channel - ScottishPower https://www.scottishpower.com/pages/speaking_out_channel.aspx

In an active situation at a Company site which requires support, contact the Security Alarm Receiving Centre on 0141 614 6000.

In emergency where there could be imminent danger to someone's welfare, always call 999.

We aim to encourage openness and will support anyone who raises genuine concerns in good faith under this Policy, even if they turn out to be incorrect. We are committed to ensuring no one suffers any form of retaliation by reporting in good faith their suspicion that modern slavery, of whatever form, is or may be taking place in any part of our business or in any of our supply chains.

3. Natural Capital

1. ScottishPower Policy on Management and Protection of Environment and Nature
2. ScottishPower Climate Action Policy
3. ScottishPower Biodiversity Policy
4. ScottishPower Circular Economy Policy

SCOTTISHPOWER POLICY ON MANAGEMENT AND PROTECTION OF ENVIRONMENT AND NATURE

8 July 2026

The Board of Directors of Scottish Power Limited (the "**Company**") has the power to design, assess and continuously revise the Company's Governance and Sustainability System, and specifically to approve and update policies, which contain the guidelines governing the conduct of the Company, and furthermore, to the extent applicable, inform the policies that the companies belonging to the group of which the Company is the controlling entity, within the meaning established by law (the "**SP Group**"), decide to approve in the exercise of their autonomy.

In exercising these powers, within the framework of legal provisions, the *Articles of Association* and the *Purpose and Values of the Iberdrola Group*, and aware that leadership in the development of sustainable energy and respecting and protecting nature are pillars of the energy production model of the Iberdrola Group's companies, and of the sustainable creation of value, the Board of Directors hereby approves this *Policy on Management and Protection of Nature* (the "***Policy***"), which respects, further develops and adapts the *Ethical and Basic Principles of Governance and Sustainability of the Iberdrola Group* with respect to the Company.

This Policy is further developed as regards climate action, the protection of biodiversity and the circular economy through the *Climate Action Policy*, the *Biodiversity Policy* and the *Circular Economy Policy* respectively.

1. Scope of Application

This *Policy* applies to the Company. Without prejudice to the foregoing, it includes basic principles that, in the area of natural capital, complement those contained in the *Ethical and Basic Principles of Governance and Sustainability of the Iberdrola Group* and, to this extent, must inform the conduct and standards-setting implemented by the other companies of the SP Group in this area in the exercise of their powers and in accordance with their autonomy.

To the extent applicable, these principles must also inform the conduct of the foundations linked to the SP Group.

For companies that do not form part of the SP Group but in which the Company holds an interest, as well as for joint ventures, temporary joint ventures (*uniones temporales de empresas*) and other entities in which it assumes management, the Company shall also promote the alignment of its regulations with the basic principles regarding natural capital contained in this *Policy*.

2. Purpose

The purpose of this *Policy* is to establish a cutting-edge framework of reference for integrating the protection of nature and the environment within the Company's strategy, investments and operations, and to define the principles of conduct for the sustainable management of natural capital, protection of the environment and promotion of environmental sustainability. For this purpose, it is based on compliance with applicable environmental regulations and includes the best practices established in this area.

The Company considers respect for the environment to be a significant element for realising its vision of building an energy model in harmony with nature and with human beings. Along these lines, the Company maintains a leading position and reaffirms its strong commitment to the development of a sustainable energy model, based on electrification through the use of renewable energy sources and smart grids, efficiency, reduction in polluting emissions and digital transformation, in which respect for and the protection of the environment are integrated into all of its activities and processes.

Through the Iberdrola Group's Business Model and supported by a practice favouring transparent information and ongoing dialogue, the Company responds not only to ever more stringent regulatory requirements in relation to the preservation of the environment, but also to the expectations of its Stakeholders and the constant scrutiny of management by analysts, assessors and various societal players.

3. Main Principles of Conduct

The Company's commitment to the protection of nature encompasses the sustainable management of natural capital, protection of the environment, the prevention of pollution and the promotion of environmental sustainability.

In relation to the foregoing, the Company adopts and promotes the following main principles of conduct, which apply to all of its activities and businesses and are integrated within the internal decision-making processes:

a) Develop a sustainable business model that is positive for nature and natural capital, integrating the protection and fostering of biodiversity and improvement of the circularity of its activity and that of its value chain, as well as respect for natural heritage in the strategy to reduce the environmental impact of its activities.

b) Comply with environmental regulations and with the best practices established in this area.

c) Assume a leadership position in the conservation and protection of nature, generating a net positive impact whenever possible in partnership with its Stakeholders.

d) Address climate change by developing sustainable products and services from renewable energy sources, contribute to electrification, and optimise the use of energy within its value chain to the extent possible.

e) Use natural capital sustainably, in particular preventing and mitigating negative incidents related to the pollution of water by effluents or other sources, contamination of soil and air and noise emissions along the value chain, establishing the necessary control mechanisms to manage the effect thereof on people and the environment.

f) Promote and supervise the establishment of coordinated environmental management system mechanisms, as well as processes to identify, quantify and assess the natural capital-related impacts, dependencies, risks and opportunities of the Company's activities and its value chain (including the due diligence phase), continuously and during the life cycle of the facilities, considering the perspectives of its Stakeholders.

g) Encourage the engagement of its Stakeholders in its business enterprise pursuant to the provisions of the *Stakeholder Engagement Policy*, which contemplates, among other things, the sustainable creation of shared long-term value for all of them.

h) Raise awareness, train and involve its professionals, as well as the members of its value chain and other Stakeholders, in the principles of this *Policy.*

i) Manage environmental risks and impacts by establishing objectives, programmes and plans that promote the continual improvement of environmental processes and practices within the framework of the Group, establish monitoring, control and audit mechanisms and report transparently on environmental aspects, impacts, results and activities.

j) Continue to develop due diligence processes for natural capital-related incident, risk and opportunity management systems, following the mitigation and conservation hierarchy (avoid, minimise, restore and, as a last resort, compensate).

k) Continue to identify actions and opportunities to address the impacts and risks related to natural capital in its direct activities and promote the identification thereof in the value chain, in collaboration with its Stakeholders, through the implementation of the corresponding due diligence system and taking into account that current value chains are configured globally and that not all their links have sufficient traceability mechanisms.

4. Priority Lines of Action

To achieve its commitment to promote environmental sustainability and respect for nature, the Company defines the following three priority lines of action, which shall apply the main principles of conduct set out in this *Policy* and in the *Ethical and Basic Principles of Governance and Sustainability of the Iberdrola Group*: (i) climate action; (ii) protection of biodiversity; and (iii) circular economy.

5. Group-level Coordination

The Climate Change and Sustainable Development Team of the CEO Office (or such division as assumes the powers thereof at any time) shall coordinate with the Technology Division of Iberdrola, S.A. (or such division as assumes the powers thereof at any time) on the effective integration of the protection of nature and the environment within Iberdrola Group-level strategy.

Furthermore, the Climate Change and Sustainable Development Team of the CEO Office (or such division as assumes the powers thereof at any time) shall endeavour to ensure the effective integration of the protection of nature and the environment within the SP Group-level strategy, by supervising and coordinating with the head of business companies of the SP Group, further developing any necessary procedures for such purpose.

6. Implementation and Monitoring

For the implementation and monitoring of the provisions of this *Policy*, the Board of Directors is assisted by the Climate Change and Sustainable Development Team of the CEO Office (or such division as assumes the powers thereof at any time), through the Sustainability and Reputation Committee, for which purpose it shall establish the corresponding monitoring and reporting measures.

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This *Policy* was last amended by the Board of Directors of Scottish Power Limited on 8 July 2026 and adopted by the Board of Directors of Scottish Power Energy Networks Holdings Limited on 22 September 2026.

CLIMATE ACTION POLICY

17 February 2026

The Board of Directors of Scottish Power Limited (the "**Company**") has the power to design, assess and continuously revise the Company's Governance and Sustainability System, and specifically to approve and update policies, which contain the guidelines governing the conduct of the Company and the companies belonging to the group of which the Company is the controlling entity, within the meaning established by law (the "**SP Group**").

In exercising these powers, within the framework of legal regulations, the *Articles of Association* and the *Purpose and Values of the Iberdrola Group*, and aware of its commitment to the environment generally and to the fight against climate change, the Board of Directors hereby approves this *Climate Action Policy* (the "***Policy***"), which respects, further develops and adapts the *Ethical and Basic Principles of Governance and Sustainability of the Iberdrola Group* with respect to the SP Group.

Climate change is one of the most significant challenges currently facing humanity. Anthropogenic emissions of greenhouse gases, mainly from the use of fossil fuels and the use of land, have accelerated global warming in recent decades, the consequences of which are already visible. At the global level, efforts are aimed at keeping the global temperature increase for the remainder of the century below 2°C compared to pre-industrial levels and to continue efforts to further limit the temperature increase to as close to 1.5°C as possible.

The Company has included environmental performance and the fight against climate change as a cornerstone of its Governance and Sustainability System, which is inspired by the highest standards in climate governance. In this respect, the Company is aware of the potential contribution of its business activities to climate objectives, as well as of the need to have appropriate capacities and mechanisms in place in the area of adaptation to climate change.

Therefore, the Company undertakes to continue: (i) assuming a leadership role in the fight against climate change, directly and through the establishment of partnerships with other players; (ii) promoting a social culture aimed at raising awareness among all its Stakeholders of the magnitude of this challenge and the benefits associated with successfully responding to it, considering the impact of this phenomenon on the activities of the Group's companies; and (iii) contributing to a carbon-neutral and sustainable future, minimising the environmental impact of all their activities and promoting the adoption of all actions available thereto for this purpose, an effort that must be compatible with the achievement of the corporate interest.

The Company will also continue analysing and identifying specific actions in the fight against climate change that allow for detecting and exploiting the opportunities that might arise from a more electrified economy and also increase the ability to adapt, strengthen resiliency and reduce vulnerability to climate change in accordance with the goal established in the Paris Agreement.

1. Scope of Application

This *Policy* applies to all companies of the SP Group and, to the extent applicable, the foundations linked to the SP Group, within the limits established by law. Without prejudice to the foregoing, it includes basic principles that, in the area of natural capital, and particularly climate action, complement those contained in the *Ethical and Basic Principles of Governance and Sustainability of the Iberdrola Group*.

For companies that do not form part of the SP Group but in which the Company holds an interest, as well as for joint ventures, temporary joint ventures (*uniones temporales de empresa*) and other entities in which it assumes management, the Company shall also promote the alignment of its regulations with the basic principles regarding natural capital, and particularly climate action, contained in this *Policy*.

2. Purpose

The purpose of this *Policy* is to establish a framework for articulating the Group-level strategy and business model in a manner consistent with its commitment to the fight against climate change.

3. Main Principles of Conduct

To implement its commitment to climate action, the Company shall be guided by the following main principles of conduct, which shall be gradually applied in all its activities and businesses:

a) Contribute to the Iberdrola Group's mitigation targets following the provisions of the Iberdrola Group's *Climate Action Plan*.

b) Integrate climate change into internal strategic planning and decision-making processes, as well as into the analysis, management and reporting of long-term risks, taking into account the requirements of Climate-related financial disclosures for companies, large private companies and limited liability partnerships (LLPs).

c) Identify, quantify and assess the climate change-related impacts, dependencies, risks and opportunities of the Company's activities and its value chain, progressively and continuously throughout the life cycle of the facilities, considering the perspectives of its stakeholders.

d) Promote innovation in more efficient and less greenhouse gas-intensive technologies and gradually introduce them in the facilities of the Group's companies.

e) Involve all Stakeholders in the Company's contribution to the regular update of the Iberdrola Group's *Climate Action Plan* through cooperative communication based on the sustainable creation of value for all of them, in accordance with the provisions of the *Stakeholder Engagement Policy*.

f) Include the implementation of the Iberdrola Group's *Climate Action Plan* among the parameters that may be considered in the Company's remuneration systems;

g) Contribute to raising social awareness about the phenomenon of climate change, its consequences and solutions, as well as the need to act quickly, through actions focused on generating knowledge and mobilising and promoting climate action, given that it is a threat to people and communities, all in line with the commitment made by all of the Group's companies to respect the right of the communities in which they do business to a clean, healthy and sustainable environment, as set out in the *Ethical and Basic Principles of Governance and Sustainability of the Iberdrola Group.*

h) Promote internal awareness and training for their professionals and subcontracted personnel regarding climate change.

i) Promote the supply chain's awareness of climate change and value and incentivise the adoption of practices consistent with those of the Company in this area, and particularly with regard to reducing their carbon footprint.

j) Publicly support and lead the main global milestones and multilateral processes on climate change, adopting positions consistent with the Company's objectives and with the natural capital policies of its Governance and Sustainability System.

k) Encourage regulatory developments and private sector participation in issues related to the energy transition and its connections to the environment, competitiveness and industrial development at the global level.

l) Integrate climate action within the SP Group-level environmental management system, along with the circular economy and biodiversity, in order to evaluate, analyse, manage and reduce risks regarding natural capital, as well as to improve the management of resources and optimise investments and costs, incorporating all relevant climate variables.

m) Foster a culture that promotes the efficient and responsible use of energy and encourages behaviours supporting such responsible use, engaging the Stakeholders of the Company for this purpose. In particular, employees of ScottishPower will be encouraged to contribute in their daily work to the achievement of the targets set in the fight against climate change.

n) Promote research and the development of methodologies for the evaluation and design of adaptation measures, and implement appropriate measures to mitigate the impacts of climate change on the production of energy from renewable sources, integrating climate science into the setting of objectives and internal procedures.

o) Continue to develop due diligence processes for climate-related incident, risk and opportunity management systems following the Iberdrola Group's *Climate Action Plan*.

p) Continue identifying actions and opportunities to address the impacts and risks related to climate change in their direct activities and promote the identification thereof in the value chain, in collaboration with their stakeholders, through the implementation of the corresponding due diligence system and taking into account that current value chains are configured globally and that not all their links have sufficient traceability mechanisms.

4. Priority Lines of Action

The Company shall promote the following priority lines of action to develop the main principles of conduct set out in this *Policy*:

a) Contribute to the updating of the Iberdrola Group's *Climate Action Plan*.

b) Contribute to the electrification of the economy and maintain the global leadership of the SP Group's companies in renewable energy and in the investment and operation of smart grids that allow for a high level of renewable energy integration, by supporting regulatory legal initiatives aimed at:

- increased electrification of consumer uses of the economy, such as electric mobility and heat pumps, as efficient systems for domestic heating and cooling;

- promoting the "polluter pays" principle, advocating for the implementation of mechanisms for the establishment of emissions prices that generate a strong and sustainable price signal, capable of generating the resources required to equitably finance sustainable energy projects, both in industrialised countries and in emerging and developing economies, and supporting a tax system that includes this principle in the transport, construction and electricity production industries;

- eliminating subsidies to high-emission technologies and industries, to the extent possible;

- promoting the replacement of energy generation systems based on the use of fossil fuels with higher carbon content and favouring the improvement of efficiency in generation, in transmission and in the final use of energy, all within the framework of an increasing electrification of the energy model; and

- continue developing the real and global energy transition, based on electrification through renewable sources and smart grids, with a resulting reduction in the use of fossil fuels in the energy sector in particular, and in the economy as a whole.

c) Integrate climate science and adaptation and resilience standards, as well as include technical improvements, in the design, construction and management of energy generation, storage and distribution networks and infrastructure in order to reduce or avoid the potential impacts of climate change on their functionality and allow the SP Group's companies to adapt to changes in energy demand caused by climate change.

d) Analyse the risks arising from climate change as regards the energy transition, as well as physical risks.

e) Regularly review the Company's greenhouse gas emissions inventory and establish control and monitoring mechanisms, including the verification of emissions by an independent third party.

f) Develop communication campaigns and materials, workshops and educational resources

aimed at specific groups, or partner in projects with third parties, in both the public and private sectors, to promote communication and internal training of professionals on climate action.

g) Formalise agreements and work with multilateral bodies and social organisations particularly involved in the fight against climate change and the related economic and industrial agenda.

h) Support public policies and strategies that deal in a coordinated and consistent manner with the social problems relating to climate change.

i) Contribute to leading the main international indices on the fight against climate change.

j) Transparently report on the results and/or activities of the SP Group's companies regarding the fight against climate change.

5. Group-level Coordination

The Climate Change and Sustainable Development Team of the CEO Office (or such division as assumes the powers thereof at any time) shall coordinate with the Technology Division of Iberdrola, S.A. (or such division as assumes the powers thereof at any time) on its framework for articulating the Iberdrola Group-level strategy and business model in a manner consistent with the Iberdrola Group's commitment to the fight against climate change.

Furthermore, the Climate Change and Sustainable Development Team of the CEO Office (or such division as assumes the powers thereof at any time) is responsible for establishing a framework for articulating the SP Group-level strategy and business model in a manner consistent with its commitment to the fight against climate change, by supervising and coordinating with the head of business companies of the SP Group, further developing any procedures required for such purpose.

6. Implementation and Monitoring

For the implementation and monitoring of the provisions of this *Policy*, the Board of Directors is assisted by the Climate Change and Sustainable Development Team of the CEO Office, (or such division as assumes the powers thereof at any time), through the Sustainability and Reputation Committee, which shall establish a procedure for regular monitoring and reporting to the governance bodies.

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This *Policy* was approved by the Board of Directors of Scottish Power Limited on 17 February 2026 and adopted by the Board of Directors of Scottish Power Energy Networks Holdings Limited on 13 April 2026.

SCOTTISHPOWER BIODIVERSITY POLICY

17 February 2026

The Board of Directors of Scottish Power Limited (the "**Company**") has the power to design, assess and continuously revise the Company's Governance and Sustainability System, and specifically to approve and update policies, which contain the guidelines governing the conduct of the Company, and furthermore, to the extent applicable, inform the policies that the companies belonging to the group of which the Company is the controlling entity, within the meaning established by law (the "**SP Group**"), decide to approve in the exercise of their autonomy.

In exercising these powers, within the framework of legal regulations, the *Articles of Association* and the *Purpose and Values of the Iberdrola Group*, and aware of its commitment to the environment generally and to the preservation of biodiversity in the territories in which the companies of the SP Group do business, the Board of Directors hereby approves this *ScottishPower Biodiversity Policy* (the "***Policy***"), which respects, further develops and adapts the *Ethical and Basic Principles of Governance and Sustainability of the Iberdrola Group* with respect to the Company.

The degradation of ecosystems and decline of biological diversity pose environmental, economic and social risks. The Company is aware of the inter-relationships between its activities and biodiversity and identifies the potential material adverse impacts thereof on ecosystems and species throughout the lifecycle of its facilities.

1. Scope of Application

This *Policy* applies to the Company. Without prejudice to the foregoing, it includes basic principles that, in the area of biodiversity, complement those contained in the *Ethical and Basic Principles of Governance and Sustainability of the Iberdrola Group* and, to this extent, must inform the conduct and standards-setting implemented by the other companies of the SP Group in this area in the exercise of their powers and in accordance with their autonomy.

To the extent applicable, these principles must also inform the conduct of the foundations linked to the SP Group.

For companies that do not form part of the SP Group but in which the Company holds an interest, as well as for joint ventures, temporary joint ventures (*uniones temporales de empresas*) and other entities in which it assumes management, the Company shall also promote the alignment of its regulations with the basic principles regarding biodiversity contained in this *Policy*.

2. Purpose

The purpose of this *Policy* is to establish a framework for articulating the Company's strategy and business model in a manner consistent with its commitment to protect and foster biodiversity such that it contributes to a nature-positive community.

This *Policy* is aligned with the expectations of the Company's Stakeholders, which are set forth in the 2022 Kunming-Montreal Global Biodiversity Framework targets.

3. Main Principles of Conduct

To implement its commitment to biodiversity, the Company adopts and promotes the following principles, which apply to its activities and businesses:

a) Integrate biodiversity into its internal processes of strategic planning and operational decision-making and promote it in the other companies of the Group to:

   (i) reach a positive impact on biodiversity in its own activities;

   (ii) assume a leadership role in the conservation and promotion of biodiversity within their sector of activity, whether directly or through the establishment of partnerships with other players; and

   (iii) contribute to and drive the culture shift required for "*Living in Harmony with Nature*" (the 2050 vision from the *United Nations (UN) Convention on Biological Diversity*).

b) Identify, quantify and assess the impacts, dependencies, risks and opportunities of its activities and its value chain during the life cycle of the facilities, taking into account that the actual value chains are configured globally and that not all of their links have sufficient traceability measures, and the perspectives of its Stakeholders.

c) Evaluate and align its activities with the Do No Significant Harm biodiversity requirement established by the European taxonomy.

d) Apply the mitigation and conservation hierarchy (avoid, minimise, restore and compensate as a last resort) to the management of impacts and dependencies in the phases of infrastructure projects in accordance with a nature-positive vision.

e) Avoid, to the extent possible, locating new infrastructure projects in spaces that are protected due to their ecological, biological, cultural or landscape value or in areas catalogued as having high value for biodiversity when the value of those areas would be affected, unless there are no viable alternative solutions.

f) Avoid, to the extent possible, deforestation associated with its activities and promote the principle of no net deforestation in its value chain.

g) Manage and compensate the negative impacts produced on the environment, giving priority to the like-for-like principle and to nature-based solutions, facilitating the connectivity of populations and encouraging the development of special protection or private conservation areas.

h) Develop plans for monitoring flora and fauna, especially protected or vulnerable species, so that the interaction of infrastructure with the environment can be continuously assessed.

i) Integrate biodiversity within the SP Group-level environmental management system, along with the circular economy and climate action, in order to evaluate, analyse, manage and reduce risks regarding natural capital, as well as improving the

management of resources and optimising investments and costs, establishing goals, indicators and standards for the control, monitoring and audit thereof.

j) Identify and establish management plans for invasive species that pose a risk to ecosystems and species at sites where it does business.

k) Participate in carrying out research, conservation, education and awareness-raising projects, cooperating with government agencies, non-governmental organisations, communities and other Stakeholders on biodiversity issues.

l) Disseminate biodiversity awareness and training among its professionals, subcontracted personnel and the personnel of its suppliers.

m) Promote the application of traceability mechanisms and systems for the certification of compliance with sustainability criteria or standards regarding the products, components and raw materials that are directly or indirectly supplied to the Company, particularly those with potentially or actually significant relative impacts on biodiversity and ecosystems throughout the value chain.

n) Continue to develop due diligence processes for biodiversity-related incident, risk and opportunity management systems following the priority lines of action included in the following section of this *Policy*.

o) Continue to identify actions and opportunities to address the impacts, dependencies and risks related to biodiversity in its direct activities and promote the identification thereof in the value chain, in collaboration with its Stakeholders, and taking into account that current value chains are configured globally and that not all their links have sufficient traceability mechanisms.

p) Transparently report on the activities of the Company and, if applicable, those of the companies of the SP Group as a whole, regarding biodiversity, regularly publishing a report on this topic.

4. Priority Lines of Action

Biodiversity has a leading role in the Iberdrola Group-level strategy, for which reason the Company establishes the following four priority lines of action to apply the main principles of conduct set out in this *Policy* and in the *Ethical and Basic Principles of Governance and Sustainability of the Iberdrola Group*:

a) Measure: continuously identify, quantify and assess the biodiversity-related impacts and dependencies of natural capital activities during the life cycle of the facilities, through the promotion of research and improving understanding of the ecosystems of the environments of the territories in which the companies of the SP Group operate.

b) Act: protect biodiversity and make sustainable use of natural capital by adopting a hierarchy of conservation and mitigation, taking into account the needs and expectations of the corresponding Stakeholders, integrating best practices during the life cycle in the management thereof and promoting actions for the regeneration and conservation of natural heritage.

c) Transform: promote change through the establishment of partnerships with the corresponding Stakeholders, participating in collaborative projects to improve biodiversity, protection and respect for animals, raising awareness of the importance of biodiversity protection and conservation through training, internal and external education, awards, publications, as well as through sponsorship and internal and external communication of the impact of the activities of the SP Group's companies in this area.

5. Group Level Coordination

The Climate Change and Sustainable Development Team of the CEO Office (or such division as assumes the powers thereof at any time) shall coordinate with the Technology Division of Iberdrola, S.A. (or such division as assumes the powers thereof at any time) on its framework for articulating the Iberdrola Group-level strategy and business model in a manner consistent with the Iberdrola Group's commitment to protect and foster biodiversity such that it contributes to a nature-positive community.

Furthermore, the Climate Change and Sustainable Development Team of the CEO Office (or such division as assumes the powers thereof at any time) is responsible for establishing a framework for articulating the SP Group-level strategy and business model in a manner consistent with the commitment to protect and foster biodiversity such that it contributes to a nature-positive community, by supervising and coordinating with the head of business companies of the SP Group, developing any necessary procedures for such purpose.

6. Implementation and Monitoring

For the implementation and monitoring of the provisions of this *Policy*, the Board of Directors is assisted by the Sustainability & Climate Change Team of the CEO Office (or such division as assumes the powers thereof at any time) through the Sustainability and Reputation Committee, for which purpose a procedure for regular monitoring and reporting to the governance bodies shall be established as applicable.

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This *Policy* was approved by the Board of Directors of Scottish Power Limited on 17 February 2026 and adopted by the Board of Directors of Scottish Power Energy Networks Holdings Limited on 13 April 2026.

CIRCULAR ECONOMY POLICY

8 July 2026

The Board of Directors of Scottish Power Limited (the "**Company**") has the power to design, assess and continuously revise the Company's Governance and Sustainability System, and specifically to approve and update policies, which contain the guidelines governing the conduct of the Company, and furthermore, to the extent applicable, inform the policies that the companies belonging to the group of which the Company is the controlling entity, within the meaning established by law (the "**SP Group**"), decide to approve in the exercise of their autonomy.

In exercising these powers, within the framework of legal provisions, the *Articles of Association* and the *Purpose and Values of the Iberdrola Group*, and aware of its commitment to the environment generally and particularly to the sustainability of natural capital, the Board of Directors hereby approves this *Circular Economy Policy* (the "***Policy***"), which respects, further develops and adapts the *Ethical and Basic Principles of Governance and Sustainability of the Iberdrola Group* with respect to the Company.

The Company is aware of the need to continue moving towards a model that promotes the circular economy and recognises that it constitutes one of the pillars of its environmental and sustainable value creation strategy.

1. Scope of Application

This *Policy* applies to the Company. Without prejudice to the foregoing, it includes basic principles that, in the area of circular economy, complement those contained in the *Ethical and Basic Principles of Governance and Sustainability of the Iberdrola Group* and, to this extent, must inform the conduct and standards-setting implemented by the other companies of the SP Group in this area in the exercise of their powers and in accordance with their autonomy.

To the extent applicable, these principles must also inform the conduct of the foundations linked to the SP Group.

For companies that do not form part of the SP Group but in which the Company holds an interest, as well as for joint ventures, temporary joint ventures (*uniones temporales de empresas*) and other entities in which it assumes management, the Company shall also promote the alignment of its regulations with the basic principles regarding circular economy contained in this *Policy*.

2. Purpose

The purpose of this *Policy* is to establish the principles and priority lines of action regarding circular economy as part of the Company's strategy and business model, as well as to promote the improved circularity of its activity and of its value chain.

3. Main Principles of Conduct

The Company aspires to improve the circularity of its activity and that of its value chain to minimise the depletion of resources and detach economic growth from the consumption of virgin raw materials, following the general principles that underpin the circular economy, i.e.: (i) eliminating waste and pollution through the design of products and processes; (ii) maintaining products, components and materials at their highest value and utility for as long as possible; and (iii) regenerating natural systems, promoting models of sustainable circularity from the environmental, technical and economic perspective through all of the foregoing.

In relation to the foregoing, the Company adopts and promotes the following main principles of conduct:

a) Drive efficiency in its activities and processes, as well as in those of its customers and suppliers, through the electrification of the economy and maximisation of the useful life of its assets and products.

b) Encourage improvement of the circularity of its activities and those of its value chain, through innovation, the sustainable use of natural resources, the implementation of life cycle analysis, the eco-design of its assets and infrastructures, as well as the optimisation of waste management and the use of recycled materials.

c) Prioritise the use of secondary raw materials in its assets, sites, products and services, as well as the improvement of the reusability, recyclability, durability and adaptability thereof, without compromising the security or functionality thereof.

d) Apply a circular hierarchy in the activities it promotes, with the following order of priority: (i) rejection of any superfluous activity or use of materials, beginning at the design stage; (ii) reduction of consumption; (iii) maximisation of usable lifespan and fostering of reuse; and (iv) recycling of equipment and materials, avoiding waste to energy recovery wherever feasible and leaving disposal as the last resort.

   This hierarchy of waste can be implemented, in particular, through the creation of ambitious asset management plans that cover the entire life cycle of assets, prioritise circularity and avoid downcycling to the extent possible.

e) Promote the responsible use of energy, supporting energy saving and efficiency measures and contributing to sustainable development through awareness campaigns that promote the efficient and responsible use of the Company's products and services.

f) Cooperate with its suppliers and other agents in the value chain to drive the principles of circularity in the products and services that the Company acquires.

g) Promote digitalisation and access to relevant information on the circularity of the products acquired by the Company to develop better management processes and appropriate improvement strategies.

h) Apply the water management hierarchy (promoting the elimination or reduction of consumption, reuse and recycling, and prioritising the use of non-freshwater sources), as well as managing the risks relating to its scarcity (endeavouring to ensure that water used is returned to the environment in the desired condition, preventing and reducing the pollution of aquatic ecosystems within the Company's value chain and taking into account the challenges relating to water and the conservation of water resources in the design of products and services).

i) Conserve and regenerate ecosystems in accordance with the provisions of the *ScottishPower Biodiversity Policy*.

j) Promote synergies and the contribution to the fight against climate change and to the energy transition in accordance with the provisions of the *ScottishPower Climate Action Policy*.

k) Integrate the circular economy within relevant environmental management systems, along with climate action and biodiversity, in order to evaluate, analyse, manage and reduce risks regarding natural capital, as well as to improve the management of resources and optimise investments and costs.

l) Raise awareness, train and involve its professionals, as well as the members of its supply chain and other Stakeholders, in the principles of this *Policy.*

m) Promote the application of traceability mechanisms and systems for the certification of compliance with circularity criteria or standards regarding the products, components and raw materials supplied to the Company.

n) Continue to develop due diligence processes for circularity-related incident, risk and opportunity management systems, as well as identify actions and promote collaboration with its Stakeholders, taking into account that current value chains are configured globally and that not all their links have sufficient traceability mechanisms.

o) Transparently report on the activities of the Company and, if applicable, those of the companies of the SP Group as a whole, regarding the circular economy.

4. Priority Lines of Action

The Company establishes the following three priority lines of action to foster the circularity of its activities and that of its value chain, which shall apply the main principles of conduct set out in this *Policy* and in the *Ethical and Basic Principles of Governance and Sustainability of the Iberdrola Group*: (i) driving the continuous improvement of its supply chain; (ii) improving the circular performance of internal processes; and (iii) offering products and services to improve the circularity performance of its customers.

5. Group-level Coordination

The Climate Change and Sustainable Development Team of the CEO Office (or such division as assumes the powers thereof at any time) shall coordinate with the Technology Division of Iberdrola, S.A. (or such division as assumes the powers thereof at any time) on the integration of the circular economy within the Iberdrola Group-level strategy.

6. Implementation and Monitoring

For the implementation and monitoring of the provisions of this *Policy*, the Board of Directors is assisted by the Climate Change and Sustainable Development Team of the CEO Office (or such division as assumes the powers thereof at any time), through the Sustainability and Reputation Committee.

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This *Policy* was approved by the Board of Directors of Scottish Power Limited on 8 July 2026 and adopted by the Board of Directors of Scottish Power Energy Networks Holdings Limited on 22 September 2026.

4. Sustainable Value Chain

1. Iberdrola Brand Policy
2. ScottishPower Competition Law Compliance Policy
3. ScottishPower Purchasing Policy
4. ScottishPower Operational Resiliency Policy
5. ScottishPower Corporate Reputation Policy
6. ScottishPower Security Policy
7. ScottishPower Data Protection Policy
8. ScottishPower Policy on the Responsible Development and Use of Artificial Intelligence Tools
9. ScottishPower Innovation Policy
10. ScottishPower Quality Policy
11. ScottishPower Digital Technology Policy
12. ScottishPower Occupational Health & Safety Policy

Iberdrola Brand Policy

25 March 2025

1. Scope of Application
2. Purpose
3. The Iberdrola Brand
4. Use of the Brand
5. Ceasing Use of the Brand
6. Protection of the Brand
7. Implementation and Monitoring

The Board of Directors of IBERDROLA, S.A. (the "**Company**") has the power to design, assess and continuously revise the Company's Governance and Sustainability System, and specifically to approve and update policies, which contain the guidelines governing the conduct of the Company, and furthermore, to the extent applicable, inform the policies that the companies belonging to the group of which the Company is the controlling entity, within the meaning established by law (the "**Group**"), decide to approve in the exercise of their autonomy.

In exercising these powers, within the framework of legal regulations, the By-Laws and the Purpose and Values of the Iberdrola Group, as well as in accordance with the Company's sustainable development strategy, the Board of Directors hereby approves this Iberdrola Brand Policy (the "**Policy**"), which respects, further develops and adapts the Ethical and Basic Principles of Governance and Sustainability of the Iberdrola Group with respect to the Company.

1. Scope of Application

This Policy applies to the Company and to those other companies that make up the Group and to foundations linked thereto to which the Company has licensed the use of the Iberdrola brand.

Without prejudice to the provisions of the preceding paragraph, this Policy includes basic principles that, in the area of the Iberdrola brand, complement those contained in the Ethical and Basic Principles of Governance and Sustainability of the Iberdrola Group and, to this extent, must inform the conduct and standards-setting implemented by the other companies of the Group in this area in the exercise of their powers and in accordance with their autonomy.

To the extent that listed country subholding companies form part of the Group, they and their subsidiaries, under their own special framework of enhanced autonomy, may establish principles and rules relating to their distinctive brand that must have content consistent with the principles of this Policy.

2. Purpose

This Policy is intended to protect and contribute to the value of the Iberdrola brand and to establish certain main principles of conduct allowing all of the companies belonging to the Group to use it as a springboard that contributes to enhance their reputation and to the success of their businesses.

3. The Iberdrola Brand

The Iberdrola Brand belongs to the Company and constitutes one of its strategic assets, both financially and in the social, environmental and corporate governance dimensions: it is a hallmark of identity of the Company and of the Group and the principal symbol of the Purpose and Values of the Iberdrola Group.

As a hallmark of identity, the Iberdrola brand is a key element in the corporate strategy of the Company and of the other companies of the Group. As the symbol of the Purpose and Values of the Iberdrola Group, it is a springboard for the sustainable creation of value that can be used by all of the companies of the Group to contribute to the success of its businesses.

It must be ensured that the Iberdrola brand is associated with the principles set out in the Purpose and Values of the Iberdrola Group and in the Ethical and Basic Principles of Governance and Sustainability of the Iberdrola Group, and thus with its link to the maximisation of its social dividend and the sustainable creation of value, as well as to the improvement of quality of life of the people in the communities in which it does business, the safety of people and of supply, care for and protection of the environment, and customer focus.

The Iberdrola brand also contributes to the Company's cooperative interaction with its shareholders, as well as to fostering engagement in corporate life by its shareholders and other Stakeholders and to strengthening their identification with the Company. Similarly, it helps to

align the interests of shareholders and other Stakeholders with those of the Company.

The use of the Iberdrola brand also favours the business activities of the companies of the Group, as well as their relations with their respective Stakeholders generally.

4. Use of the Brand

The Company may license the use of the Iberdrola brand to the other companies of the Group and to the foundations linked thereto.

The licensees shall be required to comply with the provisions of this Policy and any corresponding brand licensing agreement implementing the terms and conditions for using the Iberdrola brand.

They shall also be required to use the Iberdrola brand in the same manner and in accordance with the standards of the Iberdrola Brand Usage Guide in effect from time to time, as well as with the quality control clauses established in the brand licensing agreement. Any use of the Iberdrola brand that differs from the provisions of the aforementioned guide must be authorised in advance pursuant to the provisions thereof.

The Company may receive remuneration for the use of the brand, and particularly as consideration for receiving the benefits arising from the use thereof, upon the terms and conditions agreed in the corresponding license agreement.

The Iberdrola brand may form part of the trade names and distinctive signs used by the companies of the Group in carrying on their businesses and by the foundations linked thereto in the course of their activities.

Licensees shall endeavour to ensure that the use of the brand does not cause confusion regarding their own identity and independence. For these purposes, except in those situations allowed by the Iberdrola Brand Usage Guide, all of the companies of the Group (other than the Company itself), as well as entities in the nature of foundations linked thereto, that use the Iberdrola brand, shall use it together with their own distinctive name.

The use of the Iberdrola brand by the Company and by the licenses in carrying on their businesses and in activities with third parties, through sponsorship or other legal agreements, must be aimed at strengthening its value, maintaining the reputation of the Group's companies, and favouring the businesses of the companies making up the Group.

The listed country subholding companies and the subsidiaries thereof must in any case use a different corporate name and brand that contributes to the differentiation thereof as autonomous entities belonging to the Group. In such instances, ownership of the relevant brand shall be held by each listed country subholding company.

5. Ceasing Use of the Brand

The companies of the Group shall cease to use the Iberdrola brand, including the use thereof in their own trade name or corporate name, in accordance with the provisions of any corresponding licence agreement, and in any event if such use might put at risk the reputation of the Group's companies or when the company no longer belongs to the Group. In this latter event, when there are circumstances that so warrant, the Company may authorise companies that no longer belong to the Group to use the Iberdrola brand on a temporary basis. The same principles shall apply to entities in the nature of foundations linked to the Group in the event that they no longer have said connection.

6. Protection of the Brand

The companies of the Group shall take the actions needed to protect and contribute to the value of the Iberdrola brand, seeking effective protection of the Company's rights thereto throughout

the world and in all areas in which they are or expect to be present, particularly including the internet and social networks.

The companies of the Group and entities in the nature of foundations linked thereto may not directly or through third parties apply for and/or register trademarks, trade names, domain names, social profiles or any other distinctive mark that is identical or similar to the Iberdrola brand without the prior approval of the Company.

7. Implementation and Monitoring

For the implementation and monitoring of the provisions of this Policy regarding the impact that the use of the Iberdrola brand might have on corporate reputation, the Board of Directors is assisted by the Corporate Sustainability Division (or such division as assumes the powers thereof at any time). As regards the proper use of the Iberdrola brand in the conduct of business, each country subholding company shall be responsible for ensuring proper compliance with this Policy in the corresponding licence agreements for use of the Iberdrola brand.

* * *

This Policy was initially approved by the Board of Directors on 22 June 2015 and was last amended on 25 March 2025.

Policy on Competition Law Compliance

ScottishPower Compliance Unit

Prepared:	Reviewed:	Approved:
ScottishPower Compliance Unit	ScottishPower Chief Compliance Officer	Scottish Power Limited Board of Directors

May 2025

SUSTAINABLE ETHICAL WORKING

ScottishPower Compliance Unit



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Version Control

Version	Author	Purpose	Date
1.0	SP Legal	First draft version updating existing Policy Doc.	September 2019
1.1	SP Compliance Division	Review of Policy document in line with Competition Protocol.	April 2021
2.0	SP Compliance Division	Final approved version following Legal review and update of content.	June 2021
2.1	SP Compliance Division	Annual review and update of content, alignment to new brand	June 2023
3.0	SP Compliance Division	Final approved version following Legal review and update of content	July 2023
3.1	SP Compliance Unit	Annual review and update of content.	November 2024
4.0	SP Compliance Unit	Final approved version following Legal review and update of content	December 2024
5.0	SP Compliance Unit	Updates approved by SPL Board to adapt policy to wider governance reform	May 2025



1. Introduction

The Board of Directors of Scottish Power Limited (the "Company") has the power to design, review and update the Company's Governance and Sustainability System on an ongoing basis. In particular, the Board of Directors has the power to approve and update policies which contain the guidelines governing the conduct of the Company as a whole, and to set the standards expected for the policies that the other companies within the group of companies controlled by the Company (the "ScottishPower Group") may choose to approve in the exercise of their autonomy.

This Policy addresses Competition Law compliance. Anti-competitive agreements and abusive conduct by dominant businesses harms consumers, stifles economic growth and undermines the Rule of Law, causing serious harm to the economy and to society. Breaches of Competition Law can be criminal and can lead to the imprisonment of directors, officers and employees or can expose Iberdrola, S.A. ("Iberdrola") and the companies of the ScottishPower Group (including the Company) to very significant sanctions, including fines of up to ten percent of worldwide turnover.

Pursuant to the provisions of the *Purpose and Values of the Iberdrola Group*, the Company assumes responsibility for maintaining a commitment to free, fair and effective competition and avoiding: (1) abusive conduct where its businesses are dominant; and (2) involvement in anti-competitive agreements. For such purposes, the Company's Board of Directors, which is responsible for formulating the strategy of ScottishPower and the ScottishPower Group and for organising the internal control systems, has approved this Scottish Power Competition Law Compliance Policy (the "Policy").

This Policy which further develops and adapts the *Ethical and Basic Principles of Governance and Sustainability of the Iberdrola Group*, which emphasise the critical importance of fair competition and compliance with Competition Law.

2. Purpose

This Policy is intended to convey to all officers and employees of the ScottishPower Group, as well as to third parties establishing relations with the ScottishPower Group, an unambiguous message of opposition to anti-competitive agreements and abusive conduct by dominant undertakings in all of their manifestations, and the Company's firm objective to comply with UK Competition Law.

The Policy is a commitment to:

- The maintenance of effective, fair and free competition across all of the Company's activities
- Unwavering vigilance against anti-competitive agreements and abusive conduct by dominant entities.
- Maintaining effective mechanisms for communication and awareness-raising among employees.



- Developing a corporate culture of ethics and honesty.

The Company is also committed to promoting the principles of this Policy appropriately in relation to its activities with third parties, including any joint ventures or other entities in which the ScottishPower Group assumes management of the entity, to ensure appropriate alignment with the requirements of Competition Law.

3. Scope

This *Policy* applies to the Company. Without prejudice to the foregoing, it includes basic principles that complement those contained in the *Ethical and Basic Principles of Governance and Sustainability of the Iberdrola Group* and, to this extent, must inform the actions and standards of the other companies of the ScottishPower Group in this area in the exercise of their powers and in accordance with their autonomy.

Furthermore, this Policy applies to all directors, officers, and employees of the Company and the ScottishPower Group. Employees who manage ScottishPower Group suppliers are responsible for ensuring that the suppliers are aware of this Policy. The Policy also applies to any individuals acting as Company representatives in any capacity in relation to the Company's activities.

The companies of the ScottishPower Group other than the Company may, based on their corporate autonomy, establish their own policies on competition law compliance. In such cases, this *Policy* shall not apply to the directors, officers, employees, suppliers and representatives of the relevant ScottishPower Group company.

4. What are Anti-Competitive Agreements

UK law prohibits anti-competitive agreements. These are agreements, arrangements or concerted practices which have the effect or intended effect of preventing, restricting or distorting competition; for example, agreements to fix prices, limit production, not sell below a particular price and to share markets or customers. Agreements with long exclusivity periods can also breach this law.

5. What is Abusive Conduct by Dominant Businesses

A dominant business has a high market share and may even have a monopoly, where they have significant market power. It should be assumed that SP Transmission plc, SP Manweb plc, SP Distribution plc and Electricity North West Limited are dominant.

Dominant businesses are prohibited from behaving in a way that abuses that dominant position. Some key examples of abusive conduct include refusing to supply or allow access to infrastructure, discriminatory and/or predatory pricing.



6. Principles of Conduct

The principles governing this Policy are:

a) All ScottishPower Group companies must comply with applicable Competition Law, regardless of their place of registration, and must seek to compete freely and fairly in the marketplaces in which they operate. The Company does not tolerate, permit, or become involved in any kind of anti-competitive agreements or abusive conduct by dominant undertakings when conducting its activities.

b) The Company fosters a preventive culture based on the principle of 'zero tolerance' towards anti-competitive agreements and abusive conduct by dominant undertakings. This 'zero tolerance' principle is of an absolute and primary nature and prohibits the conduct of business or transactions which are a breach of Competition Law. It also prohibits such conduct or agreements if they are otherwise unlawful or contrary to the principles set out in the Company's Governance and Sustainability System including the *Purpose and Values of the Iberdrola Group* and the *Ethical and Basic Principles of Governance and Sustainability of the Iberdrola Group*. No director, officer, or employee of the ScottishPower Group ("Professionals") shall in any circumstances fail to comply with this Policy. A breach of this Policy shall entitle the ScottishPower Group to take appropriate disciplinary action.

c) To achieve real and effective competition, the development of a competitive environment and to ensure compliance with applicable Competition Law, the Company has a detailed Competition Law Compliance Programme, captured in the "ScottishPower Competition Law Compliance Manual" and this Policy (collectively the "Manual"). All Professionals of the ScottishPower Group are required to familiarise themselves and comply with that Manual, which sets out the Policy in detail and provides practical guidance about Competition Law compliance and the specific expectations of the Company in meeting this Policy.

d) All Professionals must ensure that they reflect the requirements of this Policy in their dealings with third parties, including through maintaining appropriate conduct at industry meetings and an express prohibition on sharing any information with third parties that may be anti-competitive in nature, including but not limited to information on pricing, tenders or any transactions. All Professionals must consult with their Business Legal Director, or the ScottishPower Group Legal Function if there are any queries or concerns about this Policy.

e) All Professionals must participate in appropriate training programmes that are provided by ScottishPower.

f) The Company promotes a transparent environment, maintaining appropriate internal channels to favour the communication of possible breaches, including the Ethics Mailboxes, which allow Professionals, suppliers, and shareholders of the ScottishPower Group to communicate conduct that may entail a breach of the Company's Governance



and Sustainability System or the commission by a Professional of an act contrary to the law or ScottishPower policy.

g) The ScottishPower Group's relationship with its suppliers is based on legality, efficiency, and transparency. Ethical and responsible behaviour is one of the pillars of the ScottishPower Group's conduct. No supplier of the ScottishPower Group shall: (i) offer in any way, or (ii) act in any way, which could breach applicable Competition Law in the context of any activity carried out for or on behalf of the ScottishPower Group.

h) The Company will provide the assistance or co-operation required by Competition Authorities in carrying out their duties, including in any investigation into behaviour which may constitute a breach of applicable Competition Law.

7. Control Evaluation and Review

The ScottishPower Compliance Unit is responsible for the implementation of the Competition Law Policy and Manual. ScottishPower's Chief Compliance Officer is responsible for this Policy and will report to the Scottish Power Limited Audit and Compliance Committee on compliance against this policy as appropriate.

The ScottishPower Group Legal Function is responsible for any legal advice or guidance provided within the scope of this Policy, along with the content of the Competition Law Compliance Manual. No changes will be proposed to this Policy or Manual without the express permission of the ScottishPower Group Legal Function.

The ScottishPower Compliance Unit shall ensure that the contents of this Policy are reviewed in accordance with the frequency set out in the Compliance Policy Management Framework, working with the ScottishPower Group Legal Function to ensure that the policy reflects the recommendations and best international practices in effect, and shall seek approval from the Secretary to the Board and General Counsel prior to proposing any changes.

Following this review and approval from the Secretary to the Board and General Counsel, those proposed changes will be proposed to the Board of Directors.

This Policy was approved by the Board of Directors on 6 May 2025.

8. Further Information and Guidance

The following supplementary policies are available for ScottishPower employees on the SP Compliance Unit area of the ScottishPower Employee Portal (Iberdrola Group > Our areas and businesses > SP Compliance Unit):

- Competition Law Compliance Manual.
- ScottishPower Code of Conduct and Disciplinary Rules.
- ScottishPower Policy on Anti-Bribery and Corruption.
- ScottishPower Speaking Out Toolkit.



9. Reporting a Concern

The Company takes a zero-tolerance approach to non-compliant and non-ethical behaviour with laws and regulations with which the Company must comply. We are committed to a programme to counter the risk of the ScottishPower Group being involved in breaches of Competition Law.

Any Professional with concerns relating to a breach of this Policy should report this to their Business/Corporate Legal Director.

In addition, ScottishPower maintains independent reporting channels for anyone concerned about conduct which does not comply with ScottishPower policy or the ScottishPower Code of Conduct and Disciplinary Rules. You can:

Access our Speaking Out Channel on the ScottishPower website	Speaking Out Channel - ScottishPower https://www.scottishpower.com/pages/speaking_out_channel.aspx

Please refer to the ScottishPower Speaking Out Toolkit for further information on the Speaking Out process and the protections for anyone making such reports. The Speaking Out Toolkit is available for ScottishPower employees on the SP Compliance Unit area of the ScottishPower Employee Portal (Iberdrola Group > Our areas and businesses > SP Compliance Unit).

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This *Policy* was approved by the Board of Directors of Scottish Power Limited on 6 May 2025 and adopted by the Board of Directors of Scottish Power Energy Networks Holdings Limited on 24 June 2025.

SCOTTISHPOWER PURCHASING POLICY

8 July 2026

The Board of Directors of Scottish Power Limited (the "**Company**") has the power to design, assess and continuously revise the Company's Governance and Sustainability System, and specifically to approve and update policies, which contain the guidelines governing the conduct of the Company, and furthermore, to the extent applicable, inform the policies that the companies belonging to the group of which the Company is the controlling entity, within the meaning established by law (the "**SP Group**"), decide to approve in the exercise of their autonomy.

In exercising these powers, within the framework of applicable legal provisions, the *Articles of Association* and the *Purpose and Values of the Iberdrola Group*, as well as the provisions of the *General Risk Control and Management Foundations of the Iberdrola Group*, the Board of Directors approves this *ScottishPower Purchasing Policy* (the "***Policy***"), which respects, further develops and adapts the *Ethical and Basic Principles of Governance and Sustainability of the Iberdrola Group* with respect to the Company.

The Company recognises as strategic objectives sustainability in the supply chain, the securing of strategic supplies, which enables it to comply with its growth plans, and efficiency in overall purchasing cost, all based on alignment of tender awards with the Company's strategy and strict compliance with applicable law and the provisions of the *ScottishPower Code of Code of Conduct for Suppliers*.

1. Scope of Application

This *Policy* applies to the Company. Without prejudice to the foregoing, it includes basic principles that, in relation to the sustainable value chain, and particularly the supply chain, complement those contained in the *Ethical and Basic Principles of Governance and Sustainability of the Iberdrola Group* and, to this extent, must inform the conduct and standards-setting implemented by the other companies of the Group in this area in the exercise of their powers and in accordance with their autonomy.

To the extent applicable, these principles must also inform the conduct of the foundations linked to the SP Group.

For companies that do not form part of the SP Group but in which the Company holds an interest, as well as for joint ventures, temporary joint ventures (*uniones temporales de empresas*) and other entities in which it assumes management, the Company shall also promote the alignment of its regulations with the main principles regarding the sustainable value chain, and particularly with the supply chain, contained in this *Policy*.

This *Policy* applies to all forms of purchases of equipment and materials and to the contracting of works and services, regardless of whether or not they are executed pursuant to a formal purchasing process, except for the provision of services between

companies of the Iberdrola Group, which are governed by the corresponding regulations.

Energy, fuel or raw material supply activities are also excluded from the scope of this *Policy* and provided for in the risk guidelines and limits of the corresponding businesses.

2. Purpose

The purpose of this *Policy* is to establish the principles that must govern, on the one hand, purchases of equipment and materials and the contracting of works and services, and, on the other, the organisational, corporate and shared services model for the companies of the SP Group, with full respect for their corporate autonomy and within the limits established in the legal provisions applicable to the regulated activities they carry out, for purposes of achieving greater efficiency in SP Group-level purchasing processes as a fundamental element for the achievement of the strategic objectives.

3. Main Principles of Conduct

The main principles of conduct that the Company adopts and promotes in the area of purchases of equipment and materials and contracting of works and services are described below:

a) Foster a supplier relationship policy based on principles of corporate ethics and transparency, striving for continuous improvement and mutual benefit and promoting sustainability, innovation and development activities.

b) Promote sustained, accessible and sustainable economic growth, as well as endeavour to ensure productive and dignified work for the professionals forming part of the value chain.

c) Implement the mechanisms required for purchasing decisions to in any event safeguard the achievement of balance among technical competence, quality, accessibility, occupational safety and cybersecurity, with respect to environment and price, as well as the sustainability and quality of the supplier as a key condition for the contribution of value.

d) Establish supplier selection procedures that conform to standards of objectiveness, impartiality, non-discrimination and equal opportunity, ensuring at all times compliance with the *ScottishPower Code of Conduct for Suppliers*, regardless of own or third-party interests.

e) Promote compliance by suppliers with contractual terms and conditions and applicable legal provisions, and particularly with the provisions of the *ScottishPower Code of Conduct for Suppliers*, of which it must inform its professionals and subcontractors, together with the existence of the internal reporting channels.

Suppliers and the entities that they in contract in turn for supplies, works and the provision of services to the Company must communicate, through the internal reporting system established by the Company and on the terms established in the Governance and Sustainability System, any conduct that might entail, on the part of any director, professional or supplier of the Company (or of the supplier's subcontractors or professionals), potentially improper conduct or an act that is potentially illegal or contrary to law or to the governance and sustainability system with an impact on the Company, on its contractual relationship with its suppliers, or on the interests and image of the Company, without prejudice to the ability to address their grievances or reports to any competent institution, body or entity.

f) Promote the highest standards of occupational health and safety for the professionals participating in the value chain, especially those of the suppliers, raising awareness and establishing the controls required to mitigate the risks inherent to the work performed, in accordance with the *Purchasing Risk Guidelines* and *Limits and the Occupational Safety and Well-Being Risk Guidelines and Limits*, requiring contractors to comply with the established safety rules and causing them to participate in the preventive culture that has been implemented, adopting international best practices in the area.

g) Endeavour to ensure compliance with rules on the separation of activities. If the same entity provides supplies, is contracted for works or provides services to companies of the Iberdrola Group that engage in regulated activities and to companies of the Iberdrola Group that engage in unregulated activities, it must comply with applicable legal provisions and with the requirements and conditions established in the corresponding codes for separation of activities of the Iberdrola Group's companies or similar regulatory instruments.

In this regard, it shall be necessary to respect the effective decision-making capacity of the companies of the SP Group that carry on regulated activities with respect to the assets required for the operation, maintenance and development of their own activities, as well as with respect to limitations on access to commercially sensitive information of the aforementioned companies.

4. Iberdrola Group-level Coordination of the Purchasing Strategy

The Procurement and Supply Chain Management Division (or such division as assumes the powers thereof at any time), through the Sustainability and Reputation Committee, shall coordinate with the Resources and Services Division of Iberdrola, S.A. (or such division as assumes the powers thereof at any time) regarding Iberdrola, S.A.'s organisational, corporate and shared services model for the companies of the Iberdrola Group.

Furthermore, the Procurement and Supply Chain Management Division (or such division as assumes the powers thereof at any time), through the Sustainability and Reputation Committee, shall establish an organisational, corporate and shared services model for the companies of the SP Group with the main objective of minimising the

costs and risks associated with purchases and supplies and the contracting of works and services, taking advantage of synergies, aligning strategic decisions and efficiently managing resources, all while fully respecting the corporate autonomy of each of the SP Group's companies and legal provisions on the separation of activities.

5. Implementation and Monitoring

For the implementation and monitoring of the provisions of this *Policy*, the Company is assisted by the Procurement and Supply Chain Management Division (or such division as assumes the powers thereof at any time), which, through the Sustainability and Reputation Committee, shall further develop the procedures required for such purpose.

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This *Policy* was last amended by the Board of Directors of Scottish Power Limited on 8 July 2026 and adopted by the Board of Directors of Scottish Power Energy Networks Holdings Limited on 22 September 2026.

SCOTTISHPOWER OPERATIONAL RESILIENCY POLICY

8 July 2026

The Board of Directors of Scottish Power Limited (the "**Company**") has the power to design, assess and continuously revise the Company's Governance and Sustainability System, and specifically to approve and update policies, which contain the guidelines governing the conduct of the Company, and furthermore, to the extent applicable, inform the policies that the companies belonging to the group of which the Company is the controlling entity, within the meaning established by law (the "**SP Group**"), decide to approve in the exercise of their autonomy.

In exercising these powers and within the framework of legal provisions, the *Articles of Association* and the *Purpose and Values of the Iberdrola Group*, the Board of Directors hereby approves this *ScottishPower Operational Resiliency Policy* (the "**Policy**"), which respects, further develops and adapts the *Ethical and Basic Principles of Governance and Sustainability of the Iberdrola Group* with respect to the Company.

As a provider of essential services and proprietor of critical infrastructure, the Company affirms through this *Policy* its firm commitment to excellence in business and operational continuity.

1. Scope of Application

This *Policy* applies to the Company. Without prejudice to the foregoing, it includes basic principles that, in the area of the sustainable value chain, and particularly operational resilience, complement those contained in the *Ethical and Basic Principles of Governance and Sustainability of the Iberdrola Group* and, to this extent, must inform the conduct and standards-setting implemented by the other companies of the SP Group in this area in the exercise of their powers and in accordance with their autonomy.

To the extent applicable, these principles must also inform the conduct of the foundations linked to the Group.

For companies that do not form part of the SP Group but in which the Company holds an interest, as well as for joint ventures, temporary joint ventures (*uniones temporales de empresas*) and other entities in which it assumes management, the Company shall also promote the alignment of its regulations with the basic principles regarding the sustainable value chain, and particularly operational resilience, contained in this *Policy*.

2. Purpose

This Policy is intended to establish the principles of conduct governing operational resiliency so as to ensure that the appropriate capabilities are in place to address, in a robust, consistent, planned and coordinated manner, unforeseen adverse situations,

whether internal or external, that could significantly disrupt or alter the normal operations of the Company and, to the extent applicable, those of the other companies of the SP Group. The purpose of the aforementioned response shall be to minimise the negative impact or effect of such events as far as possible, maintaining priority operations and processes at predefined levels, restoring stability as quickly as possible and drawing conclusions that make it possible to strengthen the ability to adapt and improve in response to future events.

The *Policy* also sets out the principles of the operational resiliency model of Iberdrola, S.A. and the other companies of the Iberdrola Group (the "***Operational Resiliency Model***").

As a provider of essential services and, where applicable, proprietor of critical infrastructure, the Company shall conduct its activities in the area of operational resilience in accordance with applicable legal provisions, the Governance and Sustainability System and any applicable Risk Guidelines and Limits.

The principles detailed in this *Policy* are supplemented by the Company's Security & Operational Resilience Rule, as revised annually.

3. Main Principles of Conduct

The Company adopts and promotes the following main principles of conduct that must inform all of its activities in the area of operational resilience:

a) Regularly assess and identify, for all organisations, priority processes (including all end-to-end important business services ("**IBS**")), together with their associated resources and operational resilience requirements, based on consistent standards and impact tolerances applicable to all IBS, in order to protect such processes against adverse situations that may affect them.

b) Maintain appropriate response and crisis management capabilities to deal robustly with adverse and crisis situations that may affect the Company's priority operations, and to properly manage resilience risks, in accordance with the *ScottishPower Security Policy*, the *General Risk Control and Management Foundations of the Iberdrola Group* and the *Security and Resilience Risk Guidelines and Limits*.

c) Regularly review, update and test response and crisis management plans in order to verify their effectiveness and currency, as well as to identify deficiencies and opportunities for improvement and capture lessons learned.

d) Define and implement, through the Operational Resiliency Model, a formal, recurring and measurable practice that establishes, for each level of the organisation, the appropriate operational resilience capabilities, as well as the roles, responsibilities and resources required to implement such capabilities, in accordance with market standards and generally recognised best practices in the area.

e) Regularly assess and monitor the level of implementation and effectiveness of the Operational Resiliency Model, identifying its deficiencies and opportunities, and promote its continuous improvement.

f) Promote and ensure appropriate engagement and training, skills development and awareness at all levels of the organisation in the area of operational resilience.

g) Maintain appropriate coordination among the divisions of the SP Group's companies that have been assigned powers in the areas of operational resilience, risk and internal assurance.

h) Regularly monitor the internal and external context, including evolving threats, vulnerabilities, critical dependencies, internal capabilities, and technological and regulatory, social, economic or competitive changes that may affect operational resilience.

i) Document relevant incidents, tests and drills, assess the causes and impacts of incidents, capture lessons learned and define and implement corrective actions in relation to all of the foregoing.

j) Identify relevant operational resilience stakeholders and consider their needs, expectations and requirements, in accordance with the provisions of the *ScottishPower Stakeholder Engagement Policy* and the Operational Resiliency Model.

k) Allocate appropriate resources for the performance of the duties and responsibilities established in the Operational Resiliency Model and in the operational resiliency plans.

l) Promote the integration of operational resilience into the Company's initiatives from their initial and design phases and by default, in coordination with risk management, security, cybersecurity, data protection and digital technology.

m) Promote awareness and recognition of the differences between business continuity and operational resilience, accepting the former should focus on time-based objectives regarding the recovery of critical functions, providing key data and information to support wider and more strategic operational resilience requirements. Operational resilience focuses on impact level disruption, particularly to critical customer focused end-to-end business services and processes, which may have more significant impact to financial integrity and brand reputation

4. Iberdrola Group-level Coordination: the *Operational Resiliency Model*

Iberdrola, S.A. regularly reviews its *Operational Resiliency Model*, which establishes common standards and practices for conduct, coordination, monitoring and oversight, respecting in all cases the corporate autonomy of the companies of the Iberdrola Group, in order to give effect to the principles of conduct set out in this *Policy*, defining roles and responsibilities, as well as the rules, programmes, guidelines and procedures necessary for the companies of the Iberdrola Group to have the appropriate capabilities to develop the capacity for operational resiliency on a continuous, formal, consistent, systematic and measurable basis, in line with generally recognised standards and best practices in the area.

The *Operational Resiliency Model* allows the Company and the other companies of the Iberdrola Group to support the strategic goals, financial integrity and brand image of the Group, protect their reputation and credibility, reduce the impacts of disruptive events, protect life, property and natural capital, and maintain proactive and efficient control of risks, while also ensuring compliance with, among other matters, their responsibilities as providers of an essential service like electricity supply and, if applicable, as proprietors of critical infrastructure.

The Corporate Security Division (or such division as assumes the powers thereof at any time) shall, based on the provisions of the *Operational Resiliency Model*, coordinate the preparation of operational resiliency plans of the SP Group with the corporate and business divisions in each area. These plans shall include details of the tasks to be carried out in each financial year in order to effectively deploy, implement and execute the *Operational Resiliency Model*, applying it in each area for the defined scope in each case.

In addition, the Company's Security, Resilience and Digital Technology Committee shall coordinate with the Security, Resilience and Digital Technology Committee of Iberdrola, S.A. (or such committee as assumes the powers thereof at any time) regarding the operational resiliency plans of the SP Group.

5. Implementation and Monitoring

For the implementation and monitoring of the provisions of this *Policy*, the Board of Directors is assisted by the Corporate Security Division (or such division as assumes the powers thereof at any time), through the Security, Resilience and Digital Technology Committee (or such committee as assumes the powers thereof at any time), which shall establish a procedure for regular monitoring and reporting to the governance bodies.

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This *Policy* was last amended by the Board of Directors of Scottish Power Limited on 8 July 2026 and adopted by the Board of Directors of Scottish Power Energy Networks Holdings Limited on 22 September 2026.

SCOTTISHPOWER CORPORATE REPUTATION POLICY

6 May 2025

The Board of Directors of Scottish Power Limited (the "**Company**") has the power to design, assess and continuously revise the Company's Governance and Sustainability System, and specifically to approve and update policies, which contain the guidelines governing the conduct of the Company, and furthermore, to the extent applicable, inform the policies that the companies belonging to the group of which the Company is the controlling entity, within the meaning established by law (the "**Group**"), decide to approve in the exercise of their autonomy.

In exercising these powers, within the framework of legal regulations, the *Articles of Association* and the *Purpose and Values of the Iberdrola Group*, and aware that the corporate reputation is one of the strategic intangible assets of the SP Group's companies, the Board of Directors hereby approves this *ScottishPower Corporate Reputation Policy* (the "***Policy***"), which respects, further develops and adapts the *Ethical and Basic Principles of Governance and Sustainability of the Iberdrola Group* with respect to the Company.

The Company considers reputation to be an intangible asset, which encompasses the set of perceptions that its various stakeholders have of it, covering not only aspects relating to business or financial operations, but also issues relating to business ethics and responsible behaviour, human rights, professional relations, the recruitment and retention of talent, the health and safety of the people who interact with the Company, and natural capital.

This *Policy* supplements and further develops the *ScottishPower Stakeholder Engagement Policy*.

1. Scope of Application

This *Policy* applies to the Company. Without prejudice to the foregoing, it includes basic principles that, in the area of reputation, complement those contained in the *Ethical and Basic Principles of Governance and Sustainability of the Iberdrola Group* and, to this extent, must inform the conduct and standards-setting implemented by the other companies of the SP Group in this area in the exercise of their powers and in accordance with their autonomy.

For companies that do not form part of the SP Group but in which the Company holds an interest, as well as for joint ventures, temporary joint ventures (*uniones temporales de empresas*) and other entities in which it assumes management, the Company shall also promote the alignment of its regulations with the basic principles regarding reputation contained in this *Policy*.

2. Purpose

The purpose of this *Policy* is to establish the main principles of conduct that must govern the measurement and management of the corporate reputation, in order to identify and consider the perceptions and legitimate expectations of the Stakeholders of the Company, integrating them within its strategy.

The management of the Company's corporate reputation relating to the minimisation and mitigation of the reputational risk inherent in its activities is set forth in the *Guidelines and Limits on Reputational Risk*, approved by the Iberdrola Board of Directors, which establish a framework of reference for the control and management of reputational risk, within the general guidelines established in the *General Risk Control and Management Foundations of the Iberdrola Group*.

3. Main Principles of Conduct

The Company adopts and promotes the following main principles of conduct in relation to the measurement and management of corporate reputation provided for in this *Policy:*

a) Disseminate and internalise that the reputation of all companies of the SP Group is a fundamental component for the creation and protection of value, both for the Company and the other companies of the SP Group.

b) Involve its professionals in reputation management, given that they establish relationships with stakeholders, make decisions, carry out business activities, and communicate the culture, opinions and decisions of the Company and, where appropriate, of the other companies of the SP Group.

c) Promote a preventive culture for the purpose, on the one hand, of obtaining stable or increasing levels of reputation and, on the other hand, of mitigating, to the extent possible, the appearance and development of situations that entail significant and sudden drops in reputation levels.

d) Define models and tools for measuring reputation, segmented by stakeholders, which make it possible to evaluate and monitor reputation levels through different types of indicators, both qualitative and quantitative.

e) Regularly evaluate the management of corporate reputation.

f) Promote the application of the principles of business ethics and responsible behaviour of its professionals, in order to avoid improper conduct or acts that are illegal or contrary to the Governance and Sustainability System.

g) Proactively manage its Stakeholders in order to incorporate their expectations and deploy measures and actions for improvement.

h) Assess, for membership and participation in external entities, whether such entities contribute to the perception that their Stakeholders have of the SP Group's companies, with such membership and participation in any event being consistent with the *Purpose and Values of the Iberdrola Group*, the *Ethical and Basic Principles of Governance and Sustainability of the Iberdrola Group*, and in accordance with the provisions of the *ScottishPower Stakeholder Engagement Policy* in all cases.

i) Protect and contribute to the value of the Iberdrola brand by following the main principles of conduct established in the *Iberdrola Brand Policy* in order to use it as a lever that contributes to reputation.

j) Promote appropriate training of its professionals and, if applicable, those of the other companies of the SP Group in matters that have or may have an impact on corporate reputation.

k) Monitor the standards and policies of the Governance and Sustainability System that contain elements relevant to corporate reputation and identify indicators related to the expectations of its Stakeholders.

l) Integrate the latest and most innovative trends in corporate reputation, and particularly identify future trends relating to the expectations of its Stakeholders, as well as good practices to be shared throughout the companies of the SP Group.

4. Management and Measurement of Corporate Reputation

The management of corporate reputation shall mainly be performed through:

a) the relationship with stakeholders, which allows an understanding of their expectations and needs, to analyse risks (including reputational risks) and establish specific action and improvement actions to optimise the expectations of each stakeholder group; and

b) action plans, which are measures aimed at modifying or supplementing the operations of the SP Group's companies in order to communicate the Company's performance or, where appropriate, to better meet the expectations of one or more of its Stakeholders.

The foregoing is reported and monitored through the implementation of the *Global Stakeholder Engagement Model of the Iberdrola Group* (provided for in the *Stakeholder Engagement Policy*), which establishes the principles and provides the guidelines that, on the one hand, ensure that relations with the Stakeholders of the Iberdrola Group's companies is homogeneous while respecting the particularities of each country, territory and business, and on the other, establish the mechanisms required to encourage such Stakeholders to have sufficient capacity to engage with the Iberdrola Group's companies.

Corporate reputation is monitored and measured through a specific scorecard that incorporates, among other things, variables from reputational rankings, surveys among

stakeholders, panels, and specific studies on changes in reputation levels and sustainability indices.

The Company also performs quantitative and qualitative analyses to assess the perception of the media, social media and opinion makers and, where necessary, develops specific communication plans in order to improve the perception of the positioning of the Company and the other companies of the SP Group on certain matters of interest in line with the expectations of their respective Stakeholders.

The Company may engage specialised external advisors to measure and identify the impact of the activities and communications of the SP Group's companies on corporate reputation.

5. Iberdrola Group-level Coordination

The Corporate Affairs Division shall coordinate with the Sustainability and Reputation Committee of Iberdrola, S.A. (or such division as assumes the powers thereof at any time) in relation to the supervision and management of the corporate reputation of the Company and of the other companies of the SP Group.

6. Implementation and Monitoring

For the implementation and monitoring of the provisions of this *Policy*, the Board of Directors is assisted by the Corporate Affairs Division (or such division as assumes the powers thereof at any time), which shall further develop the procedures required for such purpose.

* * *

This *Policy* was approved by the Board of Directors of Scottish Power Limited on 6 May 2025 and adopted by the Board of Directors of Scottish Power Energy Networks Holdings Limited on 24 June 2025.

SCOTTISHPOWER SECURITY POLICY

8 July 2026

The Board of Directors of Scottish Power Limited (the "**Company**") has the power to design, assess and continuously revise the Company's Governance and Sustainability System, and specifically to approve and update policies, which contain the guidelines governing the conduct of the Company, and furthermore, to the extent applicable, inform the policies that the companies belonging to the group of which the Company is the controlling entity, within the meaning established by law (the "**SP Group**"), decide to approve in the exercise of their autonomy.

In exercising these powers and within the framework of legal regulations, the *Articles of Association* and the *Purpose and Values of the Iberdrola Group*, the Board of Directors hereby approves this *ScottishPower Security Policy* (the "***Policy***"), which respects, further develops and adapts the *Ethical and Basic Principles of Governance and Sustainability of the Iberdrola Group* with respect to the Company.

In this *Policy*, the Company states its commitment to excellence in terms of security, which plays a leading role in its day-to-day activities, so that it remains secure, resilient and reliable in a continuously transforming environment, in which increasingly more sophisticated physical, cybersecurity and hybrid threats are arising. All of the foregoing entails an increased levels of demands from regulators, from customers and from other Stakeholders of the Company with respect to compliance with increasingly high security standards that allow for the construction and consolidation of long-lasting relationships of trust.

1. Scope of Application

This *Policy* applies to the Company. Without prejudice to the foregoing, it includes basic principles that, in the area of the sustainable value chain, and particularly security, complement those contained in the *Ethical and Basic Principles of Governance and Sustainability of the Iberdrola Group* and, to this extent, must inform the conduct and standards-setting implemented by the other companies of the SP Group in this area in the exercise of their powers and in accordance with their autonomy.

To the extent applicable, these principles must also inform the conduct of the foundations linked to the SP Group.

For companies that do not form part of the SP Group but in which the Company holds an interest, as well as for joint ventures, temporary joint ventures (*uniones temporales de empresas*) and other entities in which it assumes management, the Company shall also promote the alignment of its regulations with the basic principles regarding the sustainable value chain, and particularly security, contained in this *Policy*.

2. Purpose

The purpose of this *Policy* is to establish the main principles of conduct that are to govern security at the Company, in order to endeavour to ensure the effective protection of people, of both physical and cyber assets (including critical infrastructure), of information and of knowledge and of the control and communications systems, as well as of privacy of processed data, at all times endeavouring to ensure that security activities are fully in accordance with legal provisions and scrupulously comply with the provisions of the *ScottishPower Policy on Respect for Human Rights*.

3. Main Principles of Conduct

The Company adopts and promotes the following main principles of conduct that must inform all of its activities in the area of security:

a) Endeavour to ensure the protection of the professionals of the companies of the SP Group, both in their workplace and in their professional travels, as well as the protection of persons when they are at the facilities or at any institutional event of the Company.

b) Ensure the adequate protection of both physical and cyber assets, and of information, to proactively manage risks in all phases of their life cycle, ensuring that they have an appropriate level of both security, including cybersecurity in any of the dimensions of confidentiality, integrity and availability, and resilience, applying the most advanced standards for those that support the operation of critical infrastructure in accordance with, in particular, the *ScottishPower Digital Technology Policy*, the *General Risk Control and Management Foundations of the Iberdrola Group* and with the *Security and Resilience Risk Guidelines and Limits* approved by the Board of Directors.

c) Define a security management model with a clear allocation of roles and responsibilities and with effective coordination mechanisms, which integrates security and proactive risk management into decision-making processes and endeavours to ensure compliance with applicable legal provisions in terms of security, particularly reinforcing cybersecurity and the protection of essential services as priorities.

d) Promote the identification of non-public information considered (or likely to be considered) as business secrets, as well as information whose unauthorised disclosure or alteration could cause serious damage to the interests of the Company.

e) Define the standards for the adequate protection of information and knowledge, as well as of the control, information technology and communication systems, supervising and ensuring the implementation thereof.

f) Promote the active fight against fraud, as well as against attacks on the brand, image and reputation of the Company and its professionals.

g) Guarantee the right to the protection of personal data for natural persons with whom relations are maintained, in accordance with the provisions of the *Personal Data Protection Policy*.

h) Adopt the measures necessary to prevent, neutralise, minimise or restore the harm caused by physical, cybersecurity or hybrid security threats to normal business operations, based on criteria of proportionality to the potential risks and the criticality and value of the affected assets and services.

i) Comply with the main principles of conduct established in the *ScottishPower Operational Resilience Policy*, contributing to the definition, planning and implementation of tests and drills aimed at managing incidents and crises arising from security risks; as well as to the systematic analysis and evaluation of the causes and impacts of incidents, identifying lessons learned and driving the corresponding corrective measures.

j) Foster an inclusive culture and awareness regarding security, in all dimensions thereof (physical, cybersecurity and resilience), both internally and externally, towards third parties and partners, through appropriate dissemination, awareness-raising and training activities adapted to each recipient and with sufficient regularity to ensure that they have the required knowledge, expertise, experience and skills.

k) Promote appropriate security training for all its staff, both internal and external, defining hiring requirements and criteria that take this training into account.

l) Promote the integration of security by default and by design into the management of Company projects that may involve a potential security risk, in such a way as to obtain the proper identification and treatment of this risk from the initial phases and the establishment of the necessary controls during the life of the project.

m) Promote the secure use of assets to strengthen detection, prevention, defence, response and recovery capabilities against attacks or security incidents, ensuring the effectiveness thereof and paying particular attention to cybersecurity threats.

n) Promote the appropriate management of security incidents by endeavouring to ensure their detection, analysis, containment and recovery and the reporting of significant incidents to the competent authorities and, if applicable, to the affected Stakeholders of the Company.

o) Define standards for the secure use of artificial intelligence capabilities, and endeavour to ensure and oversee the implementation thereof.

p) Establish security requirements and standards applicable to the suppliers and partners in the Company's supply chain, in order to manage the security risks associated with the supply chain, that are equivalent to and consistent with the

provisions of this *Policy*, as well as endeavour to ensure and oversee the implementation thereof.

q) Monitor the current organisational and environmental context, as well as the evolution of events that allow for the identification of the most significant security threats in order to anticipate the potential impact thereof.

r) Promote best practices, continuous improvement and innovation in the area of security.

s) Collaborate with relevant Stakeholders (including the supply chain and customers) on security risks that affect the Company, to strengthen the coordinated response to potential security risks and threats.

4. Iberdrola Group-level Coordination

The Company's Security, Resilience and Digital Technology Committee shall coordinate with the Security, Resilience and Digital Technology Committee of Iberdrola, S.A. (or such committee as assumes the powers thereof at any time) regarding security matters at the Iberdrola Group level.

5. Implementation and Monitoring

For the implementation and monitoring of the provisions of this *Policy*, the Board of Directors is assisted by the Corporate Security Division (or such division as assumes the powers thereof at any time), which shall further develop the procedures required for such purpose.

Regular evaluations and audits shall also be performed with internal or external auditors in order to verify compliance with this *Policy*.

* * *

This *Policy* was last amended by the Board of Directors of Scottish Power Limited on 8 July 2026 and adopted by the Board of Directors of Scottish Power Energy Networks Holdings Limited on 22 September 2026.

ScottishPower

Data Protection Policy

Corporate Services, Data Protection

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8 July 2026

The Board of Directors of Scottish Power Limited (the "**Company**") has the power to design, assess and continuously revise the Governance and Sustainability System, and specifically to approve and update policies, which contain the guidelines governing the conduct of the Company and the companies belonging to the group of which the Company is the controlling entity, within the meaning established by law ("**ScottishPower**").

In exercising these powers and within the framework of legal regulations, the *Articles of Association* and the *Purpose and Values of the Iberdrola Group*, the Board of Directors hereby approves this *Data Protection Policy* (the "**Policy**"), which respects, further develops and adapts the *Ethical and Basic Principles of Governance and Sustainability of the Iberdrola Group* with respect to the SP Group.

1. Purpose

The purpose of the Policy is to establish the key principles of conduct that govern ScottishPower's approach to data protection and ensuring compliance with applicable legal provisions under all circumstances. In the UK, this includes the UK GDPR and the Data Protection Act 2018 (the "**UK Data Protection Legislation**"). These requirements apply to the processing of personal data by ScottishPower in the ordinary course of its business.

2. Policy Objectives

Everyone has rights with regards to the way in which their personal data is handled. During the course of its activities, ScottishPower collects, stores and processes personal data about its customers, suppliers, employees and other third parties. ScottishPower recognises that the correct and lawful treatment of this personal data is necessary for compliance with the UK Data Protection Legislation and will also maintain confidence in the organisation and provide opportunities for successful business operations.

ScottishPower has designed a range of policies, rules, procedures and guidance documents to protect the security and integrity of personal data held by ScottishPower, including this Policy (the "**Policies**"). The Scottish Power Limited Board of Directors and senior management team require all employees, contractors, suppliers and third parties to fully comply with the Policies, rules and procedures and failure to do so may result in action e.g., in the case of an employee, it may result in disciplinary action.

3. Personal Data

The Policies relate to the protection of personal data. This is any data from which a living individual can be recognised (with each identifiable individual being a "**Data Subject**"). Common examples of personal data held by ScottishPower includes: customer contact details, customer financial data, credit check data for both customers and employees,

prospective employee application data, employee personnel records and personal details of individuals from suppliers and other third parties that ScottishPower may work with.

In certain circumstances, ScottishPower may also process Special Category data, which includes data about an individual's physical or mental health or condition, their racial or ethnic origin, their religious views / beliefs, sexual orientation, trade union membership and criminal background.

4. Data Protection Principles

As referred to above, ScottishPower is accountable for its compliance with the following fundamental data protection principles:

I. Personal data should be processed lawfully, fairly and in a transparent manner.

II. Personal data should be collected for specified, explicit and legitimate purposes and not processed in a manner that is incompatible with those purposes.

III. Personal data should be adequate, relevant, and limited to what is necessary in relation to the purpose(s) for which it is processed.

IV. Personal data should be accurate and, where necessary, kept up to date.

V. Personal data should be kept for no longer than is necessary for the purpose(s) for which it is processed.

VI. Personal data should be processed in a manner that ensures appropriate security of the personal data.

5. Data Subject Rights

ScottishPower is also required to enable Data Subjects to exercise the following rights in respect of their personal data:

I. The right to be informed about the processing of their personal data – ScottishPower must ensure that all Data Subjects are informed about the ways in which their Personal Data is being processed and the other rights they have in relation to this processing. ScottishPower therefore publishes privacy notices on its websites and provides Data Subjects with additional notices where required.

II. The right to access a copy of their personal data.

III. The right to have any inaccuracies in their personal data rectified.

IV. The right to have their personal data erased in certain circumstances (such as where the personal data no longer needs to be processed in relation to the purpose(s) for which it was collected).

V. The right to have the processing of their personal data restricted in certain circumstances (such as where the personal data does not need to continue to be processed but the individual does not want their data to be permanently erased).

VI. The right to receive their personal data, which they have provided to ScottishPower, in an easily-portable format and to have that data transmitted to another party in certain circumstances, e.g., when asked by a customer to transfer the data to another energy provider, ScottishPower would provide the data in a format that is machine readable.

VII. The right to object to certain types of processing (such as profiling).

VIII. The right not to be subject to a decision based solely on automated processing of personal data.

ScottishPower has procedures in place to enable Data Subjects to exercise their rights appropriately across its different business units. These include a Procedure for Privacy Notices and Consent and a Procedure for the Exercise of Rights.

It is imperative that any correspondence received from an individual about exercising their data protection rights is immediately referred to the relevant Data Protection Manager or the Data Protection Officer using the details noted at Section 13.

6. Data Protection Complaints

ScottishPower recognises the importance of individuals' data protection rights and has established procedures to ensure that complaints relating to the processing of personal data are managed fairly and consistently.

Any individual who considers that their personal data has been processed unlawfully, unfairly, or otherwise in a manner that does not comply with applicable data protection legislation has the right to raise a complaint. ScottishPower treats all such concerns seriously and will ensure they are reviewed appropriately and investigated thoroughly.

ScottishPower aims to address complaints promptly, transparently and impartially, while keeping individuals appropriately informed throughout the process. Where issues are identified, appropriate remedial action will be taken and lessons learned will be used to strengthen ScottishPower's handling of personal data. Individuals will also be advised of any further options available to them should they remain dissatisfied with the outcome.

7. Data Protection by Design & Default

ScottishPower has a procedure that must be considered when going through the process of developing or procuring new products or services that will process personal data, e.g., a new processing activity or the development of a new software application, including situations in which these are contracted by third parties.

It is prohibited to purchase or obtain personal data from unlawful sources, from sources that do not sufficiently ensure the lawful origin of such data or from sources whose data have been collected or transferred in violation of the data protection legislation.

8. Processing Activity Register & Impact Assessments

ScottishPower captures all processes which involve the processing of personal data in its Processing Activity Register ("**PAR**"). The PAR is held and updated by ScottishPower to ensure compliance with its obligations under the UK Data Protection Legislation. The PAR captures details such as the categories of personal data, the purpose of the processing, any processing carried out by third parties, the systems involved in the processing, the lawful basis etc. If it is identified that the processing of certain personal data is deemed 'high risk' to the rights and freedoms of Data Subjects, ScottishPower will complete a Data Protection Impact Assessment ("**DPIA**") to identify and minimise any data protection risks associated with that particular high risk processing.

9. International Data Transfers

ScottishPower will only transfer personal data outside of the UK and EEA when it is legally permitted to do so and in compliance with the UK Data Protection Legislation. When ScottishPower shares personal data with third parties in countries outside of the UK and EEA, it will assess the transfer (including the data protection laws, customs and practices in the country of destination) and will put in place any required contractual arrangements, including any necessary safeguards including the UK's International Data Transfer Agreement, or the EU's Standard Contractual Clauses and the UK Addendum.

Iberdrola has implemented Binding Corporate Rules ("**BCRs**") which permit international transfers of personal data between Iberdrola Group companies for the type of international transfers specified in the BCRs, e.g. employee personal data.

These BCRs have been approved by the Spanish Data Protection Agency and are binding on all Iberdrola Group companies (including the ScottishPower Group). The BCRs and the list

of Iberdrola entities who have signed up to them are available on our and Iberdrola's websites.

10. Third Party Engagement

Where ScottishPower engages a third party to process personal data, it will conduct all necessary due diligence and ensure agreements and contracts provide appropriate protection to the personal data. ScottishPower will do this both when appointing a third party to process personal data on its behalf or when sharing personal data with a third party who is processing personal data for its own purposes.

ScottishPower has a Procedure for Data Protection in Procurement which must be followed to ensure that any data sharing complies with the UK Data Protection Legislation and any applicable regulatory guidance.

11. Report Concerns & Data Breaches

ScottishPower could face significant repercussions if it fails to comply with its obligations under the UK Data Protection Legislation. The UK Information Commissioner's Office ("**ICO**") has statutory powers and authority to issue significant fines for breaches of the UK Data Protection Legislation.

It is imperative that employees understand and comply with the Policies, and work to ensure that contractors, suppliers and other third parties with whom ScottishPower deals do likewise. Any questions or concerns regarding the Policies or our compliance with them should immediately be referred to the relevant Data Protection Manager or the Data Protection Officer using the details noted at Section 13.

ScottishPower has an Incident Response Procedure in place which sets out the action to be taken in the event of any accidental or illegal destruction, loss or alteration of personal data, or any unauthorised processing of personal data for which ScottishPower is responsible (a "**Personal Data Breach**"). Accordingly if an employee (whether directly or indirectly through a contractor, supplier or other third party) becomes aware or suspects that a Personal Data Breach has occurred (or is occurring), the issue must be immediately reported to the responsible business area's Data Protection Manager or the Company's Data Protection Officer, using the details noted at Section 13.

Failure to comply with the terms of our Policies may result in action being taken, e.g., in the case of an employee, this may result in disciplinary action.

12. Training

ScottishPower requires all staff to undertake mandatory training on Data Protection and Binding Corporate Rules. In addition, all staff are required to undertake regular refresher training.

13. Implementation & Monitoring

ScottishPower's Data Protection Officer can be contacted at dataprotection_corporate@scottishpower.com. The Data Protection Officer is responsible for the day-to-day oversight of the Policies and is responsible for monitoring and reporting compliance with the Policies to ScottishPower Limited's Board of Directors. The Data Protection Officer is also responsible for liaising with the ICO regarding ScottishPower's data protection compliance and accountability.

All departments within ScottishPower must implement and observe the Policies. Any questions or concerns about the Policies or their implementation in a specific area or department, or relating to any specific data protection responsibilities or considerations which may apply, should be referred to the Data Protection Manager for that area or department in the first instance, if the Data Protection Manager is unavailable, the questions or concerns should be referred to the Data Protection Officer.

Business Data Protection Managers can be contacted at the following:

ScottishPower Energy Retail:- DataProtection@scottishpower.com
SP Energy Networks:- dp@spenergynetworks.co.uk
SP Renewables Onshore: - dataprotection_onshorerenewables@scottishpower.com
SP Renewables Offshore:- offshoredataprotection@scottishpower.com
SP Corporate:- dataprotection_corporate@scottishpower.com
Sphere Energy Connect:- dataprotection@sphere-connections.co.uk
SP Electricty North West:- DataProtection@enwl.co.uk

Regular audits shall also be performed with internal or external auditors in order to verify compliance with this *Policy*.

14. Iberdrola Group Coordination

ScottishPower's Data Protection Officer shall coordinate with the Security and Resilience Division of Iberdrola, S.A. regarding Iberdrola Group-level coordination of the practices and management of risks in the area of personal data protection.

In addition, the businesses and corporate divisions of ScottishPower must (i) appoint the persons responsible for personal data protection, who shall act on a coordinated basis and under the supervision of the Corporate Security Division (or such division as assumes the powers thereof at any time); and (ii) coordinate with the Corporate Security Division (or such

division as assumes the powers thereof at any time) any activity that involves or entails the management of personal data.

15. Further Information

More information about the UK Data Protection Legislation can also be found at the ICO's website: https://ico.org.uk/.

SCOTTISHPOWER POLICY ON THE RESPONSIBLE DEVELOPMENT AND USE OF ARTIFICIAL INTELLIGENCE TOOLS

17 February 2026

The Board of Directors of Scottish Power Limited (the "**Company**") has the power to design, assess and continuously revise the Company's Governance and Sustainability System, and specifically to approve and update policies, which contain the guidelines governing the conduct of the Company, and furthermore, to the extent applicable, inform the policies that the companies belonging to the group of which the Company is the controlling entity, within the meaning established by law (the "**SP Group**"), decide to approve in the exercise of their autonomy.

In exercising these powers and within the framework of legal regulations, the *Articles of Association* and the *Purpose and Values of the Iberdrola Group*, the Board of Directors hereby approves this *ScottishPower Policy on the Responsible Development and Use of Artificial Intelligence Tools* (the "***Policy***"), which respects, further develops and adapts the *Ethical and Basic Principles of Governance and Sustainability of the Iberdrola Group* with respect to the Company.

The design and application of artificial intelligence tools is an essential element for the sustainable creation of value, as well as for the Group's innovation and digital transformation strategy. The Company therefore recognises the importance of promoting the responsible use thereof, in line with its corporate philosophy and the principles that inform its corporate culture, based on ethics and the commitment to sustainability.

This *Policy* is aligned with the Recommendation of the Organisation for Economic Co-operation and Development (OECD) Council on Artificial Intelligence.

1. Scope of Application

This *Policy* applies to the Company. Without prejudice to the foregoing, this *Policy* includes basic principles that, in the area of the design and use of artificial intelligence tools, complement those contained in the *Ethical and Basic Principles of Governance and Sustainability of the Iberdrola Group* and, to this extent, must inform the conduct and standards-setting implemented by the other companies of the SP Group in this area in the exercise of their powers and in accordance with their autonomy.

To the extent applicable, these principles must also inform the conduct of the foundations linked to the SP Group.

For companies that do not form part of the SP Group but in which the Company holds an interest, as well as for joint ventures, temporary joint ventures (*uniones temporales de empresa*) and other entities in which it assumes management, the Company shall also promote the alignment of its regulations with the basic principles regarding the design and use of artificial intelligence tools contained in this *Policy*.

2. Purpose

The purpose of this *Policy* is to establish the main principles of conduct that are to govern the design, development and application of artificial intelligence tools at the Company, defined as any automated system configured to function with different levels of autonomy and which may, with explicit or implicit aims, generate results such as predictions, recommendations or decisions, which in turn influence physical or virtual environments.

It also has the purpose of regulating the main principles of conduct that govern the responsible use of these tools by the Company's professionals in order to comply with applicable law, generally recognised guidelines and recommendations, the *Ethical and Basic Principles of Governance and Sustainability of the Iberdrola Group*, the *Purpose and Values of the Iberdrola Group* and the other rules that form part of the Company's Governance and Sustainability System.

3. Main Principles of Conduct

The Company adopts and promotes the following main principles of conduct that must govern its activities regarding the design, development and application of artificial intelligence tools, as well as the responsible use thereof within the Company.

a) *Principle of respect for human beings and social wellbeing*

Artificial intelligence systems will be developed and used as tools in the service of people, fully respecting human dignity and the environment, in accordance with the technological state of the art at any time and so that they benefit all human beings.

The Company shall pay special attention to ensuring that artificial intelligence systems do not harm health or safety or have a negative impact on fundamental human rights.

b) *Principle of equal opportunity and non-discrimination*

The Company shall endeavour to develop and use artificial intelligence systems so that they foster equality of access, equal opportunity and diversity, at the same time as avoiding biases with discriminatory effects (based on any condition or characteristic, like race, ethnic origin, religion, or sexual or political orientation, or unfair prejudice).

c) *Principle of culture of innovation*

The Company shall endeavour to ensure that the design, development and application of artificial intelligence tools are aligned with the innovation strategy, which seeks to keep the Company at the forefront of new technologies and disruptive business models, by encouraging a "culture of innovation" that pervades the entire organisation and promotes motivating work environments that favour and reward talent and the generation of ideas and innovative practices.

d) *Principle of privacy and respect for intellectual property*

The Company shall endeavour to ensure that artificial intelligence systems are developed and used in accordance with privacy and data protection provisions and process data that comply with established standards of quality and integrity, as well as respecting intellectual property rights.

e) *Principle of transparency*

The Company shall promote artificial intelligence systems being developed and used so that they permit adequate tracking and transparency, endeavouring to ensure that users are aware they are communicating or interacting with an artificial intelligence system, for which purpose it shall duly inform affected persons of such system's capacities and limitations, as well as of the rights that protect them.

It shall also endeavour to ensure that artificial intelligence systems comply with transparency and documentation obligations established in applicable legal provisions and in generally recognised guidelines and recommendations.

f) *Principle of security and resilience*

The Company shall endeavour to ensure that artificial intelligence systems are developed and used so that they minimise involuntary and unexpected harm and are resilient against unauthorised attempts to access them or alter their use or performance, and against unlawful and malicious third-party use, endeavouring to ensure continuity of service provision at all times.

The Company shall have hardware, technical and software security mechanisms to protect and foster the proper functioning of their artificial intelligence systems against any alteration, misuse or unauthorised access (physical or cyber), as well as endeavour to ensure the integrity of data that are stored or transmitted via those systems.

Without prejudice to the exceptions that may be established for well-founded reasons by the IT Division (or by such division as assumes the duties thereof at any time), they shall generally not develop or use artificial intelligence systems that are classified as high-risk pursuant to the standards established at any time.

g) *Principle of training and awareness-raising*

The Company shall endeavour to ensure that the developers of artificial intelligence tools receive training on aspects required to understand the risks implicit in the use of those systems, such as legal and ethical considerations, behavioural aspects and best security practices, so as to enable the end users of artificial intelligence tools to use them safely.

h) *Principle of proper and controlled use*

The Company shall endeavour to ensure the lawful, ethical and reliable use of artificial intelligence tools, and in particular shall promote the personally controlled and supervised design and use thereof.

Artificial intelligence tools that are applicable to the corporate environment must be used for professional purposes, on a device approved by the Company and in compliance with legal provisions, generally recognised guidelines and recommendations, the Governance and Sustainability System and the terms, conditions and recommendations of use applicable to each tool, in addition to strictly respecting human rights.

The Company may establish procedures for the continuous assessment and supervised use of artificial intelligence tools, in order to ensure the proper and controlled use and traceability of these tools.

i) *Principle of proportionality and harmlessness*

The Company shall endeavour to ensure that the development and use of artificial intelligence tools are aligned with the established purpose, avoiding excesses or unnecessary risks. This means that the applications of artificial intelligence must remain within reasonable limits to achieve their specific objectives, without excessive or unnecessary uses that might go beyond the established purpose.

j) *Principle of responsibility and accountability*

The Company shall implement supervisory, impact assessment, audit and due diligence mechanisms to ensure accountability with regard to artificial intelligence systems during their life cycle, in accordance with defined levels of risk.

4. Group-level Coordination

The Digital Transformation Division (or such division as assumes the powers thereof at any time), through the Security, Resilience and Digital Technology Committee, shall coordinate with the IT Division of Iberdrola, S.A. (or such division as assumes the powers thereof at any time) or the Security, Resilience and Digital Technology Committee of Iberdrola, S.A. regarding the proper use of artificial intelligence and the management of the potential risks arising from the use thereof.

Furthermore, the Digital Transformation Division (or such division as assumes the powers thereof at any time), through the Security, Resilience and Digital Technology Committee, shall act in coordination with the head of business companies of the SP Group and shall prepare the procedures required to ensure the proper use of artificial intelligence and the management of the potential risks arising from the use thereof.

5. Implementation and Development

For the implementation and monitoring of the provisions of this *Policy*, the Board of Directors is assisted by the Digital Transformation Division (or such division as assumes the powers thereof at any time), through the Security, Resilience and Digital Technology Committee, which shall further develop the procedures required for such purpose and shall regularly report to the Audit and Compliance Committee.

The Digital Transformation Division (or such division as assumes the powers thereof at any time) shall review this *Policy* at least once per year to ensure that the content thereof

conforms to the ongoing progress, innovations, risks and regulatory changes that are occurring in the area.

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This *Policy* was approved by the Board of Directors of Scottish Power Limited on 17 February 2026 and adopted by the Board of Directors of Scottish Power Energy Networks Holdings Limited on 13 April 2026.

SCOTTISHPOWER INNOVATION POLICY

8 July 2026

The Board of Directors of Scottish Power Limited (the "**Company**") has the power to design, assess and continuously revise the Company's Governance and Sustainability System, and specifically to approve and update policies, which contain the guidelines governing the conduct of the Company and furthermore, to the extent applicable, inform the policies that the companies belonging to the group of which the Company is the controlling entity, within the meaning established by law (the "**SP Group**"), decide to approve in the exercise of their autonomy.

In exercising these powers, within the framework of legal regulations, the *Articles of Association* and the *Purpose and Values of the Iberdrola Group*, and aware that innovation is a strategic variable that affects all the business and activities of the Company, the Board of Directors hereby approves this *ScottishPower Innovation Policy* (the "***Policy***"), which respects, further develops and adapts the *Ethical and Basic Principles of Governance and Sustainability of the Iberdrola Group* with respect to the Company.

The wager on innovation is a priority for promoting sustainability, efficiency and competitiveness, and for keeping the Company at the forefront of developing the new products, services and business models that are transforming the industry.

The Company sees innovation as an open and decentralised process. It is decentralised because it is carried out independently in each business unit, but consistently with support and coordination provided by the Company's Innovation, Environment and Quality Division (or by such division as assumes the powers thereof at any time). It is open because the Company considers itself to be a technology driver and, as such, its vocation is to involve all of its technology suppliers, including universities, technology centres and equipment manufacturers, in its innovation process.

1. Scope of Application

This *Policy* applies to the Company. Without prejudice to the foregoing, it includes basic principles that, in the area of innovation, complement those contained in the *Ethical and Basic Principles of Governance and Sustainability of the Iberdrola Group* and, to this extent, must inform the conduct and standards-setting implemented by the other companies of the SP Group in this area in the exercise of their powers and in accordance with their autonomy.

To the extent applicable, these principles must also inform the conduct of the foundations linked to the SP Group.

For companies that do not form part of the SP Group but in which the Company holds an interest, as well as for joint ventures, temporary joint ventures (*uniones temporales de*

empresas) and other entities in which it assumes management, the Company shall also promote the alignment of its regulations with the basic principles regarding innovation contained in this *Policy*.

2. Purpose

The purpose of this *Policy* is to establish the main principles of conduct that must govern in the definition and dissemination of the innovation strategy that allows the Company and the other companies of the SP Group to continue to be leaders in the energy sector, leading the transition towards a healthier and more accessible energy model, based on electricity.

3. Main Principles of Conduct

The Company adopts and promotes the following principles of conduct in relation to the innovation strategy:

a) Lead innovation focused on energy efficiency and enabling greater electrification of demand.

b) Promote research, development and innovation (R&D) activities, focusing on efficiency aimed at the ongoing optimisation of the businesses, management of facilities and equipment lifespans, reduction of operation and maintenance costs, decrease in environmental impact, as well as the development of new products and services to satisfy the needs of the customers.

c) Drive the digital transformation of the businesses of the Group's companies in order to improve the efficiency of its processes, the operation and maintenance of its assets and to increase the availability of its generation plants.

d) Keep the SP Group at the forefront of new technologies and disruptive business models, by encouraging a "culture of innovation" that pervades the entire organisation and promotes motivating work environments that favour and reward the generation of ideas and innovative practices by professionals, accepting risk implicit therein and recognising creative contributions.

e) Promote the creation of innovative ecosystems based on the attraction of outside talent and the exploration of new pathways for collaboration, in order to obtain knowledge and design new solutions that allow for the sustainable creation of value.

f) Incentivise innovative ecosystems and encourage innovation in collaboration with start-ups, entrepreneurs and suppliers in order to develop new disruptive and sustainable business models, and favour the exchange of knowledge and have a knock-on effect among them.

g) Foster partnerships and alliances with the academic, intellectual and technology world, by means of links that make it possible to multiply innovative capacity and collaborate on the dissemination of knowledge.

h) Achieve innovations that foster sustainable growth, the efficient management of resources and a reduction in environmental impact, contributing with all of the foregoing to the social and economic development of the places in which the Company does business.

i) Engage in projects in the area of universalisation of energy services based on models that are environmentally sustainable and economically feasible.

j) Incorporate innovation into all of the Company's training by means of courses and specific programmes to develop skills relating to creativity.

k) Implement an innovation management system that includes the establishment of annual targets and goals as part of an ongoing improvement procedure, managing the Company's human and intellectual capital as a major pillar of the entire creative and innovation process.

l) Safeguard innovation in technological, commercial, industrial, scientific, organisational and financial fields, among others, encouraging fair competition among companies within the framework of a social market economy, which is a key factor for long-term sustainable development, and particularly information or knowledge considered (or that could be considered) to be a trade secret in view of the importance of the protection thereof, insofar as it provides an actual or potential competitive advantage and hence adds significant business value for the Company.

m) Promote internal talent and stimulate an environment of creative thought, implementing a culture of innovation at all levels, that facilitates the successful handling of the challenge of incorporating new technologies.

n) Promote a system of technological monitoring and prospecting to identify opportunities and challenges for the businesses and detect the need for innovation in processes or services, all in order to act in advance of technological changes and the new needs and risks of the market.

o) Circulate internally the knowledge gained, so that all professionals are familiar with the best practices applicable to their activity in the search for efficiency and effectiveness in the processes of the Company.

p) Protect the results of the innovation process, managing intellectual and industrial property suitably and ethically, which shall in every case entail respect for the intellectual and industrial property rights of third parties.

q) Support innovations that provide added value for users and boost the satisfaction of Iberdrola's people, shareholders and the financial community, customers and other Stakeholders of the Company.

4. Implementation and Monitoring

For the implementation and monitoring of the provisions of this *Policy*, the Board of Directors is assisted by the Innovation Division of the CEO Office (or such division as assumes the powers thereof at any time) which shall act in coordination with the Technology Division of Iberdrola, S.A. (or such division as assumes the powers thereof at any time).

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This *Policy* was last amended by the Board of Directors of Scottish Power Limited on 8 July 2026 and adopted by the Board of Directors of Scottish Power Energy Networks Holdings Limited on 22 September 2026.

SCOTTISHPOWER QUALITY POLICY

8 July 2026

The Board of Directors of Scottish Power Limited (the "**Company**") has the power to design, assess and continuously revise the Company's Governance and Sustainability System, and specifically to approve and update policies, which contain the guidelines governing the conduct of the Company and furthermore, to the extent applicable, inform the policies that the companies belonging to the group of which the Company is the controlling entity, within the meaning established by law (the "**SP Group**"), decide to approve in the exercise of their autonomy.

In exercising these powers, within the framework of legal regulations, the *Articles of Association* and the *Purpose and Values of the Iberdrola Group*, and aware that the excellent management of all the processes and resources of the companies belonging to the SP Group is an essential lever for the sustainable creation of value for the Company's Stakeholders, the Board of Directors hereby approves this *ScottishPower Quality Policy* (the "***Policy***"), which respects, further develops and adapts the *Ethical and Basic Principles of Governance and Sustainability of the Iberdrola Group* with respect to the Company.

The Company conceives of quality as one of the basic principles making up the third of the corporate values provided for in the *Purpose and Values of the Iberdrola Group*, namely, driving force, which reflects the commitment to innovation and seeks to make into reality small and large changes that make life easier for people through efficiency, self-discipline and the constant search for ongoing improvement, which encompasses a commitment to other values like simplicity, agility and foresight.

1. Scope of Application

This *Policy* applies to the Company. Without prejudice to the foregoing, it includes basic principles that, in the area of the sustainable value chain, and particularly quality, complement those contained in the *Ethical and Basic Principles of Governance and Sustainability of the Iberdrola Group* and, to this extent, must inform the conduct and standards-setting implemented by the other companies of the Group in this area in the exercise of their powers and in accordance with their autonomy.

To the extent applicable, these principles must also inform the conduct of the foundations linked to the SP Group.

For companies that do not form part of the SP Group but in which the Company holds an interest, as well as for joint ventures, temporary joint ventures (*uniones temporales de empresa*) and other entities in which it assumes management, the Company shall also promote the alignment of its regulations with the basic principles regarding the sustainable value chain, and particularly quality, contained in this *Policy*.

2. Purpose

The purpose of this *Policy* is to establish the main principles of conduct to strengthen the competitiveness of the energy products and services supplied through efficiency in energy generation, transmission and distribution processes, paying special attention to excellent management of processes and resources.

3. Main Principles of Conduct

To achieve the aforementioned goals, the Company adopts and promotes the following main principles of conduct that inform all of its quality-related activities:

a) The improvement of customer satisfaction, both internal and external, is a central element of the Company's activities and the design and configuration of its products and services, so that they meet or exceed their expectations.

b) To drive towards operational and management excellence, strengthening a culture of continuous improvement in order to increase competitiveness and the creation of value for ScottishPower's people, shareholders and the financial community, and other Stakeholders of the Company.

c) To advance the quality management systems, giving priority in the implementation thereof to contributing value to the various organisations of the Company. In particular, the transformation of the energy model towards greater electrification and the impact of digitalisation and new business models at the SP Group level make it necessary to continuously evaluate the tools supporting the processes, including quality management systems, in order to achieve operational excellence in management.

d) To focus on its Stakeholders, working to identify and satisfy or even exceed their expectations.

e) To engage all professionals through teamwork, an appropriate flow of information, internal communication, training, equality of opportunity and recognition of achievements.

4. Group-level Coordination

The quality model established at the Iberdrola Group level, which forms part of the Iberdrola Group's Business Model, is structured through a global quality management system that coordinates and supervises the quality management systems of the various corporate areas and businesses to take advantage of the synergies deriving from belonging thereto and driving compliance with the main principles of conduct provided for in this *Policy* and in the *Ethical and Basic Principles of Governance and Sustainability of the Iberdrola Group* regarding quality.

To ensure homogeneous quality practices and levels at the Iberdrola Group level, the Technology Division of Iberdrola S.A. (or the division that, at any given time, assumes its powers) has established a global quality model that coordinates and supervises the quality management systems of the various corporate areas and businesses of the Iberdrola Group (the "**Organisations**"). Additionally, it has approved quality guidelines that define the Iberdrola Group's general strategic lines, consistent with the basic principles of action outlined in the Quality Policy of Iberdrola S.A. and in the *Ethical and Basic Principles of Governance and Sustainability of the Iberdrola Group* in terms of quality, with a commitment to continuous improvement. Furthermore, it has approved a manual and a set of general quality procedures, as well as a global scoresheet that regularly monitors the goals and action plans of the various corporate areas and businesses.

The Technology Division of Iberdrola S.A. communicates these strategic lines, procedures, goals and action plans to the Organisations, who develop and specify them into quality objectives and goals at their different organisational levels, respecting the corporate and governance structure of the Iberdrola Group.

5. Implementation and Monitoring

For the implementation and monitoring of the provisions of this *Policy* and the quality model, the Board of Directors is assisted by the Technology Division of Iberdrola, S.A. (or such division as assumes the powers thereof at any time), pursuant to the corresponding services agreement, which shall further develop the procedures required for such purpose.

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This *Policy* was last amended by the Board of Directors of Scottish Power Limited on 8 July 2026 and adopted by the Board of Directors of Scottish Power Energy Networks Holdings Limited on 22 September 2026.

DIGITAL TECHNOLOGY POLICY

6 May 2025

The Board of Directors of Scottish Power Limited (the "**Company**") has the power to design, assess and continuously revise the Company's Governance and Sustainability System, and specifically to approve and update policies, which contain the guidelines governing the conduct of the Company, and furthermore, to the extent applicable, inform the policies that the companies belonging to the group of which the Company is the controlling entity, within the meaning established by law (the "**SP Group**"), decide to approve in the exercise of their autonomy.

In exercising these powers and within the framework of legal regulations, the *Articles of Association* and the *Purpose and Values of the Iberdrola Group*, the Board of Directors hereby approves this *Digital Technology Policy* (the "***Policy***"), which respects, further develops and adapts the *Ethical and Basic Principles of Governance and Sustainability of the Iberdrola Group* with respect to the Company.

1. Scope of Application

This *Policy* applies to the Company. Without prejudice to the foregoing, it includes basic principles that, in the area of the sustainable value chain, and particularly processes and activities relating to digital technology, complement those contained in the *Ethical and Basic Principles of Governance and Sustainability of the Iberdrola Group* and, to this extent, must inform the conduct and standards-setting implemented by the other companies of the SP Group in this area in the exercise of their powers and in accordance with their autonomy.

To the extent applicable, these principles must also inform the conduct of the foundations linked to the SP Group.

For companies that do not form part of the SP Group but in which the Company holds an interest, as well as for joint ventures, temporary joint ventures (*uniones temporales de empresas*) and other entities in which it assumes management, the Company shall also promote the alignment of its regulations with the basic principles regarding the sustainable value chain, and particularly processes and activities relating to digital technology, contained in this *Policy*.

2. Purpose

The purpose of this *Policy* is to establish the global framework for the governance and proactive management of processes and actions related to digital technology, understood as information and operational technology, recognising their importance as a key resource to achieve the objectives of the Company and promote the effective and efficient operation of the business processes, promoting a coordinated approach on architecture, security and potential convergences with other technologies, minimising operational and security risks, as well as ensuring the continuity thereof.

For purposes of this *Policy*, terms shall have the following meaning:

(i) **information technology** ("**IT**") is the set of physical or material components that comprise a computer or information system ("***Hardware***") and the set of IT programmes, instructions, data and rules to execute certain tasks on a computer ("***Software***") used for handling data, focused on the management and protection of digital information, including general communication networks, data storage and processing and management systems.

(ii) **operational technology** ("**OT**") is the Hardware and Software used to control and interact with physical industrial processes in real time, including local control systems, SCADA ("Supervisory, Control and Data Acquisition"), remote operation systems and telecommunications between them.

3. Main Principles of Conduct

The Company adopts and promotes the following main principles of conduct that must inform its activities related to the use of digital technology:

(i) Continuity of operations: Endeavour to ensure the continuity of operations that procure the provision of services, applying standards of high availability and resilience, developing business continuity, contingency and disaster recovery plans, all in accordance with the *ScottishPower Security Policy*, the *ScottishPower Operational Resiliency Policy*, the *General Risk Control and Management Foundations of the Iberdrola Group* and the *Digital Technology Risk Guidelines and Limits* approved by the Board of Directors.

(ii) Operational efficiency: Push IT and OT assets to operate with the utmost efficiency, optimising personal and material resources and their costs during the asset life cycle, based on reliable processes and technologies that secure high availability of facilities, applying the best practices and recognised standards.

(iii) Risk management: Promote the proactive identification and management of risks in the devices, systems and processes associated with digital technology, ensuring that identified risks are within the thresholds deemed appropriate, particularly those related to security, natural capital, business continuity and those associated with facilities classified as critical according to applicable legal provisions. This particularly includes the planning, implementation and use of solutions that allow for the identification, protection and detection of, response to and recovery from cybersecurity risks, in coordination with the *ScottishPower Security Policy* and the *ScottishPower Operational Resiliency Policy*, as well as with the *Cybersecurity Risk Guidelines and Limits*.

(iv) Technological innovation and life cycle: Promote principles for the secure design, planning, implementation, operation, decommissioning and replacement of IT and OT equipment and systems.

(v) Sustainability and social responsibility: Encourage the selection of technology that optimises energy efficiency and the reduction of consumption, energy losses and greenhouse gas emissions. In particular, special attention shall be paid to ensuring that the devices, systems and processes associated with digital technology do not harm the health of professionals, users, customers and society in general.

(vi) Training and awareness-raising: Encourage the appropriate preparation and training of planners, developers, maintenance personnel and users of digital technology, based on their profile, to understand the risks associated with this technology.

4. Iberdrola Group-level Coordination: the *Digital Technology Governance Model*

A *Digital Technology Governance Model* has been established by Iberdrola, S.A. at the Iberdrola Group level in accordance with the provisions of the *Ethical and Basic Principles of Governance and Sustainability of the Iberdrola Group*, the *Foundations for the Definition and Coordination of the Iberdrola Group* and Iberdrola, S.A.'s *Digital Technology Policy*, setting forth the methodologies, procedures and tools required for the companies of the Iberdrola Group to have a common model that allows them to comply with the main principles of conduct.

The Corporate Services Division (or such division as assumes the powers thereof at any time), shall coordinate with the Resources and Services Division of Iberdrola, S.A. (or such division as assumes the powers thereof at any time) regarding the *Digital Technology Governance Model*.

5. Implementation and Development

For the implementation and monitoring of the provisions of this *Policy*, the Board of Directors is assisted by the Corporate Services Division (or such division as assumes the powers thereof at any time), which shall further develop the procedures required for such purpose.

The Corporate Services Division (or such division as assumes the powers thereof at any time) shall review this *Policy* at least once per year to ensure that the content thereof conforms to the ongoing progress, innovations, risks and regulatory changes that are occurring in the area.

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This *Policy* was approved by the Board of Directors of Scottish Power Limited on 6 May 2025 and adopted by the Board of Directors of Scottish Power Energy Networks Holdings Limited on 24 June 2025.

SCOTTISHPOWER OCCUPATIONAL HEALTH AND SAFETY POLICY

17 February 2026

The Board of Directors of Scottish Power Limited (the "**Company**") has the power to design, assess and continuously revise the Company's Governance and Sustainability System, and specifically to approve and update policies, which contain the guidelines governing the conduct of the Company, and furthermore, to the extent applicable, inform the policies that the companies belonging to the group of which the Company is the controlling entity, within the meaning established by law (the "**SP Group**"), decide to approve in the exercise of their autonomy.

In exercising these powers, within the framework of legal regulations, the *Articles of Association* and the *Purpose and Values of the Iberdrola Group*, and aware of the fundamental importance of the health and safety of the professionals of the SP Group, the Board of Directors hereby approves this *ScottishPower Occupational Health and Safety Policy* (the "***Policy***"), which respects, further develops and adapts the *Ethical and Basic Principles of Governance and Sustainability of the Iberdrola Group* with respect to the Company.

1. Scope of Application

This *Policy* applies to the Company. Without prejudice to the foregoing, it includes basic principles that, in the area of the sustainable value chain, and particularly occupational health and safety, complement those contained in the *Ethical and Basic Principles of Governance and Sustainability of the Iberdrola Group* and, to this extent, must inform the conduct and standards-setting implemented by the other companies of the SP Group in this area in the exercise of their powers and in accordance with their autonomy. To the extent applicable, these principles must also inform the conduct of the foundations linked to the SP Group.

For companies that do not form part of the SP Group but in which the Company holds an interest, as well as for joint ventures, temporary joint ventures (*uniones temporales de empresas*) and other entities in which it assumes management, the Company shall also promote the alignment of its regulations with the basic principles regarding the sustainable value chain, and particularly occupational health and safety, contained in this *Policy*.

2. Purpose

The purpose of this *Policy* is to establish the principles that must lay the foundations for the establishment of a framework for the management of occupational health and safety by the Company that provides safe and healthy conditions for the prevention of injuries and the promotion of physical health, social well-being, and mental and emotional health in relation to the workplace, and which are appropriate to the purpose, size and context of each organisation, to the specific nature of the risks at its facilities, and to the opportunities for improvement to strengthen the

Occupational Health and Safety Management System (OHSMS)[1], as well as to its spheres of influence, all based on compliance with applicable occupational health and safety laws and with good practices established at the international level, and particularly ISO standards 45001 "Occupational health and safety management systems" and 45003 "Psychological health and safety at work".

3. Main Principles of Conduct

The Company adopts and promotes the following main principles of conduct that must inform the activities of its professionals and, to the extent possible, its value chain:

a) Integrate occupational health and safety into decisions, business processes and work methods, such that the members of the management team, managers, technicians and professionals take full ownership of their responsibilities.

b) Recognise the importance of the occupational health and safety of its professionals and, in general, of the people participating in the value chain, as permanent and fundamental objectives that must prevail in any circumstances, and allocate the necessary resources thereto.

c) Promote the highest standards of occupational health and safety for the professionals participating in the value chain, especially those of the suppliers, raising awareness and establishing the controls required to mitigate the risks inherent to the work performed, in accordance with the *Occupational Safety, Health and Well-Being Risk Guidelines and Limits* (the "***Guidelines***"), requiring contractors, and encouraging them to in turn require their subcontractors who will operate at the Company's facilities, to comply with the established safety rules and causing them to participate in the preventive culture that has been implemented, adopting international best practices in the area.

d) Understand health as a state of physical, mental and emotional well-being, promoting actions that create environments and living conditions that nurture and allow the professionals to adopt and maintain healthy and positive habits to attain comprehensive well-being.

e) Promote activities, knowledge and other resources to benefit the physical and mental health, safety and well-being of the professionals, their immediate family and environment.

f) Foster ongoing monitoring of the professionals' health, social well-being and mental and emotional health to ensure professionals are properly suited to their jobs.

g) Promote occupational health and safety training, competence and awareness among those participating in its value chain, especially at suppliers, encouraging commitment to employee consultation and participation and strengthening a culture of excellence that promotes and improves a working environment that is consistent with the principles of

1 Understood as the system regarding or related to the prevention of injuries and health impairments among the professionals under the Company's control as a result of work or in the course of work.

dignity, mutual respect, confidentiality, cooperation and trust in the occupational health and safety management system.

h) Implement proactive measures to foster safe attitudes and conduct among the Company's professionals in general, and among the team heads in particular.

i) Adopt the relevant preventive measures established in applicable legal provisions, which shall also be required of their suppliers.

j) Establish consistent, relevant and quantifiable occupational health and safety indicators that make it possible to prioritise activities and establish action plans that involve professionals and suppliers for the businesses, promoting their commitment to the achievement thereof, in accordance with the *Guidelines*.

k) Obtain and maintain occupational health and safety certifications in line with the strictest international standards, from the standpoint of commitment to ongoing improvement.

l) Identify actions and opportunities to address the impacts and risks related to occupational health and safety in their direct activities and promote the identification thereof in the value chain, in collaboration with their stakeholders, through the implementation of the corresponding due diligence system and taking into account that current value chains are configured globally and that not all their links have sufficient traceability mechanisms.

4. Group-level Coordination

The Board of Directors recognises the importance of establishing a common framework for the control and management of risks associated with health and safety in the workplace through the *Guidelines* that it approves within the framework of the *General Risk Control and Management Foundations of the Iberdrola Group*.

The Company's Occupational Health and Safety Area (or such area as assumes the powers thereof at any time) shall, through the Sustainability and Reputation Committee, define a common framework for the establishment of the occupational health and safety management systems, taking the ISO 45001 and ISO 45003 international standards as essential references, in order to secure compliance with the occupational health and safety strategy defined at the SP Group level, thereby guaranteeing commitment to the highest standards of occupational health and safety. This framework shall take into account mechanisms for better coordination in terms of monitoring and regular reporting of indicators, definition of measurable, specific and quantifiable objectives, as well as external certification processes that confirm the performance and reliability of the occupational health and safety management systems, without prejudice to the corporate autonomy of each of the SP Group's companies.

In addition, the Company's Occupational Health and Safety Area (or such area as assumes the powers thereof at any time) shall coordinate with the corresponding divisions of Iberdrola S.A. regarding its occupational health and safety management system in accordance with Iberdrola's common occupational health and safety framework, as well as on the mechanisms for review, certification and establishment of internal controls and on the identification and exchange of lessons learned and best practices.

Furthermore, the Company's Occupational Health and Safety Area (or such area as assumes the powers thereof at any time) shall coordinate with the head of business companies of the SP Group to foster the creation at each company of the SP Group of a respective occupational health and safety management system in accordance with the common occupational health and safety framework, as well as of the mechanisms for review, certification and establishment of internal controls, and it shall establish the necessary procedures and protocols to identify and exchange lessons learned and best practices.

5. Implementation and Monitoring

For the implementation and monitoring of the provisions of this *Policy*, the Company is assisted by the Occupational Health and Safety Area (or such area as assumes the powers thereof at any time), through the Sustainability and Reputation Committee, which shall further develop the coordination and assessment procedures required for such purpose.

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This *Policy* was approved by the Board of Directors of Scottish Power Limited on 17 February 2026 and adopted by the Board of Directors of Scottish Power Energy Networks Holdings Limited on 13 April 2026.

Book Three - Internal Audit, Risk and Compliance

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1. Corporate Risks and Control

1. General Risk Control and Management Foundations of the Iberdrola Group
2. Iberdrola Group Financial and Non-Financial Information Preparation Policy
3. ScottishPower Basic Internal Audit Regulations

General Risk Control and Management Foundations of the Iberdrola Group

24 February 2026

1. Scope of Application
2. Purpose
3. Risk Management Mechanisms
4. Category of Risks
5. Comprehensive Risk Control and Management System
6. Supervision of the Comprehensive Risk Control and Management System
7. Implementation and Monitoring

The Board of Directors of IBERDROLA, S.A. (the "**Company**") has the power to design, assess and continuously revise the Company's Governance and Sustainability System, and specifically to approve and update the general foundations for the control and management of risks, which contain the guidelines governing the conduct of the Company, and furthermore, to the extent applicable, inform the policies that the companies belonging to the group of which the Company is the controlling entity, within the meaning established by law (the "**Group**"), decide to approve in the exercise of their autonomy.

In exercising these powers and within the framework of applicable legal provisions, the By-Laws and the Purpose and Values of the Iberdrola Group, the Board of Directors hereby approves these General Risk Control and Management Foundations of the Iberdrola Group (the "**Foundations**") which respects, further develops and adapts the Ethical and Basic Principles of Governance and Sustainability of the Iberdrola Group with respect to the Company.

1. Scope of Application

These Foundations apply to all of the Companies of the Group, as well as to the companies in which the Company holds an equity interest that do not form part of the Group but over which it has effective control, within the limits established by legal provisions and by their respective governance and sustainability systems.

Without prejudice to the provisions of the preceding paragraph, to the extent that listed country subholding companies form part of the Group, they and their subsidiaries, under their own special framework of enhanced autonomy, may establish principles and rules, which must have content consistent with the provisions of these Foundations.

2. Purpose

The purpose of these Foundations is to establish mechanisms for the management of risks, identify the main risks faced by the companies of the Group given the nature of its activities and the markets in which it operates, and establish the general framework of action for the configuration of the Comprehensive Risk Control and Management System and for the regular monitoring thereof and the supervision of the internal risk control and management systems.

These Foundations are further developed and supplemented by guidelines and limits that may be established in relation to certain corporate or business risks and which are also subject to approval and review by the Company's Board of Directors (the "**Guidelines**"), upon a proposal of the Audit and Risk Supervision Committee.

Furthermore, these Foundations and the Guidelines are supplemented with the policies and rules making up the Company's Governance and Sustainability System or the governance and sustainability systems that the other companies of the Group approve in the exercise of their powers and of their autonomy.

It is the responsibility of the country subholding companies to adopt the Foundations, as well as the Guidelines approved by the Company's Board of Directors and to specify the application thereof, approving any specific guidelines and risk limits, taking into account the needs, characteristics and particularities of the businesses and of the various countries or territories.

The management decision-making bodies of the head of business or country companies (the "**Head Companies**") must approve the specific risk limits applicable to each of the guidelines and risk limits approved by the country subholding companies and implement the control systems necessary to ensure compliance therewith, for which purpose they will take into consideration the risk guidelines and limits established by the corresponding country subholding company.



3. Risk Management Mechanisms

The Group's companies are affected by various risks inherent to the nature of their activities and to the different countries, territories, businesses, industries and markets in which they operate, which may hinder or prevent the achievement of their objectives and the successful implementation of their strategies.

Aware of the significance of this issue, the Board of Directors of the Company undertakes to develop measures so that, in the exercise and within the limits of its powers, the significant risks to the activities and businesses of the Group's companies are adequately identified, measured, managed and controlled. In particular, it establishes mechanisms for the appropriate management of the risk/opportunity ratio with a level of risk that allows it to:

a. Attain Group-level strategic objectives with controlled volatility.
b. Provide the maximum level of assurance to the shareholders.
c. Protect the interests of shareholders and the financial community, customers and other Stakeholders of the Group's companies.
d. Protect Group-level results and reputation.
e. Ensure corporate stability and financial strength in a sustained fashion over time.
f. Raise awareness of the risk culture among the professionals of the Group's companies through communication and training programmes.

In this regard, all actions aimed at controlling and mitigating risks shall conform to: (i) the main principles of conduct in relation to risk management set out in the Ethical and Basic Principles of Governance and Sustainability of the Iberdrola Group; (ii) the particularities that may be established for each matter in the policies and regulations of the Company's Governance and Sustainability System or of the governance and sustainability systems approved by the other companies of the Group in the exercise of their powers and autonomy; and (iii) the provisions of the Guidelines that may establish the basic rules of conduct, among other aspects.

4. Category of Risks

From a general viewpoint, a risk is considered to be any threat that an event, action or omission may prevent the Group's companies from reaching their objectives and successfully carrying out their strategies.

The classification of risks to which the Group's companies are subject given the nature of their activities and the markets in which they do business are generally those listed below:

a. **Governance and sustainability risks:** risks arising from a potential breach of the provisions of the governance and sustainability systems, including anti-corruption and anti-fraud legal provisions, of each company of the Group.

b. **Business and market risks**: risks related to key variables intrinsic to the various activities of the Company and of the other companies of the Group through their businesses, such as the characteristics of demand, product portfolio positioning and management, as well as the uncertainty generated by the volatility of market prices for fundamental variables including electricity, gas or raw material prices.

c. **Credit and financial risks:** risks related to the possibility that a counterparty breaches its contractual obligations, thus causing an economic or financial loss to the Company or the other companies of the Group, including the risks of payment and costs of replacement, as well as risks related to the volatility of variables (such as exchange rate, interest rate or inflation) and those related to solvency and liquidity.

d. **Strategic, regulatory, tax and level risks:** risks associated with the macroeconomic, geopolitical and social environment, as well as those arising from regulatory changes or changes to tax regulations. They also include risks associated with the strategy of the Company and the other companies of the Group, such as investment and divestment decisions, or those motivated by the competitive environment.

e. **Operational risks:** risks referring to direct or indirect economic losses resulting from external events, errors or inadequate internal procedures, as well as those affecting the ability to properly respond to events of any kind that affect the continuity of core processes.

f. **Technological and comprehensive security risks**: risks related to the appropriate management and operation of information technologies ("IT") and operational technologies ("OT"), as well as those resulting from the adoption of new technologies, including artificial intelligence. They also include risks related to the security of individuals, tangible and intangible assets and information systems, including cybersecurity, as well as the privacy of the personal data that are processed and compliance with related regulations.

For these risks, their potential negative impact on the value of the Group's companies resulting from conduct on the part of the corresponding company that is below the expectations created among the various Stakeholders, as defined in the Stakeholder Engagement Policy, and which could generate a reputational risk, will be taken into account. Materialisation of this risk could affect, to varying degrees depending on the case, the value of essential intangible assets of Group companies, such as the brand or corporate reputation, eroding the confidence of stakeholders.

Given the multidimensional nature of the risks, the taxonomy contemplates additional classification variables to improve the monitoring, control and reporting thereof, including, among others, **emerging risks**, understood as possible new threats with an uncertain impact and undefined probability, that are growing and that could eventually become material for the Group's companies.

5. Comprehensive Risk Control and Management System

These Foundations are implemented through the design of a Comprehensive Risk Control and Management System, understood as the global operational model for the identification, assessment, control and management of the material risks faced by the Company and the other companies of the Group.

This Comprehensive Risk Control and Management System is based on the provisions of the Ethical and Basic Principles of Governance and Sustainability of the Iberdrola Group, as well as the basic guidelines that might be established along with the risk appetite, mainly in the Guidelines, established within the framework of these Foundations, as well as in the objectives

and strategic plan established at the Group level, with the range of mechanisms, material activities and control frameworks developed for such purpose combined under a common methodology and taxonomy.

The Comprehensive Risk Control and Management System is designed in accordance with best international practices in the control and management of business risks, and it includes the following elements:

a. The ongoing identification of significant risks and threats (including contingent liabilities and other off-balance sheet risks), taking into account their possible impact on strategy, key management objectives, the accounts and the reputation of the Group's companies.

b. The analysis and assessment of such risks, both at each of the businesses or corporate areas and taking into account their combined effect on the Group's companies as a whole, for which purpose the use of common risk measurement, control and quantification standards will be promoted.

c. The development of due diligence, control and monitoring systems for compliance with policies, including prevention, detection and mitigation mechanisms for the potential situations involving risks that might arise.

d. The establishment of a structure of guidelines and risk limits and indicators, as well as of the corresponding mechanisms for the approval and implementation thereof, which review and dictate the risk appetite with respect to certain specific risks of the Group's companies, which are approved by the Company's Board of Directors and, if applicable, by the other companies of the Group in accordance with the provisions of these *Foundations*, and reviewed on at least an annual basis.

e. The ongoing evaluation of the suitability and efficiency of applying the system and the best practices and recommendations in the area of risks for potential inclusion thereof in the model.

f. The implementation of internal reporting and control systems to control and manage risks.

g. Audit of the Comprehensive Risk Control and Management System.

An appropriate allocation of duties and responsibilities at the operational and supervisory level has been established at the Group level for the various significant risks and threats, as well as procedures, methodologies and tools to support the Comprehensive Risk Control and Management System, in which the various corporate and business areas participate. The following participate in this regard:

(i) **Risk owners**: the corporate and business areas, which are ultimately responsible for identifying, managing and controlling the risks affecting the matters within their purview.

(ii) **Specialist areas**: each of the areas responsible for the definition, implementation, rollout and supervision of the regulations and policies of the Company's Governance and Sustainability System or of the governance and sustainability systems of the other companies of the Group, as well as any Guidelines approved in further development of these Foundations, to the extent they contain control frameworks regarding certain general risks for which certain main principles of conduct have been approved.

(iii) **Risk Division** (which reports organisationally to the Internal Audit and Risk Division): which is configured as an independent function, responsible for leading the design and implementation of the Comprehensive Risk Control and Management System for the identification and management of the material risks faced by the Group's companies.

6. Supervision of the Comprehensive Risk Control and Management System

The Company's Board of Directors is assisted by the Audit and Risk Supervision Committee, which, within the framework of its powers as a consultative body, monitors and reports on the effectiveness of the risk management and control system.

For the implementation and effective operation of the Comprehensive Risk Control and Management System, a Risk Committee has been created as a cross-functional, internal and permanent body supporting the Internal Audit and Risk Division, which is made up of representatives from the Company's various corporate and business areas.

The Risk Committee shall supervise: (i) the adequate identification and management of the main risks within the risk appetite established by the Board of Directors; and (ii) the adequate operation of the internal reporting and control systems implemented for the management and control thereof.

7. Implementation and Monitoring

The Risk Division, which belongs to the Company's Internal Audit and Risk Division (or such divisions as assume the respective powers thereof at any time) is responsible for the implementation of these Foundations and the achievement of their objectives, through the Risk Division, with the support of the Risk Committee, which will establish the necessary mechanisms for the coordination of the various actors in the Comprehensive Risk Control and Management System.

The Company's Internal Audit and Risk Division (or such division as assumes the powers thereof at any time) shall coordinate with the corresponding divisions of the other companies of the Group within their respective purviews. In particular, it relies on the support of the internal audit and risk divisions of the other companies of the Group, which handle the implementation and monitoring of the risk guidelines and limits.

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These Foundations were initially approved by the Board of Directors on 25 March 2025 and last amended on 24 February 2026, and include the content of the General Risk Control and Management Policy initially approved on 18 December 2007, which ceased to be in effect.

Iberdrola Group Financial and Non-Financial Information Preparation Policy

25 March 2025

1. Scope of Application

2. Purpose

3. Main Principles of Conduct

4. Powers Vested in the Company's Audit and Risk Supervision Committee and the Audit and Compliance Committees of the other Companies of the Group in relation to the Financial Information

5. Implementation and Monitoring

The Board of Directors of IBERDROLA, S.A. (the "**Company**") has the power to design, assess and continuously revise the Company's Governance and Sustainability System, and specifically to approve and update policies, which contain the guidelines governing the conduct of the Company, and furthermore, to the extent applicable, inform the policies that the companies belonging to the group of which the Company is the controlling entity, within the meaning established by law (the "**Group**"), decide to approve in the exercise of their autonomy.

In exercising these powers within the framework of legal provisions, the By-Laws and the Purpose and Values of the Iberdrola Group, as well as recognising as a strategic objective ongoing attention to the transparency of the financial and non-financial information that the Company publishes and the impact thereof on its Stakeholders, the Board of Directors hereby approves this Iberdrola Group Financial and Non-Financial Information Preparation Policy (the "**Policy**"), which respects, further develops and adapts the Ethical and Basic Principles of Governance and Sustainability of the Iberdrola Group with respect to the Company.

1. Scope of Application

This Policy applies to all companies of the Group.

With respect to financial information, this Policy applies to the preparation of the consolidated financial statements, the interim management statements corresponding to the results of the Company and its consolidated group for the first and third quarters of the financial year, and the half-yearly financial report (the "**Consolidated Financial Information**").

As regards non-financial information, this Policy applies to the preparation of the consolidated statement of non-financial information of the Company and its subsidiaries, which document also includes the Company's individual statement of non-financial information (the "**SNFI**").

2. Purpose

This Policy is intended to define an orderly process for preparing both the Consolidated Financial Information and the SNFI, applicable to all companies of the Group, that is consistent with the principles of subsidiarity and decentralised management that govern the corporate and governance structure thereof, ensuring that the Consolidated Financial Information and the SNFI are prepared based on information provided by the various companies of the Group and clearly describing the responsibility of their respective management decision-making bodies in such processes.

The preparation process also ensures that the Consolidated Financial Information and the SNFI that the Company formulates, approves and publishes are prepared in accordance with the most stringent criteria and standards, and specifically that:

(i) the Consolidated Financial Information reflects, in all its material respects, a true and fair view of the assets and liabilities, the financial position, the results and the cash flows of the group made up of the companies included in the consolidation; and

(ii) the SNFI reflects, in all material respects, in a reasonable and balanced manner, the environmental, social and corporate governance performance of the consolidated group, with the scope defined by law and in accordance with international standards.

3. Main Principles of Conduct

■ 3.1. Main Principles of Conduct in connection with the Preparation of the Consolidated Financial Information

The main principles of conduct in connection with the preparation of the Consolidated Financial Information are described below:

a. The formulation of the individual financial information of each of the companies of the Group required by applicable law in each case is the responsibility of the management decision-making body of each company.

b. At country subholding companies, the responsibility of their management decision-making bodies shall extend to the formulation of the financial information of the consolidated subgroup made up of the country subholding company and its subsidiaries if required by applicable law or if the management decision-making body of the relevant country subholding company deems it appropriate to formulate such consolidated information.

c. Without prejudice to the provisions of law, the management decision-making body of each company shall also be responsible for the formulation of any financial information relating to its respective company that may be required to prepare the Consolidated Financial Information within the framework of the accounting consolidation process, in accordance with the models and scopes defined by the Company's Control Division (or by such division as assumes the powers thereof at any time) (the "**Financial Information for Consolidation**").

d. The management decision-making bodies of the country subholding companies shall also be responsible for approving the Financial Information for Consolidation of the company itself and that of its subsidiaries, which form part of its subgroup.

e. The Financial Information for Consolidation shall be prepared in accordance with the accounting standards established in the Accounting Policies Handbook and with the models approved or defined by the Company's Control Division (or by such division as assumes the powers thereof at any time).

f. Without prejudice to the principles set forth above, the management teams responsible for preparing the Financial Information for Consolidation of each of the companies of the Group shall coordinate with the Company's Control Division (or with such division as assumes the powers thereof at any time) to reach agreement on the interpretive accounting standards to take into consideration when preparing such information. Any disagreement in this regard shall be reflected in writing when submitting the Financial Information for Consolidation.

g. Within the context of preparing the Consolidated Financial Information, companies with Financial Information for Consolidation that is covered by the scope of the verification procedures applied by the Company's external auditor shall ensure that the Financial Information for Consolidation has been reviewed by its external auditor before submitting it to the Company's Control Division (or to such division as assumes the powers thereof at any time) in accordance with the process described in section 4 of this Policy, and shall endeavour to ensure the avoidance of major disagreements with the Company's external auditor in relation to the application of the accounting principles to such Financial Information for Consolidation.

■ 3.2. Main Principles of Conduct in connection with the Preparation of the SNFI

The main principles of conduct in relation to the preparation of the SNFI on which this Policy is based are described below:

a. On an annual basis, the Company's Board of Directors prepares and submits the SNFI for the approval of the shareholders at the General Shareholders' Meeting.

b. Prior to its publication for purposes of the call to the General Shareholders' Meeting, the SNFI shall be subject to assurance by an independent assurance provider appointed by the Board of Directors upon a proposal of the Audit and Risk Supervision Committee.

c. The Sustainable Development Committee: (i) shall determine the general standards, guidelines and principles that must govern the preparation of the SNFI, which shall be further developed and specified by the Corporate Sustainability Division of the Company (or by such division as assumes the powers thereof at any time) in a guide for the preparation of the consolidated statement of non-financial information (the "Guide"); (ii) shall verify that the content of the SNFI conforms to the Company's sustainable development strategy and that it includes a reference to the level of achievement of the Climate Action Plan approved by the Board of Directors; and (iii) shall submit its report to the Board of Directors, prior to the preparation thereby of the SNFI, taking into account the report prepared by the Audit and Risk Supervision Committee referred to in the next paragraph.

d. The Audit and Risk Supervision Committee: (i) shall supervise the process of preparation and presentation of the SNFI; (ii) shall verify the clarity and integrity of the content thereof; (iii) shall report to the Sustainable Development Committee on the two foregoing items prior to the issuance thereby of its report and the preparation by the Board of Directors of the SNFI; and (iv) shall propose to the Board of Directors the appointment of and shall maintain communications with the independent assurance provider responsible for assurance of the information included in the SNFI;

e. The Company's Corporate Sustainability Division (or such division as assumes the powers thereof at any time) shall prepare the SNFI in accordance with the provisions of the Guide and the general standards, guidelines and principles defined by the Sustainable Development Committee.

f. The management decision-making bodies of the country subholding companies (and of the head of business or country companies that are not subordinate to a country subholding company) shall be responsible for the preparation and approval of the non-financial information of the consolidated subgroup made up of the corresponding country subholding company and its subsidiaries that is required to prepare the SNFI in accordance with the models, scopes and procedures defined by the Company's Corporate Sustainability Division (or such division as assumes the powers thereof at any time) pursuant to the provisions of the Guide, which shall include, among other things, the preparation of information segmented by geographical area and by business in line with the standards used to prepare the SNFI.

g. The audit and compliance committees of the country subholding companies shall issue the reports that are required regarding the process of preparation and presentation and the clarity and integrity of the non-financial information corresponding to the respective company.

h. Without prejudice to the foregoing principles, the organisations responsible for preparing the non-financial information for the consolidation of each of the companies of the Group shall coordinate with the Company's Corporate Sustainability Division (or with such division as assumes the powers thereof at any time) to approve the interpretive criteria for the standards applied in the preparation of the SNFI pursuant to the standards, guidelines and general principles defined by the Sustainable Development Committee and pursuant to the provisions of the Guide (the "**Information for the SNFI**").

The companies whose non-financial information is required to prepare the SNFI shall provide the Company with all support necessary for the preparation thereof, as well as in the process of assurance thereof by the independent assurance provider.

3.3. Process of Preparing the Consolidated Financial Information and the SNFI

Before the beginning of each financial year, the Office of the Secretary of the Company's Board of Directors shall inform the Company's Control Division and Corporate Sustainability Division (or such divisions as assume the respective powers thereof at any time) of the date provided for the adoption of the resolution to formulate or the approval, as appropriate, of the Consolidated Financial Information and the SNFI.

The aforementioned divisions shall communicate to the management decision-making bodies of the Group's companies the deadlines for submitting the Financial Information for Consolidation and the Information for the SNFI for each company, and in the case of the country subholding companies, for their respective subgroups.

Communications regarding the Financial Information for Consolidation and the Information for the SNFI shall be coordinated with the requests that the chair of the Company's Audit and Risk Supervision Committee and the chairs of the audit and compliance committees of the country subholding companies (and of the head of business or country companies that are not subordinate to a country subholding company and that have their own audit and compliance committee) send pursuant to the provisions of the General Framework for Relations of Coordination and Information among the Audit Committees of Iberdrola, S.A. and its Group in order to issue the required reports. Moreover, in the case of the Information for the SNFI, the communication shall also be coordinated with the information requests made by the Company's Control Division (or such division as assumes the duties thereof any time).

The management bodies of the country subholding companies shall prepare and approve the Financial Information for Consolidation and the Information for the SNFI corresponding to their subgroup following a report from their respective audit and compliance committees and based on the information received from their subsidiaries.

Once the Financial Information for Consolidation has been reviewed by their external auditor within the context of its review of the Consolidated Financial Information, they shall send it to the Company's Control Division (or such division as assumes the powers thereof at any time) prior to the date indicated thereby, in order to prepare the Consolidated Financial Information and submit it for the formulation or approval of the Company's Board of Directors, as appropriate, after a report from its Audit and Risk Supervision Committee.

The management bodies of the country subholding companies, in accordance with the provisions of the Guide, shall also send the Information for the SNFI to the Company's Corporate Sustainability Division (or to such division as assumes the powers thereof at any time) prior to the date indicated thereby, in order to prepare the SNFI.

The Company's Board of Directors shall prepare the SNFI following a report from the Sustainable Development Committee, which in turn shall have received from the Audit and Risk Supervision Committee a report on the process of preparation and presentation thereof, as well as on the clarity thereof and on the integrity of the content thereof. The SNFI prepared by the Board of Directors shall be verified by the external assurance provider before it is submitted for the approval of the shareholders at the General Shareholders' Meeting.

4. Powers Vested in the Company's Audit and Risk Supervision Committee and the Audit and Compliance Committees of the other Companies of the Group in relation to the Financial Information

The provisions of this Policy shall be deemed without prejudice to the powers vested in the Company's Audit and Risk Supervision Committee and the audit and compliance committees of the other companies of the Group in relation to the financial information of their respective company.

In particular, the Financial Information for Consolidation of the companies that have their own audit and compliance committee must be reported on by such committee before being submitted for the approval of the management decision-making body of the company in question.

Said reports shall be submitted to the Company's Audit and Risk Supervision Committee pursuant to the provisions of the General Framework for Relations of Coordination and Information among the Audit Committees of Iberdrola, S.A. and its Group.

5. Implementation and Monitoring

For the implementation and monitoring of the provisions of this Policy, the Board of Directors is assisted by the Company's Control Division (or such division as assumes the powers thereof at any time) in relation to the Consolidated Financial Information and by the Corporate Sustainability Division (or such division as assumes the powers thereof at any time) in relation to the SNFI, which shall further develop the procedures required for such purpose.

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This Policy, approved by the Board of Directors on 25 March 2025, combines the content of the Iberdrola Group Financial Information Preparation Policy approved on 24 July 2018 and that of the Iberdrola Group Non-Financial Information Preparation Policy approved on 21 July 2020, which are no longer in effect.

BASIC INTERNAL AUDIT REGULATIONS

TITLE I.- REGULATIONS

Article 1.- Nature and Scope of Application

1. These *Basic Internal Audit Regulations* (the "***Basic Regulations***"), which form part of the Governance and Sustainability System of Scottish Power Limited (the "**Company**") govern, among other issues, the nature, powers, organisation and duties of the members of the Internal Audit function that correspond to the Internal Audit and Risk Division of the Company.

2. The *Basic Regulations* also establish the internal audit foundations that must inform the conduct and standards-setting implemented by the other companies belonging to the group of which the Company is a controlling entity, within the meaning established by law (the "**SP Group**"), in the exercise of their powers and in accordance with their autonomy, which will be required in all cases to respect the coordination criteria established (i) in these *Basic Regulations*, and (ii) in the *Basic Internal Audit Regulations* and the *Ethical and Basic Principles of Governance and Sustainability of the Iberdrola Group* approved by the Board of Directors of Iberdrola, S.A. in its condition as holding company of the companies belonging to the group of which Iberdrola, S.A. is the controlling entity, within the meaning established by law (the "**Iberdrola Group**").

3. The Internal Audit and Risk Division is an internal unit of the Company that functionally reports to the Audit and Compliance Committee (the "**Committee**"). Its basic activity consists of independently and proactively endeavouring to ensure the effectiveness of the governance, risk management and internal control processes within the Company and within the boundary of the SP Group.

Article 2.- Approval, Amendment and Priority

1. In accordance with the provisions of the *Regulations of the Audit and Compliance Committee*, the *Basic Regulations* and any amendments thereof must be approved by the Board of Directors upon a proposal from the Committee.

2. Without prejudice to the foregoing, the Board of Directors may make amendments to these *Basic Regulations* without having a prior proposal from the Committee within the context of the reform of other regulations of the Governance and Sustainability System.

3. These *Basic Regulations* further develop and supplement the provisions of the *Regulations of the Audit and Compliance Committee* applicable to the Internal Audit and Risk Division, which prevail over these *Basic Regulations* in the event of conflict.

Article 3.- Interpretation

1. Any questions that might arise regarding the interpretation and application of the *Basic Regulations* shall be resolved by the Director of Internal Audit and Risk of the Company, jointly with the Chief Internal Audit and Risk Officer of Iberdrola, S.A. who shall take into consideration the provisions of the Governance and Sustainability System of the Company, the *International Standards for the Professional Practice of Internal Auditing* approved by the Institute of Internal Auditors (IIA) and other applicable legal provisions. In the event of questions or conflicts, the opinion of the Committee shall be requested.

2. The Director of Internal Audit and Risk shall inform the following of the standards of interpretation under the *Basic Regulations* that have been adopted: (i) the members of the Company's Internal Audit and Risk Division, as well as the heads of the internal audit divisions of the other companies of the SP Group; and (ii) the secretary of the Committee, who in turn shall communicate them to the secretary of the Company's Board of Directors.

Article 4.- Compliance

1. The members of the Internal Audit and Risk Division have the obligation to know and comply with these *Basic Regulations*, which shall form part of the management tools of the Internal Audit and Risk Division.

2. The professionals of the Company have the obligation to know these *Basic Regulations* to the extent they are affected hereby and to comply with the provisions applicable thereto, for which reason the Director of Internal Audit and Risk shall ensure the proper dissemination hereof and inform them of the amendments hereto.

3. The Director of Internal Audit and Risk shall have the duty to ensure compliance with these *Basic Regulations.*

TITLE II. POWERS OF THE INTERNAL AUDIT AND RISK DIVISION

Article 5.- Scope of Powers

1. The Internal Audit and Risk Division shall independently and objectively provide assurance and advisory services to add value and improve the operations of the Company, providing a systematic and disciplined focus in order to evaluate and improve the efficiency of the risk management, control and governance processes thereof at the SP Group level.

2. In performing its duties, as well as in preparing the annual activities plans of the Internal Audit and Risk Division provided for in Article 11 of these *Basic Regulations*, they must take into account the powers of assurance of other areas of the Company in order for the responsibilities of the Internal Audit and Risk Division to be clearly defined and in order for there to be proper mechanisms of coordination with other assurance functions.

3. The Internal Audit and Risk Division must be informed of the provision of any assurance services to the companies of the SP Group by outside service providers.

4. In addition to the powers established in these *Basic Regulations*, the Internal Audit and Risk Division shall have such other powers as are allocated thereto by the Board of Directors or vested therein by the Governance and Sustainability System.

Article 6.- Powers relating to the Audit and Compliance Committee

1. The Internal Audit and Risk Division shall assist the Committee in developing its powers, especially as regards supervision of the efficiency of the internal control and risk management system, relations with the statutory auditor, and supervision of the process of preparing the financial and non-financial information of the Company.

2. The Director of Internal Audit and Risk shall be responsible for preparing the information requested by the Committee. The Director of Internal Audit and Risk shall also attend the meetings to which this officer is called when dealing with issues within the purview thereof (including meetings held to formulate or approve annual or interim financial information and annual non-financial information).

   In particular, the Director of Internal Audit and Risk shall provide to the Committee, without limitation and within their scope of competence, the information required so that the Committee can: (i) supervise the efficiency of the internal control and risk management systems; and (ii) reach a conclusion as to whether the accounting policies have been properly applied.

3. The Internal Audit and Risk Division shall be the regular body for communication between the Committee and the rest of the Company's organisation, without prejudice to provisions of the *Regulations of the Audit and Compliance Committee* and the *General Framework for Relations of Coordination and Information among the Audit Committees of Iberdrola, S.A. and its group* regarding the duties entrusted to other areas, particularly the Office of the Secretary of the Board of Directors and other divisions.

Article 7.- Powers regarding the supervision of the efficacy of the Internal Control System

1. The Internal Audit and Risk Division shall objectively and independently supervise the effectiveness of the internal control system established at the SP Group level, which is made up of a set of risk management and control mechanisms and systems.

2. In particular and without limitation, and to the extent within its purview, it shall be particularly responsible for:

   a) Supervising the efficient operation within the SP Group:

      (i) of the comprehensive risk control and management system established at the Iberdrola Group level, as described in the *General Risk Control and*

Management Foundations of the Iberdrola Group and the adaptation thereof to ensure compliance with the guidelines and risk limits.

In order to ensure the independence and objectivity of the Internal Audit function, assurance work to be performed regarding the Risk function shall be carried out by independent expert professionals who shall report their conclusions directly to the Committee.

(ii) of the Internal Control over Financial Reporting (ICFR) and Internal Control over Non-Financial Reporting (ICNFR) Systems established for preparing and presenting the financial and non-financial information of the companies of the Iberdrola Group, including information that Iberdrola, S.A. must regularly publish due to its status as a listed company.

(iii) of the Company's Compliance System, which is intended to prevent, manage and mitigate the risk of improper conduct and acts that are illegal or contrary to law and the Governance and Sustainability System that can be performed within the organisation.

(iv) of the mechanisms established for the implementation of the policies of the Governance and Sustainability System.

b) Verifying that the investment and divestment processes comply with the applicable guidelines and risk limits in each case and that the procedures pursuant to which they are performed ensure proper internal control and effective management of the related risks.

3. The Internal Audit and Risk Division shall also engage in any other actions needed to perform its duty of ensuring the effective operation of the internal control system.

TITLE III. ORGANISATION OF THE INTERNAL AUDIT AND RISK DIVISION

Article 8.- Director of Internal Audit and Risk

1. The Director of Internal Audit and Risk should have the knowledge, skills and experience appropriate to the duties they are required to perform, especially with respect to internal audit, risk management, internal control and governance.

2. Pursuant to the provisions of the Governance and Sustainability System, the Board of Directors is responsible for the appointment and removal of the Director of Internal Audit and Risk, upon a proposal of the Committee. For this purpose, the chair of the Committee shall previously consult with the Chief Internal Audit and Risk Officer of Iberdrola, S.A.

3. The Director of Internal Audit and Risk shall be deemed a member of the senior management of the Company.

4. The Director of Internal Audit and Risk shall generally have the powers necessary to carry out the duties they are called upon to perform.

5. The Director of Internal Audit and Risk shall act transparently, informing the affected parties of the purpose and scope of the activities thereof whenever practicable.

6. The Committee is the body that evaluates the operation of the Internal Audit and Risk Division and the performance of the chief officer thereof pursuant to the provisions of the *Regulations of the Audit and Compliance Committee*.

7. The Director of Internal Audit and Risk shall manage the operation and the budget of the Internal Audit and Risk Division under the principles of independence and efficiency in management, and shall be responsible for implementing the relevant measures and action plans and endeavouring to ensure the proper performance of the duties thereof.

8. The Director of Internal Audit and Risk may obtain assistance and advice from internal or outside professionals in those cases in which they deem it necessary.

Article 9.- Framework for Relations of Coordination and Information among the Company's Internal Audit and Risk Division, Iberdrola, S.A.'s Internal Audit and Risk Division and the Internal Audit and Risk Divisions of other companies in the SP Group

1. Pursuant to the provisions of the *Foundations for the Definition and Coordination of the Iberdrola Group*, the Iberdrola Group's country subholding companies have an Internal Audit function, without prejudice to the any particularities applicable thereto due to their status as a listed company, nationality, law or any other circumstances.

2. The Company's Director of Internal Audit and Risk, based on the framework for relations of coordination and information established by Iberdrola, S.A.'s Chief Internal Audit and Risk Officer, as holding company of the Iberdrola Group, shall establish a complementary framework for relations of coordination and information between the Internal Audit and Risk Division of the Company and the Internal Audit and Risk divisions or functions of other companies in the SP Group and shall develop the strategy, guidelines and overall supervision of the Internal Audit Function for the Company and other Companies in the SP Group in the terms set out in these *Basic Regulations* and in Iberdrola, S.A.'s *Basic Internal Audit Regulations***.**

3. The Director of Internal Audit and Risk and the heads of the Internal Audit and Risk divisions or functions of other companies in the SP Group shall hold regular coordination and information meetings. Such meetings may also be attended by those professionals that the Director of Internal Audit and Risk deems appropriate for the good development of the function.

TITLE IV. RESOURCES, BUDGET AND ANNUAL ACTIVITIES PLAN

Article 10.- Material, Human and Technological Resources

The Internal Audit and Risk Division shall have the human, financial and technological resources required to perform its duties, including the hiring or participation of experts for audits or work requiring special qualifications for the performance thereof.

Article 11.- Annual Activities Plan and Budget

1. The Director of Internal Audit and Risk shall prepare a proposed annual activities plan of the Internal Audit and Risk Division, following the guidelines established, with an Iberdrola Group projection, by Iberdrola, S.A.'s Internal Audit and Risk Division and shall submit it for the approval of the Committee. In relation to the Internal Audit functions, such proposal:

    a) shall contain the budget of the Internal Audit and Risk Division for engaging in its activities during the next financial year;

    b) shall take into account the principal financial and non-financial risk areas (including reputational risks) and those of the businesses;

    c) shall clearly identify and define the responsibilities of each corporate and business area for proper coordination with any other assurance functions, such as the financial and non-financial information control, compliance and external audit;

    d) shall establish the Internal Audit function's objectives and the work to be performed, as well as the resources necessary for the implementation thereof, both human (internal and external) and financial and technological; and

    e) shall take into account any suggestions that the Board of Directors, the Committee and the members of senior management have communicated thereto.

2. The Director of Internal Audit and Risk shall periodically review the annual activity plan in order to evaluate the adequacy thereof to cover the risks identified and, if applicable, propose to the Committee for approval the changes the Director of Internal Audit and Risk deems appropriate, and shall report on the implementation of the plan on the terms established in section 2 of Article 12 below.

3. The Committee shall evaluate compliance with the annual activity plan of the Internal Audit function.

4. Once approved by the Committee, the budget for the Internal Audit and Risk Division shall be sent to the chairman of the Board of Directors of the Company, who shall present it to the Board of Directors for review.

Article 12.- Communication and Information

1. The nature and scope of any advisory work performed by the Internal Audit and Risk Division shall be previously communicated to the relevant division. In no case may the Internal Audit and Risk Division assume management responsibilities or participate in making executive decisions.

2. The Director of Internal Audit and Risk shall:

   a) regularly report to the Committee and to the members of senior management on the implementation of the annual activity plan, including any impacts and limitations on scope arising during the development thereof, as well as the results and conformance to recommendations;

   b) submit to the Committee, at the end of each financial year, a report on the activities of the Internal Audit and Risk Division, which must contain at least a summary of the activities performed and reports issued during the financial year, explaining what work provided for in the annual plan has not been carried or performed without being provided for in the initial plan, as well as an inventory of weaknesses, recommendations and action plans, and the results of the *Quality Assurance and Improvement Programme* approved by the Internal Audit and Risk Division of Iberdrola, S.A. at an Iberdrola Group level; and

   c) regularly report to the Committee on whether the members of senior management of the Company take into account the conclusions and recommendations of the reports of the Internal Audit and Risk Division, and report those cases in which members of senior management of the Company decide not to implement a recommendation regarding a high or very high risk, thus accepting the relevant risk.

3. The Internal Audit and Risk Division shall promote constant and fluid communication with the members of senior management of the Company to ensure that they are aware of the powers of the Internal Audit function and support it in the achievement of its objectives.

TITLE V. ACCESS TO INFORMATION AND DUTIES OF ITS MEMBERS

Article 13.- Access to Information and Collaboration

1. The Internal Audit and Risk Division, through its chief officer or such person as is designated thereby, shall have access to the documentation, information or information systems it deems necessary or appropriate for the exercise of its powers, without prejudice to and respecting legal provisions and the internal rules of the Company and the other Iberdrola Group companies.

2. In the exercise of its powers, the Internal Audit and Risk Division may obtain assistance from any member of the management team or professional of the Company, as well as from other specialised areas both in and outside the Company.

Article 14.- Duties

1. The members of the Internal Audit and Risk Division must:

   a) Act with independence of judgement and action with respect to the rest of the organisation and perform their work in accordance with the *Global Internal Audit Standards*, particularly including principles of ethics and professionalism, integrity, objectivity, competence, professional due diligence and confidentiality.

   b) Refrain from disclosing any information, data, reports or background information to which they may have access while in office, nor use any of the foregoing for their own benefit or that of third parties, without prejudice to any applicable duties of transparency and reporting. This duty of confidentiality shall survive even after the members no longer hold such position.

2. The professionals assigned to the Internal Audit and Risk Division undertake to comply with the mandatory rules established in the *International Standards for the Professional Practice of Internal Auditing* approved by the Institute of Internal Auditors (IIA), in addition to the other legal provisions and internal rules applicable thereto.

* * *

These *Basic Regulations* were initially approved by the Board of Directors of Scottish Power Limited on 6 May 2025 and adopted by the Board of Directors of Scottish Power Energy Networks Holdings Limited on 24 June 2025. They were last amended by the Board of Directors of Scottish Power Limited on 15 July 2025 and adopted by the Board of Directors of ScottishPower Energy Networks Holdings Limited on 7 October 2025.

2. Compliance

1. ScottishPower Code of Conduct for Suppliers
2. ScottishPower Compliance Policy
3. ScottishPower Internal Reporting and Whistleblower Protection System
4. Regulations of the Scottish Power Energy Networks Holdings Limited Compliance Unit
5. ScottishPower Code of Conduct and Disciplinary Rules
6. ScottishPower Financial Crime Policy
7. ScottishPower Business Separation Policy

SCOTTISHPOWER CODE OF CONDUCT FOR SUPPLIERS

Section A. The Code

Article A.1. Scope of Application

1. This *Code of Conduct for Suppliers* (the "***Code of Conduct***") applies to the suppliers of Scottish Power Limited (the "**Company**") and of the other companies belonging to the group of which the Company is the controlling entity, within the meaning established by law (the "**SP Group**").

2. Without prejudice to the provisions of the preceding section, the companies of the SP Group other than the Company, based on their corporate autonomy, may establish their own code of conduct, including particular aspects deriving from the nature of their business. These codes of conduct must be governed by the guidelines for conduct set forth in this *Code of Conduct* as well as the *Ethical and Basic Principles of Governance and Sustainability of the Iberdrola Group*. This *Code of Conduct* does not apply in such cases.

3. The suppliers of the SP Group's companies to which other codes of conduct apply shall also observe such other codes.

Article A.2. Purpose

1. This *Code of Conduct* further develops and specifies the *Purpose and Values of the Iberdrola Group* and the *Ethical and Basic Principles of Governance and Sustainability of the Iberdrola Group* and establishes a set of principles and guidelines for conduct aimed at ensuring the responsible behaviour of suppliers in a global, complex and changing environment. It also deals with the prevention obligations imposed within the area of criminal liability for legal entities.

2. Due to the nature hereof, this *Code of Conduct* does not deal with all potential situations, but rather establishes the standards to guide the conduct of the persons subject thereto in their relations with the SP Group's companies and with third parties by reason of their connection to the companies of the SP Group, and to resolve any issues that might arise in the performance of their professional activities.

Article A.3. Interpretation, Integration and Suggestions

1. This *Code of Conduct* shall be interpreted in accordance with the governance and sustainability system of the corresponding company of the SP Group. Without prejudice thereto, the Company's Compliance Unit is the body responsible for the general interpretation and integration of the *Code of Conduct.*

2. The interpretative opinions of the Company's Compliance Unit, which must take into account the provisions of the *Purpose and Values of the Iberdrola Group* and the *Ethical and Basic Principles of Governance and Sustainability of the Iberdrola Group,* shall be binding on the suppliers of the companies of the SP Group.

3. Queries that suppliers (including subcontractors) might have regarding the interpretation of this *Code of Conduct* must be directed to the compliance units of the relevant companies of the SP Group through the channels made available in the internal reporting system.

4. The *Code of Conduct* forms part of the governance and sustainability systems of the SP Group's companies and fully respects the *Foundations for the Definition and Coordination of the Iberdrola Group* and of the corporate organisation established therein.

5. Suppliers (including subcontractors) of the SP Group's companies may also submit suggestions regarding the content of the sections of the *Code of Conduct*.

Article A.4. Instructions in Contravention of the *Code of Conduct*

1. No supplier of the SP Group's companies shall respond to any request of a third party, regardless of rank or position, that entails improper conduct or act that is unlawful, illegal or a breach of the provisions of the governance and sustainability systems, and especially this *Code of Conduct*.

2. In turn, no supplier of the companies of the SP Group may justify improper, unlawful or illegal conduct or conduct that contravenes the provisions of its governance and sustainability system in reliance on an order from a superior or from any director or professional of the companies of the SP Group.

Article A.5. Acceptance

1. Suppliers of the companies of the SP Group subject to this *Code of Conduct* shall expressly accept the rules of conduct established herein that are applicable thereto.

2. Suppliers contracting with companies of the SP Group shall expressly accept the rules of conduct set forth in this *Code of Conduct*.

3. This *Code of Conduct* shall be annexed to contracts with suppliers of the companies of the SP Group and they must expressly accept the principles and guidelines for conduct set forth herein prior to commencing their contractual relationship with the SP Group's companies.

Article A.6. Preparation, Approval and Amendment

1. The *Code of Conduct* has been prepared taking into account the good governance recommendations generally recognised in international markets, the *Purpose and*

Values of the Iberdrola Group and the *Ethical and Basic Principles of Governance and Sustainability of the Iberdrola Group*, constituting a basic reference for observance of such initiatives and practices by the companies of the SP Group.

2. This *Code of Conduct* shall be periodically updated based on proposals made by the Company's Compliance Unit, which shall review the content hereof at least once per year, as well as on the suggestions made by suppliers to the SP Group's companies (including subcontractors) in relation to the content of the sections of the *Code of Conduct* applicable thereto.

3. The Audit and Compliance Committee, the Internal Audit and Risk Division and the Compliance Unit of the Company shall be able to make proposals to improve or to foster the adaptation of the *Code of Conduct* as a whole.

4. The amendment of this *Code of Conduct* shall in any case fall within the purview of the Company's Board of Directors.

Article A.7. Compliance

Observance of the *Code of Conduct* is understood to be without prejudice to strict compliance with the governance and sustainability systems of the SP Group's companies, and in the case of the SP Group's companies that engage in regulated activities, the current rules on separation of activities applicable thereto.

Section B. Suppliers

Article B.1 Suppliers

1. Suppliers of the companies of the SP Group shall endeavour to ensure that their own suppliers and subcontractors are subject to principles of conduct equivalent to those established in this section of the *Code of Conduct*. They shall likewise require such suppliers and subcontractors to extend equivalent requirements to their respective supply chains.

2. The provisions of this *Code of Conduct* are understood to be without prejudice to such additional conditions or requirements as may be imposed by applicable law, by the practices and rules of the various jurisdictions in which the SP Group's companies operate and by the respective contract with each supplier, which shall apply in all cases.

Article B.2 Compliance Commitments of Suppliers

1. Suppliers shall engage in their commercial relationships in conformity with principles of business ethics, efficient management, transparency and honesty.

2. Suppliers must comply with the compliance policies of the SP Group's companies, whether general or special, which include crime prevention, the reaction against corruption and fraud, forced labour or any form of modern slavery, and with the strictest rules of ethical and moral conduct and international treaties and legal provisions applicable to these matters, ensuring the establishment of adequate procedures required for such purpose.

3. Suppliers undertake to promote free and fair competition in the markets in which they participate and to comply with the legal provisions on competition, actively cooperating with the authorities entrusted with the supervision of said markets.

4. Suppliers shall not directly or indirectly promise, offer or pay any bribe to facilitate transactions or other improper payments to any third party or to any professional of the companies of the SP Group in relation to their contracts therewith.

5. Suppliers shall not directly or indirectly promise, offer or pay any money or valuable property in a corrupt manner in order to (i) influence an act or decision of a third party or a professional of the SP Group's companies; (ii) obtain an undue or improper advantage for the companies of the SP Group; or (iii) induce a third party or a professional of the SP Group's companies to exercise influence over the act or decision of a public official or other persons participating in the performance of public duties.

6. Suppliers shall not try to obtain information owned by the SP Group's companies that is not public, particularly including information not available to other bidders,

in relation to their contracts therewith. Nor shall they conceal or distort the information set forth in the accounting records and reports of the SP Group's companies.

7. Suppliers shall not promise, offer or deliver gifts or objects of value, of any kind, to persons or entities that are public officials or that participate in the performance of public duties for the purpose of or in relation to the formalisation of their contracts with the companies of the SP Group.

8. Suppliers may only promise, offer or give reasonable gifts or items of insignificant or symbolic value, including entertainment or meal expenses, for the purpose of or in relation to the formalisation of the contract, to persons or entities that are not public officials or do not participate in the performance of public duties and in accordance with legal provisions on anti-corruption and the integrity and ethics policies of the Governance and Sustainability System. In any case, reasonable gifts or objects or items of insignificant or symbolic financial value must have a legitimate business purpose.

9. Suppliers and the entities that they hire in turn to provide services or supplies to the companies of the SP Group (the "**Subcontractors**"), to their respective professionals, and to the companies that have participated in tenders for services or supplies in order to be suppliers, must communicate through the internal reporting system established by the corresponding company of the SP Group: (i) any conduct by a director or professional of the companies making up the SP Group that might constitute potentially improper conduct or an act that is potentially illegal or contrary to law or to the governance and sustainability system (including, in particular, any conduct that could constitute a crime, a serious or very serious administrative offence, or a breach of UK or European Union law), with an impact on the companies of the SP Group or the interests and image of the companies comprising the SP Group; or (ii) the potential commission by a supplier, by one of its Subcontractors or by their respective professionals of an act or conduct from among those mentioned above within the framework of their commercial relationship with the companies of the SP Group or with an impact on the interests and image of the companies comprising the SP Group. All of the foregoing is without prejudice to their right to address their grievances or reports to any competent institution, body or entity.

   In all investigations, the rights to privacy, respectability, defence and the presumption of innocence of the persons investigated or affected shall be guaranteed, and all measures shall be taken that are required to avoid any kind of retaliation against the whistleblower.

10. Suppliers, Subcontractors, their respective professionals and companies that have participated in a tender for services or supplies in order to be suppliers of the companies of the SP Group must report as promptly as possible any of the conduct or acts set forth in the preceding subsection of which they become aware due to

their commercial relationship with the Company or with the other companies of the SP Group.

11. By contracting with a company of the SP Group, suppliers undertake to inform their professionals and their Subcontractors of the contents of this *Code of Conduct* and of the existence of the internal reporting channels within the corresponding company of the SP Group, as well as to require their Subcontractors to inform their professionals thereof. In addition, suppliers must be able to show compliance with such obligations at the request of the SP Group company with which they maintain the commercial relationship.

Article B.3 Supplier Conflicts of Interest

Suppliers must maintain mechanisms ensuring that the supplier's independence of action and full compliance with applicable law will not be affected in the event of a possible conflict of interest between the interest of the supplier and the personal interest of any of its professionals.

Article B.4 Duty of Secrecy of Suppliers

1. Suppliers and their respective professionals shall be responsible for adopting adequate security measures to protect the non-public information owned by the companies of the SP Group and have the means necessary to safeguard it.

2. Information owned by the companies of the SP Group and disclosed to the supplier shall, as a general rule, be deemed to be confidential or secret information.

3. The information provided by suppliers to their contacts within the SP Group's companies shall be true and shall not be given with the intent to induce any deception.

Article B.5 Labour Practices of Suppliers

1. Suppliers shall reject all forms of forced or compulsory labour and modern slavery as provided in applicable law and international conventions and shall adopt appropriate measures within their organisation for the elimination thereof. They shall also require their supply chains to take similar action.

2. Likewise, suppliers shall expressly reject the use of child labour, both within their organisation and in their supply chain, respecting the minimum hiring age limits in accordance with applicable law and international conventions, and shall have adequate and reliable mechanisms in place to verify the age of their professionals.

3. Suppliers must reject: (i) all discriminatory practices due to any condition or characteristic in employment and occupational matters and treat their professionals fairly and with dignity and respect; and (ii) any conduct that might be classified as harassment. To this end, they shall promote a culture of prevention that endeavours

to reject any manifestation of workplace violence or harassment in any form, fostering a respectful and healthy working environment and applying the principle of zero tolerance towards any behaviour that might be classified as harassment or discrimination.

4. The working conditions of the suppliers' professionals, which shall be communicated thereto in a language understandable to them, shall in any case respect the law, the collective bargaining agreement and the main international standards, as well as the international conventions applicable in each case, taking particular care to ensure appropriate terms regarding salaries, ordinary and overtime hours, and employee benefits.

5. The freedom of association and the right to collective bargaining of the suppliers' professionals must be respected thereby, subject to the law and to the main international conventions applicable in each case.

6. Professional relations between suppliers and their staff must be based on equal opportunity, particularly between the sexes, on non-discrimination due to any condition or characteristic, and on the promotion of a multi-layered, diverse and inclusive professional environment based on respect for all persons, that fosters training and performance.

7. Suppliers shall assess the implementation of measures that promote respect for the personal life of their professionals and facilitate the achievement of an optimal balance between the latter and work responsibilities, based on applicable legal provisions and local practices, and shall not in any case eliminate the measures established at the time of becoming a supplier of the SP Group's companies.

Article B.6 Health and Safety Commitments of Suppliers

1. Suppliers shall take the measures required to ensure the health and safety of their professionals or of third parties providing services on their premises in all aspects related to the performance of their duties, reducing the hazards present in the workplace and minimising the associated risks by adopting effective preventive and protective measures, in accordance with the applicable international conventions and applicable law.

2. Suppliers shall identify and evaluate potential emergency situations at the workplace and shall minimise the possible impact thereof by implementing emergency preparation and response plans and procedures.

3. Suppliers shall provide their personnel with appropriate prevention training, assuming the cost of the training, as well as the cost of implementing other preventive and protective measures, and shall be liable for any damage or harm attributable to them by action or omission, especially as a result of not having adopted appropriate health and safety measures. They shall also actively work with

the corresponding SP Group company in managing prevention in the work and services performed at the work centres and workplaces of the companies of the SP Group, in accordance with the requirements established for the coordination and monitoring of health and safety measures.

4. If the professionals of the supplier or those of the Subcontractors hired thereby must be posted elsewhere in order to carry out the work, the supplier shall endeavour to ensure appropriate means of transport and decent accommodation.

Article B.7 Commitment of Suppliers to Natural Capital

1. Suppliers must strictly comply with all obligations regarding natural capital applicable thereto and have an effective environmental policy and due diligence systems based on the products and services supplied, in order to, among other objectives:

    a) reduce their greenhouse gas emissions through the efficient use of energy and resources, as well as minimise energy consumption in order to reduce their carbon footprint;

    b) minimise the use of natural resources, fuels, chemicals and consumables, in order to reduce their corporate environmental footprint and prevent pollution;

    c) identify and manage the substances, waste and other materials that present a hazard when released into the environment in order to ensure that they are handled, transported, stored, recycled or reused, and disposed of safely, ensuring the circularity thereof, in compliance with applicable legal provisions and ensuring the proper management of waste, all in order to prevent and minimise pollution, waste materials, waste water or emissions having the potential to adversely affect the environment; and

    d) prevent deforestation (ensuring that they do not supply products that cause it) and the loss of biodiversity, and ensure the conservation of land and water resources in those environments in which they operate or have an ability to influence.

2. Suppliers must have appropriate reporting mechanisms to report on the performance of the aforementioned aspects in case the corresponding company of the SP Group requests information in this regard.

Article B.8 Quality and Safety of Products and Services Supplied

Products and services delivered by suppliers shall meet the quality and safety standards and parameters required by legal provisions, with special emphasis being placed on adherence to agreed prices, delivery dates and safety conditions.

Article B.9 Commitment to Human Rights and to Sustainability Due Diligence

1. Suppliers shall respect the human rights and the environmental prohibitions set out in the main international agreements in these areas. In particular, they shall comply with applicable law regarding responsible mineral sourcing.

2. In accordance with existing legal requirements, when so requested by the relevant company of the SP Group, suppliers shall cooperate in the identification of the human rights and environmental impacts relating to the operations, products or services that they provide to the SP Group company. Likewise, in accordance with applicable law, in their contracts with suppliers, the companies of the SP Group may establish clauses, guarantees and methods of independent verification related to compliance with the *Code of Conduct*, as well as the establishment of prevention plans or plans to correct impacts on human rights, in those cases in which it is determined that the severity or probability of occurrence thereof is high.

3. Suppliers shall establish the mechanisms required for their professionals and third parties to make anonymous complaints or claims in the event of possible breaches of the first paragraph of this Article. If such complaints and claims affect products or services provided to a company of the SP Group, suppliers shall inform the relevant SP Group company of the results of the investigation of the complaints received, as well as of the measures taken.

4. Suppliers shall inform their professionals and the Subcontractors of the existence of a complaint mechanism of the corresponding company of the SP Group. They shall also require their Subcontractors to inform their professionals thereof.

Article B.10 Subcontracting

1. Suppliers of the companies of the SP Group shall be responsible for ensuring that their own suppliers and Subcontractors are subject to principles of conduct equivalent to those established in this section of the *Code of Conduct*.

2. The actions performed and the procedures used by suppliers to comply with their obligations towards the SP Group's companies may not entail an indirect or intermediate violation of this *Code of Conduct*, the policies or the other rules of the Governance and Sustainability System.

* * *

This *Code of Conduct* was approved at a meeting of the Board of Directors of the Company held on 6 May 2025 and, in relation to suppliers to companies of the SP Group, supersedes the *Code of Ethics* most recently adopted by Scottish Power Limited on 11 July 2024 which cease to be in effect.

SCOTTISH POWER ENERGY NETWORKS HOLDINGS LIMITED

COMPLIANCE POLICY

24 June 2025

The Board of Directors of Scottish Power Energy Networks Holdings Limited (the "**Company**") has the power to design, assess and continuously revise the Company's Governance and Sustainability System, and specifically to approve and update policies, which contain the guidelines governing the conduct of the Company and the companies belonging to the group of which the Company is the controlling entity, within the meaning established by law (the "**SPEN Group**").

This *Policy*, together with the *SP Energy Networks Anti-Bribery and Corruption Policy* and the *SP Energy Networks Internal Reporting and Whistleblower Protection System*, shows the firm commitment of the Company to its purpose and values, to ethical principles and to unwavering vigilance and the punishment of any acts and conduct that are improper, illegal or contrary to law or the Governance and Sustainability System, which requires the maintenance of effective mechanisms for communication and sensitivity- and awareness-raising among all professionals, and the development of a corporate culture of ethics and honesty.

The Company has established an effective, autonomous, independent and robust Compliance System of its own to prevent, manage and mitigate the risk of improper conduct and acts that are illegal or contrary to law and the Governance and Sustainability System that can be performed within the organisation, and to ensure that the conduct of the organisation is in accordance with ethical principles, the law and internal rules. Based on the experience it has accumulated and in line with the evolution of its Governance and Sustainability System towards an increasing decentralisation of duties and responsibilities among the various companies of the Iberdrola Group, the Company continues to make progress and to maintain its commitment to leadership at the forefront of a compliance culture.

Along these lines, in exercising these powers, and within the framework of legal provisions, the *Articles of Association* and the *Purpose and Values of the Iberdrola Group*, and consistently with its culture of prevention of improper conduct and acts that are illegal or contrary to law and to the Governance and Sustainability System, as well as its firm commitment to ethics and compliance, the Board of Directors hereby approves this *SP Energy Networks Compliance Policy* (the "***Policy***"), which respects, further develops and adapts the *Ethical and Basic Principles of Governance and Sustainability of the Iberdrola Group* with respect to the Company.

The principles contained in this *Policy* take specific shape and are further developed in the *SP Energy Networks Anti-Bribery and Corruption Policy* and in the *SP Energy Networks Internal Reporting and Whistleblower Protection System.*

1. Scope of Application

This *Policy* applies to the companies of the SPEN Group, save for any subsidiary company that is itself designated a head of business company within the Iberdrola Group with its own Governance and Sustainability System and any subsidiary of such company.

For companies that do not form part of the SPEN Group but in which the Company holds an interest, as well as for joint ventures, temporary joint ventures (*uniones temporales de empresa*) and other entities in which it assumes management, the Company shall also promote the alignment of its regulations with the basic principles regarding compliance contained in this *Policy*.

2. Purpose

The purpose of this *Policy* is to establish the main principles of conduct governing the commitment of the Company to prevent, detect and respond to any conduct that is improper or involves any act that is illegal or contrary to law or to the Governance and Sustainability System, as well as to demonstrate the willingness of the Company to combat said conduct in all of its activities, both as an expression of its culture of compliance and its own social commitment to the public interest and to avoid any potential damage to its image and reputational value and, ultimately, the value of the Company's shares and brand.

Thus, on the one hand, the *Policy* makes explicit the Company's firm commitment to its purpose and values, with ethical principles and with ongoing monitoring and penalisation of improper conduct and acts that are illegal or contrary to law or to the Governance and Sustainability System, and on the other conveys to the shareholders, to the members of the management bodies and to the professionals of the Company, as well as to third parties engaging in relationships therewith, a strong message of opposition to the commission of any impropriety or act that is illegal or contrary to law or to the Governance and Sustainability System.

3. Main Principles of Conduct

The main principles of conduct that the Company adopts and promotes in the area of compliance are described below:

a) On the one hand, foster a preventive culture based on the principle of "zero tolerance" towards improper conduct and acts that are illegal or contrary to law or to the Governance and Sustainability System, and on the other, the application of ethical principles and principles of responsible behaviour that should govern the conduct of all members of the management bodies, as well as of the professionals of the SPEN Group, regardless of their level or functional subordination, and that of its suppliers.

   This "zero tolerance" principle is absolute in nature and takes precedence over the possibility of obtaining any type of benefit (financial or otherwise) for the SPEN

Group or its directors or professionals, when based on a business or transaction that is improper, illegal or contrary to law or to the Governance and Sustainability System.

b) Within the framework of the drive for its preventive culture, foster processes of self-control in the conduct and decision-making of the members of the management body and of the professionals, such that their actions are based on four basic premises: (i) that they are ethically acceptable; (ii) that they are legally valid and comply with the provisions of applicable law and internal rules, including the Governance and Sustainability System, and particularly with the *ScottishPower Code of Conduct and Disciplinary Rules* and the *ScottishPower Code of Conduct for Suppliers*; (iii) that they are performed within the framework of the corporate interest of the Company; as well as (iv) that they are prepared to assume responsibility therefor.

c) Identify and assess the risks associated with improper conduct and acts that are illegal or contrary to law or to the Governance and Sustainability System in the activities of the SPEN Group.

d) Establish the appropriate controls and preventive measures (including, without limitation, through the internal rules and procedures approved for this purpose) for the identification, control, mitigation and prevention of improper conduct and acts that are illegal or contrary to law or to the Governance and Sustainability System, as well as identified risks, in line with the provisions of the *General Risk Control and Management Foundations of the Iberdrola Group* and the *ScottishPower Sustainable Development Policy*.

e) Take appropriate measures to ensure that relations between the professionals of the SPEN Group with any other company and the members thereof are governed by the principles of transparency and honesty, as well as by respect for free competition.

f) Promote relations of the SPEN Group with its Stakeholders being based on ethics and integrity.

g) Ensure that the relationship of the SPEN Group with its suppliers is based on legality, business ethics, efficiency, transparency and honesty and endeavour to ensure that they comply with established policies, rules and procedures, particularly with respect to the prevention of corruption, in any of its manifestations, adopting the appropriate due diligence measures to promote principled, sustainable and responsible business behaviour throughout the supply chains.

h) Implement appropriate training programmes and communication plans for professionals of the SPEN Group, as well as for third parties with whom relations are customarily maintained, regarding the duties imposed by the law applicable to any of their areas of activity or that are established in the Governance and Sustainability System and other internal rules and regarding the consequences of the violation thereof, with a frequency sufficient to ensure that their knowledge of

the issues covered by this *Policy* is kept up to date.

In particular, specific training programmes shall be carried out to provide information on the *SP Energy Networks Internal Reporting and Whistleblower Protection System* and the operation thereof, as well as on the procedure established to manage grievances and reports received through this system and measures of protection and support for whistleblowers.

i) Penalise, in accordance with the provisions of applicable law at any given time: (i) conduct that contributes to preventing or hindering the discovery of improprieties or acts that are illegal or contrary to law or to the Governance and Sustainability System; (ii) breach of the specific duty to report through internal reporting channels (as this term is defined in the *SP Energy Networks Internal Reporting and Whistleblower Protection System*) potential improprieties or breaches of which they are aware; and (iii) the taking of any type of retaliatory measures against the whistleblower (or persons related thereto) who reports the aforementioned conduct.

j) Seek a fair, non-discriminatory and proportional application of penalties as provided by applicable law from time to time.

k) Provide all assistance and cooperation that may be requested by internal or judicial and administrative bodies and domestic or international institutions and entities, including competition authorities, to investigate acts that are allegedly improper, illegal or contrary to law or the Governance and Sustainability System that may have been committed by the members of the management bodies or the professionals of the SPEN Group and that relate to or affect the scope of their activities.

The monitoring of and compliance with the principles contained in this *Policy* contribute to achieving the full realisation of the *Purpose and Values of the Iberdrola Group* and of the corporate interest, in accordance with applicable legal provisions, and particularly with the Governance and Sustainability System, consistently with the principles and guidelines for conduct aimed at ensuring the ethical and responsible behaviour of the directors, professionals and suppliers of the SPEN Group.

4. Compliance System

The Company has a Compliance System, which includes all the rules, formal procedures and substantive activities that are intended to ensure that the SPEN Group acts in accordance with ethical principles, the law, and internal rules, particularly the Governance and Sustainability System, to contribute to the full realisation of the *Purpose and Values of the Iberdrola Group* and the corporate interest, and to prevent, manage and mitigate the risk of regulatory and ethical breaches that may be committed by the directors, professionals or suppliers thereof within the organisation.

The Company's Compliance Unit proactively and autonomously oversees the implementation and effectiveness of its Compliance System, without prejudice to the

responsibilities corresponding to other bodies and divisions of the SPEN Group.

The Compliance System is under continuous review to incorporate the most advanced international practices and trends in accordance with the highest international good governance standards and new regulatory requirements in this field, and ensures the dissemination, implementation and monitoring of the principles of conduct set out in this *Policy*. For such purposes, the Company's Compliance Unit, which is configured in accordance with the highest standards of independence and transparency and which has at least one member not related to any of the companies of the Iberdrola Group, enjoys the necessary autonomy and capacity for initiative and control and has the appropriate material and human resources for the performance of its duties.

The fundamental elements of the Company's Compliance System are, on the one hand, its crime prevention programme and, on the other hand, the Internal Reporting System, activated so that the members of its management decision-making body, its professionals, its suppliers and other third parties determined by applicable legal provisions can report potentially improper conduct or acts that are potentially illegal or contrary to law or to the Governance and Sustainability System that concern or affect their respective activities, including, in particular, acts and conduct that are potentially fraudulent or facilitate corruption in any of its forms.

The internal reporting channels activated for this purpose by the Company form part of the internal reporting system pursuant to the provisions of the *ScottishPower Internal Reporting and Whistleblower Protection System*, and they constitute the preferred channel for reporting such conduct and acts and for the processing of grievances or reports that are submitted.

5. Crime Prevention Programme

As regards the basic principle relating to the identification and evaluation of the risks relating to improper conduct and acts that are illegal or contrary to law or to the Governance and Sustainability System, the Company has implemented through the Compliance Unit and other competent bodies a specific and effective programme for the prevention of crimes, which is understood as the group of measures intended to prevent and mitigate the risk of commission of potential crimes and to detect and react to the commission thereof.

The purpose of this programme is: (i) to strengthen the commitment of the Company to combat the commission of crimes, and particularly all forms of corruption and fraud; and (ii) to assure third parties and judicial and administrative authorities that the Company effectively complies with the duties of supervision, monitoring and control of its activities by establishing appropriate measures to prevent crimes −or to significantly reduce the risk of the commission thereof− and that, therefore, the Company exercises due control over the members of its management decision-making bodies, its professionals, and other subordinates, based on its governance model, as is legally required thereof, including the monitoring of possible situations of crime risk that may arise within the scope of its activities, even in those cases in which such situations cannot be attributed to a specific

individual.

The Company's Compliance Unit is responsible for endeavouring to ensure the implementation, development, updating and fulfilment of the crime prevention programme of the Company and of those other companies of the SPEN Group, or companies in which they have a stake, without prejudice to the powers and responsibilities assigned to other bodies and divisions of the SPEN Group.

Furthermore, at least once per year, the Company's Compliance Unit shall evaluate compliance with and the effectiveness of its crime prevention programme and shall assess whether regular modification and update thereof is appropriate, provided that the circumstances so require.

6. Group-level Coordination

The Compliance Unit shall adhere to the framework established by the Compliance Unit of Scottish Power Limited for coordination, cooperation and information sharing in order to promote the highest ethical standards in the compliance area, particularly but not limited to issues relating to investigation procedures, the analysis and evaluation of criminal risks, the measures and controls implemented for the mitigation thereof, internal compliance rules, and the promotion of training plans.

7. Implementation and Monitoring

The Compliance Unit proactively endeavours to ensure the application and effectiveness of this *Policy* and disseminates the content hereof among the people to whom it is addressed, all without prejudice to the responsibilities assigned to other bodies and divisions of the Company.

The Company's Audit and Compliance Committee shall regularly review the contents of the *Policy*, ensuring that it reflects the recommendations and best international practices, and shall propose to the Board of Directors those amendments and updates that contribute to the development and ongoing improvement thereof, taking into account any suggestions and proposals made by the Compliance Unit.

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This *Policy* was approved by the Board of Directors of Scottish Power Energy Networks Holdings Limited on 24 June 2025.

SCOTTISH POWER ENERGY NETWORKS HOLDINGS LIMITED

INTERNAL REPORTING AND WHISTLEBLOWER PROTECTION SYSTEM

24 June 2025

The Board of Directors of Scottish Power Energy Networks Holdings Limited (the "Company") declares that it intends to create an environment of transparency and to foster respect for the law and internal rules, particularly the *ScottishPower Code of Conduct and Disciplinary Rules* and the *ScottishPower Code of Conduct for Suppliers*, by its directors, its professionals and its suppliers, and, to such end, has implemented an *Internal Reporting and Whistleblower Protection System* (the "**Internal Reporting System**"), which, in accordance with applicable legal provisions, encourages the reporting of potentially improper conduct or acts that are potentially illegal or contrary to law or to the Governance and Sustainability System (including, in particular, any conduct that could constitute a crime, a serious or very serious administrative offence, or a breach of UK or European Union law), with an impact on the Company, its contractual relationship with its suppliers, or the interests and image of the Company (the "**Conduct**").

The Internal Reporting System respects the provisions of the *Purpose and Values of the Iberdrola Group* and the *Ethical and Basic Principles of Governance and Sustainability of the Iberdrola Group* and is designed and managed in a secure manner to ensure: (i) the confidentiality of the identity of the whistleblower and of any third party mentioned in the grievance or report, and of the actions taken in the management and processing thereof, as well as the protection of personal data, preventing access to the content of the investigation by unauthorised personnel; and (ii) that the grievances or reports submitted can be processed effectively within the Company.

1. Scope of Application

This *SP Energy Networks Internal Reporting and Whistleblower Protection System* applies to the Company and the companies belonging to the group of which the Company is the controlling entity, within the meaning established by law, save for any subsidiary company that is itself designated a head of business company within the Iberdrola Group with its own Governance and Sustainability System and any subsidiary of such company (the "**SPEN Group**").

2. Internal Reporting Channels

The Company has established for the members of its management decision-making body, its professionals, its suppliers, as well as for other third parties provided for in applicable legal provisions, the duty to report through the Internal Reporting System any Conduct of which they are aware.

To this end, the Company has activated internal reporting channels (the "**Internal Reporting Channels**"), which allow its shareholders, directors, professionals, suppliers and other third parties determined by law to report any Conduct, whether in writing, through the corresponding form available on the Company's corporate website, or by any other means established by the Company, all without prejudice to their being able to address their grievances or reports to any competent institution, body or entity.

The Internal Reporting System includes all the Internal Reporting Channels activated by the Company for the communication of grievances or reports relating to Conduct by shareholders, directors, professionals, suppliers and other third parties as determined by law.

The Internal Reporting Channels enable the prevention and detection of Conduct, constituting the preferred channel for reporting such Conduct and for the processing of grievances or reports received in relation thereto.

Communications through the Internal Reporting Channels may be made anonymously, must meet standards of truthfulness and proportionality, may not be used for purposes other than to seek regulatory compliance, and must be submitted in writing or verbally and shall be processed in accordance with the procedure established by the Board of Directors in the *Regulations of the Compliance Unit*.

3. Whistleblower Protection and Safeguards

As provided by legal provisions, the Company undertakes not to take (and to ensure that their professionals do not take) any form of direct or indirect retaliation, whether consummated or tentative, including threats of or attempted retaliation, against any person who has reported Conduct through the Internal Reporting Channels or by any other means, unless the grievance or report is false or the person has acted in bad faith.

Furthermore, as established by legal provisions, it also undertakes not to take (and to ensure that their professionals do not take) any form of direct or indirect retaliation, including threats of or attempted retaliation, against: (i) any natural person who, within the organisation in which the whistleblower works, assists him/her in the process, or is related to him/her, whether as a representative of the employees, as a co-worker or as a relative; and (ii) any legal person, for whom the whistleblower works or with whom he/she has another type of relationship in an employment context or in which he/she has a significant shareholding.

For these purposes, the following actions, among others, against the person who has communicated the grievance or report are considered to be retaliation:

a) the following measures, provided that they were not carried out in the regular exercise of managerial authority under applicable law, due to proven circumstances unrelated to the submission of the grievance or report: (i) suspension of the employment contract, dismissal or termination of employment or statutory

relationship; (ii) imposition of any disciplinary measure; (iii) demotion or denial of promotion and any other material change in working conditions; and (iv) failure to convert a temporary employment contract into a permanent one, if the person providing the report had legitimate expectations to that effect;

b) harm, including reputational damage, or financial loss, coercion, intimidation, harassment or ostracism;

c) negative evaluation or references with regard to work or professional performance;

d) blacklisting or dissemination of information in a particular industry that makes it difficult or impossible for the person to gain access to employment or the hiring of works or services;

e) denial or revocation of a licence or permit;

f) denial of training;

g) any form of discrimination or unfavourable or unfair treatment; and

h) any other action arising from the above.

4. Management of the Internal Reporting System

The Company's Compliance Unit is the body responsible for managing the Company's Internal Reporting System, and for processing and managing the investigation files opened on the basis of grievances or reports received through the Internal Reporting Channels, in accordance with the information management procedure established by the Board of Directors in the *Regulations of the Compliance Unit*, and delegates the aforementioned management and processing powers to the Company's Compliance Officer.

On this basis, the Company's Compliance Unit investigates any grievance or reporting of a fact that could allegedly constitute Conduct (even if anonymous and regardless of the financial significance thereof) as soon as possible, guaranteeing the rights of the whistleblower, as well as the rights to privacy, respectability, defence and the presumption of innocence of the persons investigated or affected, in accordance with the internal procedure established by the Board of Directors for this purpose and regulated in the *Regulations of the Compliance Unit*.

The Scottish Power Limited Audit and Compliance Committee shall also have direct access to grievances or reports that could have a material impact on Scottish Power Limited's financial statements or internal control. For these purposes, the Company's Compliance Unit shall inform the aforementioned committee of the existence of said grievances or reports and shall provide it with any documentation it may request in relation to the processing of the investigation files.

After any appropriate evaluation and a report of the Audit and Compliance Committee, the Company's Board of Directors may entrust the management of the Internal Reporting Channels to a third party that offers appropriate assurances of independence, confidentiality, personal data protection and secrecy of grievances or reports.

5. Implementation and Monitoring

For the implementation and monitoring of the provisions of this document, the Board of Directors has the Compliance Unit, which proactively endeavours to ensure the application and effectiveness of the Internal Reporting System, all without prejudice to the responsibilities assigned to other bodies and divisions of the Company and shall develop the procedures required for this purpose.

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The content of this document was approved by the Board of Directors of Scottish Power Energy Networks Holdings Limited on 24 June 2025.

REGULATIONS OF THE COMPLIANCE UNIT OF SCOTTISH POWER ENERGY NETWORKS HOLDINGS LIMITED

TITLE I. NATURE AND OBJECT

Article 1. Nature and Object

1. The Compliance Unit (the "**Unit**") of Scottish Power Energy Networks Holdings Limited (the "**Company**") is an official permanent and internal body, configured in accordance with the highest standards of independence and transparency, and linked to the Audit and Compliance Committee.

2. The Unit is the body of the Company responsible for proactively and autonomously ensuring the implementation and effectiveness of the Company's compliance system (the "**Compliance System**"), configured in accordance with the provisions of its Governance and Sustainability System, for which purpose it is vested with the broadest powers, budgetary autonomy and independence of action, all without prejudice to the responsibilities of other bodies and divisions of the Company.

   The Compliance System is made up of all rules, formal procedures and material actions − including the Company's crime prevention programme and its internal reporting and whistleblower protection system (described in Title VII below, the "**Internal Reporting System**") − that are intended to ensure that the Company acts in accordance with ethical principles, the law and internal rules, particularly the Governance and Sustainability System, to contribute to the full realisation of the *Purpose and Values of the Iberdrola Group* and the corporate interest and the achievement of the *Ethical and Basic Principles of Governance and Sustainability of the Iberdrola Group*, and to prevent, manage and mitigate the risk of legislative and ethical breaches that may be committed by the directors, professionals, or suppliers thereof within the organisation.

3. The Unit shall be governed by the provisions of these *Regulations of the Compliance Unit* (the "***Regulations***") and the other rules forming part of the Company's Governance and Sustainability System, as well as by any other applicable internal rules.

4. The establishment of the Unit should be understood to be without prejudice to the existence at IBERDROLA, S.A. and at the Group's country subholding companies of their own compliance unit (as well as the existence at other companies forming part of the Group of their own compliance unit or function), as applicable, which is particularly responsible for proactively and autonomously ensuring the implementation and effectiveness of the compliance system of its respective company, which includes, among other rules and procedures, their own crime prevention programme.

5. For the purposes of the provisions of these *Regulations*, "**Group**" shall mean the multinational group of companies of which IBERDROLA, S.A., a listed holding company, is the controlling entity and "**SPEN Group**" shall mean the group of companies of which the Company is the controlling entity (excluding the group of companies comprising Electricity North West (Holdings) Limited and its subsidiaries). References to sections are to subsections of the numbered Articles of these *Regulations*.

TITLE II. COMPOSITION

Article 2. Composition and Positions

1. The Unit shall be chaired by a professional external to the Group's companies, who shall be an expert of recognised prestige in compliance matters. Additionally, the members of the Unit shall be the compliance officer of the Company (the "Business Compliance Officer"), as well as professionals from areas or functions related to risk management in the area of regulatory compliance.

2. The members of the Unit shall be appointed for an indefinite term by the Board of Directors at the proposal of the Audit and Compliance Committee (on its own initiative or at the proposal of the Unit).

3. To prepare its proposal, the Unit shall consult with the Company Secretary regarding the areas or functions (and, within them, the professionals identified by their respective heads at any given time) that are potentially the most appropriate to perform the Unit's duties, and it shall submit its conclusions regarding the most potentially suitable profile to the Board of Directors.

4. Pursuant to the provisions of the Governance and Sustainability System of the Company, particularly with respect to the decentralisation of the effective management of the businesses and the corresponding individualisation and separation of responsibilities arising therefrom for each of the companies of the Group, any person who is a member of the compliance unit of IBERDROLA, S.A. or any of its head of business companies may not be a member of the Unit.

   The directors of the Company may not be members of the Unit.

5. The members of the Unit shall act with independence of judgement in the performance of their duties, shall have multidisciplinary profiles and must have the knowledge, skills and experience appropriate to the powers vested therein.

Article 3. Chair

The chair of the Unit shall have the following functions:

a) to call and preside over meetings of the Unit, setting the agenda for the meetings and directing the discussion and debate;
b) to ensure, with the collaboration of the secretary, that the members receive in advance sufficient information on the items on the agenda;
c) to stimulate debate and active participation among the members of the Unit during the meetings, safeguarding their freedom to express opinions;
d) to promote the work of the Business Compliance Officer, as well as the availability of the necessary material and human resources;
e) to invite to the meetings all those persons who can help improve the information provided to the members of the Unit during the decision-making portion of the meetings;
f) to promote access by the members of the Unit to training materials and sessions that allow them to continuously refresh their knowledge; and
g) any other functions provided for in these Regulations and in the Governance and Sustainability System.

Article 4. Business Compliance Officer

1. The Business Compliance Officer shall manage the operation of the Unit and its budget and shall be responsible for carrying out actions and adopting such measures as are necessary or appropriate to further develop and implement the Annual Activities Plan, and shall endeavour to ensure that the Unit proactively and autonomously complies with its duties, regularly reporting thereto on the performance of said activities. The Business Compliance Officer shall also perform such other duties as are assigned thereto in the rules, and particularly in the Governance and Sustainability System.

2. The Business Compliance Officer, by delegation from the Unit, shall be responsible for the management of the Company's Internal Reporting System.

Article 5. Secretary

1. The (non-member) secretary of the Unit shall be a legal professional.

2. The secretary of the Unit shall have the following main duties: (i) preparing the minutes of meetings of the Unit; (ii) certifying the resolutions and decisions thereof;

(iii) ensuring the formal and substantive legality of its activities and conformance thereof to the internal rules, and particularly to the Governance and Sustainability System; and (iv) generally channelling the relations of the Unit with its members (in all matters relating to the operation thereof, in compliance with the instructions of its chair and under the supervision thereof), and providing the support necessary for the proper operation of the Unit and the conduct of its meetings.

TITLE III. POWERS AND COORDINATION IN THE COMPLIANCE AREA

Article 6. Powers regarding the *Ethical and Basic Principles of Governance and Sustainability,* the *ScottishPower Code of Conduct and Disciplinary Rules and the ScottishPower Code of Conduct for Suppliers*

1. As regards the ethical principles set forth in the *Ethical and Basic Principles of Governance and Sustainability of the Iberdrola Group* (the "**Ethical Principles**") and the *ScottishPower Code of Conduct and Disciplinary Rules* (excluding as regards the directors of the Group's companies) *and the ScottishPower Code of Conduct for Suppliers* (collectively the *"**Codes of Conduct**"*), the Unit shall have the following main powers:

    a) Promote the dissemination of the content of the *Ethical Principles* and the *Codes of Conduct*, in accordance with the general guidelines of the Compliance Unit of IBERDROLA, S.A. and of the SP Unit and encourage an understanding thereof and compliance therewith among their professionals, the members of their supply chain and other Stakeholders.

    b) Submit to the SP Unit of any queries or concerns that are raised in relation to the content or application of or compliance with the *Ethical Principles* or the *Codes of Conduct* for the interpretation thereof, that are unable to be reasonably resolved by the Unit itself.

    c) Adopt and incorporate into its internal rules and regulations the behavioural procedures and protocols approved by the Compliance Unit of IBERDROLA, S.A. or by the SP Unit in order to ensure compliance with the *Ethical Principles* and the *Codes of Conduct* or, where appropriate, approve its own procedures and behavioural protocols for the aforementioned purpose.

2. In order to promote the dissemination of the content of the *Codes of Conduct* among the professionals of the Company, and supported by the division in charge of the human resources functions, the Unit shall include training and internal communication activities in its annual activities plan, and in accordance with the following, that:

a) Training initiatives shall be communicated to the division in charge of the human resources function for the coordination thereof, if appropriate, pursuant to the provisions of the general training activities plan.

b) Internal communication initiatives shall be communicated to the division in charge of this function for implementation, if appropriate, pursuant to the provisions of the corresponding communication plan.

3. The Unit shall be supported by the division in charge of the procurement function in the dissemination of the content of the *Codes of Conduct* among the suppliers and other members of the Company's supply chain.

4. Proposals for the external dissemination of the *Codes of Conduct* among the other Stakeholders of the Company shall be sent by the Unit to the division in charge of the communication function within the Company for assessment thereof and possible inclusion in the communication plan at the SPEN Group level in accordance with the general priorities and objectives established in each case.

5. The Unit shall promote the dissemination of the content of the *Codes of Conduct* within its purview through the divisions in each case assuming the functions of human resources, procurement and communication, as appropriate.

Article 7. Powers regarding the Effectiveness of the Compliance System and relating to the Internal Reporting and Whistleblower Protection System

1. The Unit shall:

a) establish the basic elements of the structure and operation of the Company's Compliance System, annually evaluate the effectiveness thereof, as well as the overall effectiveness of the compliance systems of the Company and of the companies directly or indirectly controlled thereby (the "**Controlled Companies**"), in this latter case for purposes of preparing the report provided for in Article 10.2;

b) report to the Audit and Compliance Committee regarding significant matters relating to the effectiveness of the Compliance System; and

c) proactively monitor the application and effectiveness of the Compliance System and of the Internal Reporting and Whistleblower Protection System and the dissemination of the contents thereof among the people to whom it is addressed, to the extent applicable and within its purview.

2. The Unit shall be the body responsible for the management of the Company's Internal Reporting System, without prejudice to the delegation of such management to the Business Compliance Officer.

In this regard, the Unit shall be responsible for receiving allegations or reports sent through the Internal Reporting System in accordance with the provisions of Title VII of these *Regulations*, processing the corresponding investigation case files and issuing the corresponding decisions in relation to the files processed.

3. The Unit shall endeavour to ensure the implementation of the protection measures provided for in the Company's Compliance System and in the Internal Reporting and Whistleblower Protection System for the persons who submit allegations or reports through the Internal Reporting System and for the persons affected thereby.

4. The Unit also has the tools required to ensure the recording and registration of all actions and activities carried out by the Compliance function to promote the effectiveness of the Compliance System.

Article 8. Powers regarding Crime Prevention

1. The Unit shall be responsible for drafting, approving, adopting, keeping permanently updated and endeavouring to ensure the application of the behavioural and supervisory protocols it deems necessary or appropriate for the prevention and detection of the risk of commission of criminal offences and, in general, of improprieties and acts that are illegal or contrary to law or the Governance and Sustainability System relating to or affecting the activities of the Company and that make up the crime prevention programme thereof.

2. In addition, the Unit shall:

    a) at least once per year, evaluate the observance and effectiveness of the Company's crime prevention programme and assess the appropriateness of modification and regular update thereof if the circumstances so require;

    b) foster a preventive culture based on the principle of "zero tolerance" towards improper conduct and acts that are illegal or contrary to law or the Governance and Sustainability System and on the application of ethical principles and principles of responsible behaviour that should govern the conduct of the members of the management decision-making bodies and of the professionals of the Company and of its Controlled Companies, irrespective of their level, their geographic location or their functional subordination, as well as the conduct of the suppliers of all of them;

    c) disseminate the contents of the provisions and policies of the Company relating to anti-corruption and anti-bribery or fraud (including, without limitation, the *ScottishPower Policy on Financial Crime*) and monitor the implementation of specific procedures to prevent any conduct that might be considered an act of corruption, to the extent within its purview; and

d) promote the preparation and implementation of suitable training programmes for the professionals of the Company and of the Controlled Companies regarding crime prevention and the fight against corruption and fraud with sufficient frequency to ensure the refreshment of knowledge in these matters.

Article 9. Other Powers

1. The Unit shall also be directly vested with such other powers, whether of a particular or permanent nature, that may be assigned thereto by the Audit and Compliance Committee or the Board of Directors, or that are vested therein by applicable law and the internal rules of the Company, particularly the Governance and Sustainability System.

2. The Unit must endeavour to ensure effective compliance with applicable legal provisions on the separation of regulated activities. The Unit is also responsible for performing the duties assigned thereto by the provisions and policies of the Company relating to the separation of regulated activities (including, without limitation, the *ScottishPower Policy on Business Separation*), and particularly to supervise and assess compliance with the obligations established therein and to prepare the annual report, in accordance with the provisions of said policy, which shall be submitted to the Audit and Compliance Committee for its opinion and for the latter to submit a report documenting such opinion for the information of the Company's Board of Directors. The Unit shall forward a copy of said report to the SP Unit.

Article 10. Relations of the Unit with the Compliance Unit of IBERDROLA, S.A. and the SP Unit in Compliance Matters

1. Pursuant to the *ScottishPower Compliance Policy*, respecting the purviews proper to IBERDROLA, S.A. and to the country subholding companies, particularly, Scottish Power Limited, the Unit shall act on a coordinated basis with the Compliance Unit of IBERDROLA, S.A. through the SP Unit, respecting the provisions of the framework established by the SP Unit regarding relations of coordination, cooperation and information sharing among the various compliance units and heads of compliance of the companies controlled by Scottish Power Limited and with the SP Unit, in order to promote the highest ethical standards in the compliance area, particularly but not limited to issues relating to investigation procedures, the analysis and evaluation of criminal risks, the measures and controls implemented for the mitigation thereof, internal compliance rules, and the promotion of training plans (the "**Coordination Framework**").

2. On an annual basis, the Unit shall, within the Coordination Framework, issue: (i) a report evaluating the effectiveness of the Company's Compliance System; and (ii) with the help of the heads of compliance of the Controlled Companies, a report evaluating the effectiveness of the compliance systems of the Company and its Controlled Companies. These reports shall be submitted to the Audit and

Compliance Committee for it to issue its opinion and remit them to the Board of Directors. Both reports shall also be forwarded to the SP Unit.

The Unit may subsequently publish information contained in these reports in a transparent and clear manner, as a mechanism to make explicit the effectiveness of its compliance culture and its own social commitment to the public interest.

TITLE IV. OPERATION

Article 11. Meetings

The Unit shall meet as many times as necessary to exercise the powers entrusted thereto and shall establish the annual calendar of regular meetings before the start of each financial year or at the first meeting of the financial year.

Article 12. Call to Meeting

1. The secretary of the Unit shall, on behalf of the chair thereof, call the Unit to meeting at least three days in advance thereof, except in the case of urgent meetings.

2. The call to meeting shall be carried out by any means allowing for receipt thereof and, except in justified cases, shall include the agenda for the meeting and have attached thereto any information that may be deemed necessary.

3. No prior call to a meeting of the Unit shall be required when all of its members are present and unanimously agree to the holding of the meeting and to the items of the agenda to be dealt with.

Article 13. Place of Meetings

1. Meetings of the Unit shall be held at such place as is designated in the call to meeting or, in the absence thereof, at the registered office of the Company.

2. Meetings of the Unit may be held in several places connected to each other, or by remote means using remote communication systems that permit the recognition and identification of the attendees, permanent communication among them, and participation in discussion and the casting of votes, all in real time (including videoconference or remote attendance systems or any other similar system). The members of the Unit in attendance at any of such interconnected places shall be deemed to have attended the same meeting of the Unit for all purposes and the meeting shall be deemed to have been held at the registered office.

Article 14. Establishment of a Quorum

1. A valid quorum for Unit meetings shall be established with the attendance, in person or by proxy, of more than half of its members.

2. The chair of the Unit shall preside over meetings of the Unit. In the event of vacancy, illness, incapacity or absence of the chair of the Unit, the member having the longest length of service in the Unit, and if equal lengths of service, the oldest, shall act as such.

3. The secretary of the Unit shall act as secretary for the meeting. In the event of vacancy, illness, incapacity or absence of the secretary of the Unit, the person appointed by the chair of the meeting for such purpose shall act as secretary.

4. Unit members may give a proxy to another member by notice delivered by any of the means showing receipt thereof, addressed to the chair or to the secretary of the Unit and including the terms on which the proxy is given, provided that it includes specific instructions for each of the items on which the proxy representative must vote. In no case may they give a proxy in connection with matters affecting them personally or regarding which they are involved in any conflict of interest.

Article 15. Resolutions

1. Resolutions of the Unit shall be adopted by a majority of the votes of the members present at the meeting in person or by proxy. In the event of a tie, the chair of the Unit shall have the tie-breaking vote.

2. All resolutions adopted shall be recorded in minutes signed by the chair and the secretary of the Unit or by the persons acting in their stead. They shall be approved at the same meeting or at the meeting held immediately thereafter and shall be entered in a book of minutes of the Unit that shall be in the custody of the secretary thereof.

3. Voting by the Unit may occur in writing without a meeting provided that no member objects thereto. In this case, the members of the Unit may deliver to the secretary their votes and the considerations they wish to appear in the minutes. Resolutions adopted using this procedure shall be recorded in the minutes.

Article 16. Conflicts of Interest

1. The members of the Unit involved in a potential conflict of interest must give notice thereof to the Unit itself, which shall also have the power to resolve questions or conflicts that might arise in this regard.

2. A conflict of interest shall be deemed to exist in those situations in which the interest of the member of the Unit conflicts, whether directly or indirectly, with the interest of the Company and with their duties as a member of the Unit.

3. An interest of the member of the Unit shall exist if a matter dealt with by the Unit affects such member or a natural or legal person connected thereto.

4. If a member of the Unit is involved in a conflict of interest, they must refrain from participating in the matter in question and leave the meeting until a decision is made, and such member shall be subtracted from the number of Unit members for purposes of calculating the quorum and majorities at the relevant meeting and with respect to the matter at hand.

Article 17. Attendance of Guests

1. The chair may invite to the meetings of the Unit those persons who can help improve the information provided to the members thereof for deliberation and decision-making, although guests should not be present during the decision-making portion of the meetings. The secretary shall record the entries and exits of guests at each meeting in the minutes.

2. Requests for attendance by members of the Company's Board of Directors shall be channelled through the secretary thereof.

TITLE V. RESOURCES, BUDGET AND ANNUAL ACTIVITIES PLAN

Article 18. Material and Human Resources

1. The Unit shall enjoy the required autonomy, freedom to take initiatives and decision-making capacity , and shall have the material and human resources necessary to perform its duties.

2. The personnel of the Unit must have the knowledge, skills and experience appropriate to the powers vested therein.

Article 19. Budget

1. Prior to the commencement of each financial year, the Unit, at the proposal of the Business Compliance Officer, shall submit to the Audit and Compliance Committee a draft budget for carrying out its activities during the upcoming financial year.

2. Once validated by the Audit and Compliance Committee, the draft budget shall be sent to the Board of Directors for final approval.

3. If the Unit requires an extraordinary budget, it shall, at the proposal of the Business Compliance Officer, submit it to the Audit and Compliance Committee, along with a rationale for the extraordinary activities to be carried out, for validation by the Audit and Compliance Committee, which shall in turn submit it to the Board of Directors for approval

Article 20. Annual Activities Plan and Performance of the Unit

1. Prior to the commencement of each financial year, the Unit, at the proposal of the Business Compliance Officer, shall submit an annual activities plan for the next financial year to the Audit and Compliance Committee for approval thereby, stating the material and human resources the Unit requires to perform its duties.

2. Each year, the Audit and Compliance Committee shall give its opinion on compliance with the annual activities plan and the performance of the Unit and shall forward it to the Board of Directors.

TITLE VI. INFORMATION AND ADVICE AND DUTIES OF THE UNIT'S MEMBERS

Article 21. Information and Advice

1. Provided that applicable law so allows, the Unit shall have access to the information, documents, offices, directors and professionals of the Company, including the minutes of the meetings of the management, supervisory and control bodies, as may be necessary for the proper performance of its duties.

   The members of the Board of Directors and the professionals of the Company must also provide the cooperation requested by the Unit for the proper performance of its duties.

   Requests addressed to directors or that cover minutes of meetings of the Company's management decision-making body or of the Audit and Compliance Committee shall be channelled through the secretary of the Board of Directors.

2. A specific portion of each meeting may be devoted to a presentation on matters that are significant for the Company in order to improve the knowledge of Unit members.

3. The Unit may also seek cooperation or advice from outside professionals.

4. To the extent possible and provided it does not affect the effectiveness of its work, the Unit shall seek to act transparently, informing the affected directors and professionals of the purpose and scope of its actions whenever practicable and appropriate.

Article 22. Duties of Unit Members

1. Unit members must act with independence of judgement and action with respect to the rest of the organisation and perform their work with the utmost diligence and professional competence.

2. In particular, Unit members shall be obliged to (i) attend and properly prepare for Unit meetings, diligently apprising themselves of the matters to be discussed at such meetings, and (ii) actively participate in deliberations in order that their opinion may effectively contribute to decision-making.

3. Unit members shall keep confidential the deliberations and resolutions of this body and, in general, shall not disclose any communications, reports, allegations, data, reports or background information to which they may have access while in office, nor use any of the foregoing for their own benefit or that of third parties, without prejudice to the duties of transparency and information imposed by the Company's Governance and Sustainability System and by applicable law. The duty of confidentiality of the members of the Unit shall survive even after the members no longer hold such position.

TITLE VII. INFORMATION MANAGEMENT PROCEDURE

Article 23. Internal Reporting System

1. The Company has implemented an Internal Reporting System, which comprises namely the *Speaking Out* services and Ethics mailbox options, in accordance with applicable legal provisions and established practice. Without prejudice to the provisions of these *Regulations*, the Unit shall have regard to the general global principles defining the Internal Reporting System as set out in the *Ethical and Basic Principles of Governance and Sustainability of the Iberdrola Group,* in the *Codes of Conduct,* in the *ScottishPower Compliance Policy* and in the *Internal Reporting and Whistleblower Protection System*.

2. The Unit shall investigate any conduct that may involve the commission of any impropriety or any act that is illegal or contrary to law or the Governance and Sustainability System, particularly including any conduct that might constitute a criminal offence, a serious or very serious administrative offence, or a breach of European Union law, with implications for the Company, its contractual relationship with its suppliers, or the interests and image of the Company. This provision is without prejudice to any process regarding grievances of a human resources nature to be processed according to applicable policies, regulations and legal requirements.

3. The Unit may commence an investigation if it is aware of facts or circumstances that might constitute an impropriety or an act from among those indicated in the preceding section, whether on its own initiative or by virtue of a grievance, allegation or report received through the internal reporting channels (as defined in the following section) or by any other means.

4. The internal reporting channels activated by the Company (the "**Internal Reporting Channels**"), which form part of its Internal Reporting System, allow its directors, professionals, people, members of the supply chain and other third parties

as determined by law to report any of the conduct referred to in section 2 above and to process the allegations or reports received in connection therewith, all without prejudice to the ability to address such grievances or reports to the relevant UK regulatory or judicial authorities or to any other competent institution, body or entity (where so expressly required by applicable law).

The Internal Reporting System includes all the Internal Reporting Channels set up by the Company for the communication of allegations or reports related to such conduct by the aforementioned persons.

5. The principles, rules of conduct and guarantees established in this Title VII shall apply to the investigation files handled by the Unit, regardless of the manner in which they are commenced.

Article 24. Management of Allegations or Reports

1. The management of allegations or reports sent through the Internal Reporting Channels is the responsibility of the Unit, without prejudice to the delegation of this duty to the Business Compliance Officer in accordance with applicable legal provisions. References to 'Unit' in Articles 25 to 28 will be read as Business Compliance Officer, where appropriate.

2. In order to perform such duty, the Unit and the Business Compliance Officer must comply with the provisions of these *Regulations,* the *Ethical and Basic Principles of Governance and Sustainability of the Iberdrola Group*, the *Codes of Conduct*, the *ScottishPower Compliance Policy* and the *Internal Reporting and Whistleblower Protection System* (to the extent applicable in relation to the Company under UK laws and practices).

3. In the management of allegations or reports received through the Internal Reporting Channels, the confidentiality of the identity of the whistleblower and of any third party mentioned in the allegation or report, and of the activities carried out in the management and processing thereof, as well as the protection of personal data, must be guaranteed, preventing access to the content of the investigation by personnel who are not expressly authorised to do so.

4. The Unit shall also handle and respond to all enquiries submitted to it through the Internal Reporting System that are within its purview.

Article 25. Submission of Allegations or Reports

1. Directors, people, members of the supply chain of the Company and other third parties as determined by law may report, including anonymously, any of the conduct referred to in Article 23.2 by any means established by the Company, including contact in writing or by telephone.

At the request of the whistleblower, the allegation or report may also be presented in a face-to-face meeting with professionals from the Compliance division to be held within a period of seven days from the request.

2. In any case, those who submit an allegation or report through the Internal Reporting Channels shall be informed, in a clear and accessible manner, of the next steps and any other appropriate means of reporting, including the relevant regulatory or judicial authorities (where so expressly required by applicable law).

3. Verbal communications, including those made in a face-to-face meeting, by telephone or voice messaging, must be documented in one of the following ways:

   a) by recording the conversation in a secure, durable and accessible format; or

   b) through a complete and accurate transcript of the conversation prepared by the staff responsible for handling it.

   Without prejudice to the rights thereof under the legal provisions regarding the protection of personal data, the whistleblower shall be given the opportunity to verify, correct and agree to the transcription of the conversation by signing it.

4. The confidentiality of the allegation or report received shall also be guaranteed if the allegation or report is received by the Unit by a means not provided for herein or has been made to any director, professional or supplier of the Company that has immediately forwarded it to the Unit in compliance with the provisions of the relevant *Code of Conduct*.

Article 26. Acceptance of Allegations or Reports for Processing

1. Once an allegation or report has been received, the Unit shall send an acknowledgement of receipt to the whistleblower within seven calendar days of receipt (unless this might jeopardise the confidentiality of the grievance or report or the whistleblower has not identified themself or has declined to receive information about the whistleblower's communication), and shall determine whether or not to process it.

2. The fact that the whistleblower does not disclose their identity shall not bar the Unit from processing the allegation or report if it is reasonably plausible.

3. If the matter affects a company of the Group that has its own compliance body or function, or a professional performing duties at such company, the Unit shall forward the allegation or report to said body (or to the head of the compliance function) for it to proceed with the autonomous and independent evaluation and processing thereof in accordance with its own rules, which shall be consistent with the principles established in the *ScottishPower Compliance Policy, in the Codes of*

Conduct, in the Internal Reporting and Whistleblower Protection System Policy and in these Regulations.

In the event that the matter affects more than one company of the Group or persons from different companies thereof, the appropriate coordination measures shall be adopted by the corresponding compliance units, bodies and functions in order to handle the allegation or report in the most efficient manner.

4. The Unit shall not process any grievance or report in which the conduct complained of is clearly unfounded or implausible or is not likely to constitute an act of the kind referred to in Article 23.2.

5. The decision to not accept the allegation or report for processing shall be reasoned, sufficiently documented and notified to the whistleblower within five business days of the decision, unless the whistleblower has not identified themself or has declined to be informed of the outcome of their communication.

6. For purposes of deciding whether to accept a grievance or report for processing, the Unit may request the whistleblower, if the whistleblower has identified themself and has not waived the right to receive information, to clarify or complete it by providing the documentation or data necessary to verify the existence of an act or conduct of the kind referred to in Article 23.2.

7. The Unit shall inform the Audit and Compliance Committee of the allegations or reports that might have a material impact on the financial statements or internal control of the Company and shall provide it with such documentation as it may request in relation to the processing of the case files.

Article 27. Processing of Case Files

1. Once an allegation or report within the purview of the Unit has been accepted for processing, the Unit shall appoint an investigating officer to carry out the investigation and process the case file, with the power to entrust these duties to an external investigating officer.

2. If the allegation or report is submitted against a member of the Unit, such member shall not participate in the processing thereof.

3. If the allegation or report concerns a director, the chair of the Unit shall inform the secretary of said body in order for the secretary to assist the chair in the processing of the case file. In these cases, to ensure independence, the investigating officer appointed by the Unit shall be a person from outside the companies of the Group.

4. The maximum period for carrying out the investigation and replying to the whistleblower shall not exceed three months from receipt of the allegation or report, except in cases of particular complexity requiring an extension of the period, in

which case the period may be extended by up to a maximum of an additional three months.

5. The investigating officer shall verify the truthfulness and accuracy of the information contained in the allegation or report received, and specifically of the conduct in question, while respecting the rights of the affected parties. For such purposes, the investigating officer shall give all affected parties the opportunity to be heard, shall receive the statements of witnesses and shall carry out such proceedings as the investigating officer deems necessary.

   In particular, the investigating officer must inform those affected by the allegation or report of the acts or omissions attributed to them and of their right to be heard at any time during the investigation at the time the investigating officer initiates the investigatory activities. This information must be provided in such time and manner as is deemed appropriate to ensure the proper outcome of the investigation.

6. All professionals of the SPEN Group's companies have the duty to faithfully cooperate in the investigation. The participation of witnesses and affected parties shall be considered strictly confidential.

7. The investigation shall be carried out pursuant to the provisions of an internal protocol adopted or approved by the Unit, all affected parties shall be informed regarding the processing of their personal data, and any other duty imposed by applicable legal provisions shall be complied with.

8. In all investigations, the rights to privacy, respectability, defence and the presumption of innocence of the persons investigated or affected shall be guaranteed, and all measures shall be taken that are required to avoid any kind of retaliation against the whistleblower upon the terms of applicable legal provisions, unless the allegation or report is false or such person has acted in bad faith.

9. At any time during the proceeding, the Unit and the investigating officer may seek the advice and cooperation of the professionals of the SPEN Group's companies, and particularly the division in charge of the finance and control functions and of the legal affairs division for purposes of determining the consequences and manner to proceed with respect to any allegation or report.

   They may also seek the advice of independent third parties to assist them in any proceedings or whenever they deem it appropriate.

10. The Unit shall keep a record of the allegations or reports received through the Internal Reporting Channels and of any internal investigations to which they have given rise.

Article 28. Resolution of Case Files

1. Once the processing of the case file has been completed, the investigating officer shall forward the file together with a proposed decision to the Unit for resolution as it deems appropriate and shall notify the whistleblower thereof within the period established in Article 27.4 above, all in accordance with the Coordination Framework, as applicable.

2. In the event that the decision concludes that a professional has committed an improper act or an act that is illegal or contrary to law or the Governance and Sustainability System, the Unit shall notify the division responsible for the human resources function of the Company for the consideration and application of the appropriate disciplinary measures, the adoption and content of which shall be reported to the Unit.

3. If it is an improper act or act that is illegal or contrary to law or the Governance and Sustainability System that affects a member of the Company's Board of Directors, the Unit shall submit the decision to the Board of Directors, through the secretary of said management decision-making body, for application of any of the measures provided for in the Governance and Sustainability System, the adoption and content of which shall be reported to the Unit.

4. If the decision rendered concludes that a supplier of the Company has committed an improper act or an act that is illegal or contrary to law or the rules of conduct laid down in the *Codes of Conduct*, the Unit shall notify the division of the Company responsible for procurement in order to exercise such contractual rights as may be appropriate, of which the Unit shall be informed.

5. If it is verified that a breach of the Governance and Sustainability System has occurred that is not covered by sections 2, 3 or 4 above, the Unit shall adopt the measures that it deems appropriate.

6. If the result of the investigation reveals the possible adoption of legal actions, the Unit shall give notice of the case file to the legal affairs division for purposes of commencing the relevant governmental or court actions in each case, of which the Unit must be informed.

7. The Unit shall monitor the decisions rendered, and particularly the recommendations issued, through the Business Compliance Officer.

Article 29. Prevention of Retaliation

1. As provided by applicable legal provisions, the Company undertakes not to adopt, and to ensure that the professionals of the SPEN Group do not adopt, any form of retaliation, whether direct or indirect, including threats of or attempted retaliation, against shareholders, directors, professionals, suppliers or other third parties

determined by law who have reported any potential impropriety or the potential commission of any act that is illegal or contrary to law or the Governance and Sustainability System that may be investigated by the Unit.

2. Likewise, as provided by applicable legal provisions, the Company undertakes not to adopt, and to ensure that the professionals of the SPEN Group do not adopt, any form of retaliation against any natural person who, within the framework of the organisation in which the whistleblower works, assists the whistleblower in the process or is related to the whistleblower as an employee representative, co-worker or relative, or against any legal person for whom the whistleblower works or with whom the whistleblower has another type of relationship in an employment context or in which the whistleblower has a significant shareholding.

3. Once a decision has been made regarding a case file, the Unit, through the Business Compliance Officer, shall carry out an evaluation to identify and determine the existence of any risk of retaliation against the whistleblower or the persons involved.

TITLE VIII. AMENDMENT, COMPLIANCE AND INTERPRETATION

Article 30. Amendment

The amendment of these *Regulations* must be approved by resolution adopted by the Board of Directors on the initiative of the Board itself, of the Audit and Compliance Committee, of the chair of the Unit, of one-third of the directors or of the members of the Unit itself, following a report from the Audit and Compliance Committee unless the amendment is on the initiative thereof or of the Board of Directors itself.

Article 31. Compliance

1. The members of the Unit have the obligation to know and comply with these *Regulations*, for which purpose the secretary of the Unit shall provide them with a copy.

2. The Unit shall have the obligation to ensure compliance with these *Regulations*.

Article 32. Interpretation

1. These *Regulations* shall be interpreted in accordance with the Company's Governance and Sustainability System.

2. Issues that might arise regarding the interpretation and in the application of these *Regulations* shall be resolved by majority vote within the Unit itself, and in the absence of such resolution, by the chair of the Unit, who shall be assisted by the secretary or by such persons, if any, as may be appointed by the Unit for such

purpose. The Audit and Compliance Committee must be informed of the interpretation and resolution of such issues that may arise.

3. In the absence of a specific rule, the provisions of the *Terms of Reference of the Audit and Compliance Committee*, failing which the *Terms of Reference of the Board of Directors*, and failing all of which, the *Articles of Association* of the Company regarding the operation of the Board and, in particular, those regarding the call to meetings, granting of a proxy, establishment of a quorum, the holding of meetings without prior notice, the rules for adopting resolutions, voting in writing and without a meeting and the approval of the minutes of meetings shall apply to the Unit to the extent not inconsistent with the nature thereof.

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First approved by the Board of Directors of Scottish Power Energy Networks Holdings Limited on 21 September 2023 in place of the applicable provisions of the *Regulations of the ScottishPower Compliance Divisions* previously adopted by the Company and last amended on 21 April 2026.

ScottishPower Code of Conduct

(Extract of the ScottishPower Code of Conduct and Disciplinary Rules)

Prepared:	Reviewed:	Approved:
ScottishPower Compliance Unit	ScottishPower Chief Compliance Officer	Scottish Power Limited Board of Directors

9 October 2025

ScottishPower Compliance Unit

ScottishPower Code of Conduct and Disciplinary Rules

ScottishPower's Code of Conduct

A summary

What is the Code of Conduct?

The Code of Conduct outlines the principles, guidelines and rules that govern the behaviour of anyone working for or representing ScottishPower. It forms a core component of ScottishPower's Governance and Sustainability System and is formally approved by the Board of Directors of Scottish Power Limited.

Who does it apply to?

The Code of Conduct applies to all ScottishPower Directors and employees, regardless of role or level in the organisation. It also applies to anyone who represents ScottishPower in their work.

What does it mean?

This Code of Conduct sets out how we expect everyone at ScottishPower to act – ethically, with honesty, and transparency. It explains these expectations using key principles and specific rules. It also outlines what happens if these standards are not met, including the disciplinary rules which will apply if you breach this Code of Conduct or your terms of employment.

What do I need to do?

You should read this Code of Conduct and make sure that you understand what it means and how it applies to you and your role. If you manage people, you should also make sure that your team understands this Code of Conduct and what it means for them.

How do I get more information?

If you have questions about the Code of Conduct or how it applies to you, speak to your line manager or contact SP Compliance. For questions about the disciplinary rules or procedures, contact People & Organisation.

1. How to use our Code

This Code of Conduct sets out the standards that we expect you to meet when you work for ScottishPower.

As part of the Iberdrola Group, we are committed to working in a sustainable, dynamic, and collaborative way. This Code of Conduct provides clear guidance on the behaviours expected from all ScottishPower employees and Directors.

This Code of Conduct can be found externally on the Corporate Governance section of the ScottishPower.com website, and internally on MyHub. It has been formally approved by the Scottish Power Limited Board, and we expect everyone at ScottishPower to follow it.

The Code of Conduct won't cover all situations that you might face in your role, but it will help you make the right decisions and guide you on how to behave.

The ScottishPower Compliance Unit (SP Compliance) is responsible for interpreting and applying the Code of Conduct within ScottishPower and will work with People & Organisation and SP Legal, as appropriate, on any issues raised in relation to this Code. It is a requirement of your employment contract that you will comply with this Code of Conduct. Breaching it, or any other company Policy, may lead to disciplinary action. Please make sure that you understand what the Code of Conduct means for you. You'll find the Disciplinary Rules in Section 9.

Need help or have questions? If you have any questions about this Code of Conduct, please contact a member of SP Compliance, who will be pleased to speak to you. The SP Compliance structure and contact details are available to employees on the ScottishPower Employee Portal.

2. A message from Keith Anderson, ScottishPower CEO

At ScottishPower, we like to say that electrification is unstoppable. Rising electricity demand, driven by decarbonisation and the push for energy security and economic growth, brings into focus the essential role of the energy sector, now more than ever. As the UK's only fully integrated energy utility, with a presence across the entire value chain, ScottishPower has a critical role to play

in investing in electrification. But the scale of the challenge demands more than ambition – it demands action, unity, and unwavering integrity.

Our people have always been our best asset. Your expertise, passion, and commitment are vital in our efforts to developing a better future, quicker. When we work together, we achieve extraordinary things. But how we work matters just as much as what we achieve. That's why we must continue to act ethically, responsibly, and in full compliance with the standards that define us.

Ethics is everyone's business. It lives in the decisions we make, the conversations we have, and the culture we create – every day. Whether you are in the field, in the office, or working with third parties, your behaviour shapes who we are and how we're seen. Individually and collectively, our ethical conduct is the foundation of our progress.

At ScottishPower, one of your most important responsibilities is to uphold the highest standards in everything we do. That means staying informed, being accountable, and having the courage to speak out when something isn't right. If you see or suspect behaviour that breaches our Code of Conduct or the law, you must report it. Your voice matters – and honest concerns about misconduct will always be heard, respected, and acted upon.

This Code of Conduct outlines the standards we expect and the behaviours that support them. It's a resource to guide you, support you, and empower you to make the right choices. I encourage you to read it carefully and reflect on how it applies to your role and your daily decisions at ScottishPower.

Thank you for your continued dedication to ScottishPower and to the values that define us. Together we can achieve a better future, quicker.

Keith Anderson, CEO, ScottishPower

3. Our expectations

Of our Employees and Workers

At ScottishPower, we expect everyone – regardless of role, location, or seniority - to live our Values and demonstrate the behaviours that support them.

As part of the ScottishPower workforce, you are expected to:

- Treat our colleagues, customers and third parties with respect, without discrimination.
- Understand this Code and keep up to date on policies and practices relevant to our roles.
- Speak up, ask questions, and act if you see something wrong.
- Use good judgment in all business dealings.

Of our People Managers and Leaders

In addition to the above, our people managers and leaders are expected to:

- Lead by example and act in line with this Code and our Values.
- Foster a positive and respectful work environment.
- Understand the link between the Code and the policies and practices that apply to the teams they lead.
- Respond to and escalate concerns appropriately. Promote open communication and trust in the workplace, so our people feel safe to raise concerns or suggest improvements.
- Report concerns promptly and maintain confidentiality in line with legal requirements and ScottishPower standards. Escalate potential or actual violations of the Code, policies, or applicable laws as needed.
- Prevent any direct or indirect retaliation against anyone for sharing concerns in good faith or participating in an investigation and ensure that such behaviour is not tolerated from others.
- Only ask people to do things they would feel comfortable doing themselves.

4. ScottishPower's Values and Behaviours

ScottishPower is fully committed to the Purpose and Values of the Iberdrola Group, including its Ethical and Sustainability principles. These guide our business and are reflected in our core values: Sustainable, Dynamic, and Collaborative. They shape how we work and define our approach to success.

- **Sustainable**: We put safety first, respect the environment and act ethically and with integrity. We develop and promote solutions for cleaner energy, low-carbon transport and better air quality, to help the UK achieve its Net Zero goals.

- **Dynamic**: We aim to improve how we work by simplifying processes, encouraging innovation, and staying ahead of customer needs.

- **Collaborative**: We work together, share knowledge, and promote diversity. We do not tolerate discrimination but strive to create a respectful and inclusive workplace.

Our success depends on our collective commitment to these Values. **If our Values set our direction of travel, this Code of Conduct helps us to get there**. It supports the behaviours that make up our performance management framework, helps guide how we act at work, and outlines the key policies and rules everyone must follow.

We want you to have the best working experience at ScottishPower, and the same for your colleagues – this Code of Conduct is designed to help you achieve that.

The Code of Conduct applies to all Directors and employees, regardless of position in the Company. It is an established part of the Governance and Sustainability System of the Company, as it has been approved by the ScottishPower Board.

5. Ethical decision making

At ScottishPower, we go beyond simply following laws and regulations – we expect our people to act ethically and do the right thing every day.

We ask all employees and workers to uphold high ethical standards in all their day-to-day activities. This means acting with professionalism, integrity, and self-control in our decisions, promoting sustainable goals and creating value for our stakeholders.

Ethical decisions can sometimes be complex. To help guide your thinking, ask yourself the following questions before making a decision:

Am I behaving in a way that is ethically acceptable? Are my actions fair, honest, truthful, or otherwise right?

Are my actions legal? Will they comply with laws or regulatory requirements, ScottishPower policy and this Code of Conduct?

Are my actions in the best interests of ScottishPower? Am I confident that ScottishPower would not be embarrassed or suffer damage (e.g., reputational, or financial) if my actions were made public? Am I putting the Company's interests ahead of my own?

Am I willing to take personal responsibility for my actions? Can I justify my behaviour myself and not just because my manager or someone else told me to? Would I be comfortable if my actions were published in the news?

This is what we call our **ethical decision-making model** - a simple guide to help ensure we are behaving in the right way. If you can confidently answer 'yes' to each of the points above, then you are likely to be acting ethically.

Remember: You are responsible for your own actions – it is not a defence to say that someone told you to do it.

6. Speaking Out

At ScottishPower we believe in creating a workplace where everyone feels safe to speak out. A strong Speaking Out programme helps build a culture of ethics and compliance. It ensures that concerns are raised, looked into, and followed up - without fear of retaliation.

At ScottishPower we encourage everyone to speak openly about any issue - We can only take action on wrongdoing or unethical behaviour if we know about it. The best way to help stop it, is to **Speak Out**. It's always better to raise a concern early so it can be investigated, rather than letting it grow and cause more harm to the Company or its people.

There are different ways to raise a concern, depending on the situation:

- **Grievances**: If you have a personal concern - like how you are being treated or something related to your employment contract – please speak to your line manager or contact People & Organisation.

- **Speaking Out Reports**: If you see any illegal or unethical incident, issue, activity, behaviour or practice, **you must speak out**. If you feel comfortable to do so, you should discuss your concern with your line manager in the first instance. The following reporting options are also available:

In person or by email to your Business Compliance Officer (BCO)	The ScottishPower Compliance Unit structure and contact details are available to employees on the ScottishPower Employee Portal
Through the Ethics Helpline reporting tab on the Employee Portal	Available on the ScottishPower Employee Portal (*a guide for ScottishPower employees on How To Report can be found on the ScottishPower Employee Portal)*
By email to the Compliance Unit mailbox	compliancedivision@scottishpower.com
Access our Speaking Out Channel on the ScottishPower website	Speaking Out Channel - ScottishPower https://www.scottishpower.com/pages/speaking_out_channel.aspx

ScottishPower has zero tolerance for retaliation, against anyone who raises a concern in good faith. Where we identify that someone has been retaliated against for Speaking Out, this will be subject to disciplinary action, up to and including dismissal. If you believe you have experienced retaliation, report it immediately using one of the available reporting channels.

Q - What Is Retaliation?
A - Retaliation is any negative action taken against someone for reporting a concern or participating in an investigation. This can include things like unfair treatment, exclusion, or changes to duties. At ScottishPower, retaliation is not tolerated—everyone should feel safe to Speak Out without fear.

We know that it can be difficult to Speak Out and you might be nervous about doing so. The infographic below provides a high-level view of what happens when a report is made. Our digital, interactive, Speaking Out Toolkit also offers further guidance and support through every step of the Speaking Out journey:

CONTACT

Make your report via one of the available reporting channels. Anonymous options are available, but please **include as much detail as you can**, such as names, dates, and any supporting documents. Without enough specific information, we may not be able to fully investigate your concern.

REVIEW

We do all we can to protect your confidentiality, consistent with conducting a thorough investigation. We aim to review and acknowledge your report within 24 hours of receipt. We'll assess the nature of the concern, any potential offences involved, and the expertise required - **then assign the right team to carry out any investigation.**

INVESTIGATION

We aim to investigate promptly, however a full investigation can take from one week to several months. **We take all allegations seriously**. We focus on gathering facts, and base conclusions only on the evidence available. Where possible, **an investigator** may contact you for more details.

CASE CLOSED

We'll document our findings and **share the report only with the appropriate people** who need to act on any recommendations. While you may not receive the details, we'll **try to let you know**

when the investigation is complete. Remember, as reports are kept confidential, you might not see some, or any, of these stages.

7. Integrity and Responsibilities

As well as behaving in an ethical way in our working lives, the Code of Conduct requires us to comply with the policies approved as part of ScottishPower's Governance and Sustainability System. We won't set them out in full here but will explain what these mean in relation to the relevant principles, and where you can find more information. If you behave in a way that breaches these policies or procedures, you could face disciplinary action.

I. WE PROMOTE AN INCLUSIVE AND RESPECTFUL WORKPLACE

We want to ensure a working environment that supports all of our employees and workers and gives them the opportunity to succeed. All employees, contractors, third parties and customers should be treated with respect, fairness, and equality. We will not tolerate discrimination in our workplaces but will work together to promote positive behaviours for our workforce.

Respect, Fairness and non-discrimination

You must make sure that you do not discriminate against any individual or group of people, either directly (by treating them differently or unfairly) or indirectly (by putting in place conditions that could put certain people at a disadvantage, even if that is not the main aim of those conditions).

Diversity and Inclusion

You should make sure that you are familiar with ScottishPower's Equality & Diversity Policy. If you or someone you know feels that they are being discriminated against, please raise this with your manager or with People & Organisation. It is important that any potential discrimination is identified and addressed.

Anti-bullying & Harassment

In the same way, harassment of any kind is unacceptable. You must be aware of and comply with ScottishPower's Bullying & Harassment Policy. This Policy prohibits the harassment, including Sexual Harassment, of any employee (current, former, or future), third party, customer, or member of the public and requires all ScottishPower employees to treat anyone they come into contact within the course of their employment with respect and dignity. Examples of conduct which is considered to be either bullying, harassment or sexual harassment can be found in the Bullying & Harassment Policy on MyHub.

People & Organisation can provide advice and support to anyone who feels that they are being harassed, bullied or sexually harassed by another employee. Any employee found to have bullied, harassed or sexually harassed a third party in the course of their employment with ScottishPower could be subject to action under ScottishPower's Disciplinary procedure.

Remember: Bullying, discrimination or harassment has no place in our Company. Your main responsibility is to create a safe and positive environment and always treat your colleagues, customers and others with dignity and respect.

II. WE ARE COMMITTED TO SAFE, SECURE AND SUSTAINABLE OPERATIONS

We conduct all operations with a clear commitment to safety, security, and sustainability. We strive to protect our people and assets while actively working on solutions that will help to decarbonise our economy and deliver a better future, quicker.

Health and Safety

The health, safety and welfare of our employees, suppliers and communities are our priority. We all have a critical role to play in protecting our workforce. You must be proactive in your approach to health and safety, and make sure that you help to maintain safe working practices and behaviours in your work area. We never want to contribute to a situation that prevents an employee from going home safely. You should ensure that you are aware of the Health and Safety Essentials and what these mean in practice.

We must all lead by example and promote a just and fair health and safety culture throughout the business. This means making sure that we are all suitably and sufficiently trained and skilled for the work that we are required to do; challenge poor behaviours; unsafe acts or decisions and report any incidents or accidents as soon as possible.

You must also be aware of ScottishPower's Alcohol & Drugs Policy and make sure that you understand your obligations under this policy, including requirements to take part in random alcohol and drugs screening if required. Alcohol and drugs can contribute

to unsafe working practices, and their misuse during working hours is a serious issue. If you need support with any issues associated with alcohol and drugs, support is available through our Occupational Health team.

Security

It is important that we work together to keep ourselves and each other safe. ScottishPower has a series of security policies in place, that are designed to make sure that our security arrangements meet industry best practice and protect human rights principles. **We all have an important role to play in both the physical and digital security of the organisation**.

Physical

You should make yourself aware of the Strategic Emergency Procedures Guidance and be prepared to comply with them. You should make sure that you stay alert to potential threats to security and report any suspicious activity to your local Security team as soon as possible. Your access pass should always be visible when you move around a ScottishPower site and should be removed from sight when you leave. Anyone who is not clearly displaying an access pass should be challenged or the security team should be informed. Do not let anyone follow you through doors or gates without using their pass and do not hold doors or gates open for anyone who is not clearly displaying an access badge. Politeness can threaten security and if you are unsure, ask the person where they are going, who they are meeting and confirm they are entitled to be within the area being accessed.

Cyber

Digital Security is also vital for our customers and employees, and we must all be aware of our role in protecting it. You must read and follow the requirements of the Acceptable Use of Digital Assets Policy, as updated from time to time, as this contains important requirements to protect our most important digital assets from threat. You must also be aware of the potential impact of phishing and how to report it.

Environment and Sustainability

We are committed to protecting and preserving our environment in delivering our policies and activities. We believe that we are all responsible for looking after our environment and developing strategies that promote and support good environmental performance.

You should make sure that your actions and behaviours in the workplace do not harm the environment and whenever possible aim to enhance it. You must be aware of all relevant laws, regulations, permits, and standards in respect of the environment and comply with any requirements of environmental licences, permits or consents. You are responsible for keeping a fair and accurate record of any incidents that might affect the environment, and you must not attempt to conceal any such incidents or their details.

You must always be alert to potential issues involving storage, transportation and disposal of waste, handling of toxic and dangerous materials and emissions into the land, water, and air, and aim to prevent pollution. You should seek support from your business's specialist environmental teams if you are aware of, or concerned about, any such issues.

In line with our Sustainable Development strategy, we should all aim to make ScottishPower's activities more supportive of people and communities. This means respecting human rights, helping improve the quality of life in the communities in which we do business, making energy available for everyone, and giving extra support to customers facing financial hardship or other vulnerable situations.

III. ETHICAL CONDUCT IS THE FOUNDATION OF OUR BUSINESS

Doing what's right is more than a policy—it's who we are. Our commitment to ethical behaviour empowers us to build trust, make principled decisions, and lead with integrity. It shapes our culture, strengthens our relationships, and helps ensure we make a positive impact in everything we do.

Financial Crime

ScottishPower has a zero-tolerance approach to financial crime including but not limited to bribery, corruption, and fraud and is committed to doing business in a fair, honest, and transparent manner. Our Financial Crime Policy sets out the key principles that we will adhere to in doing business.

You must make sure that you are aware of the Financial Crime Policy and what this means for you. Our Compliance & Ethics Manual sets out the procedures and practical requirements that we all need to follow to comply with the Policy. You are responsible for following the appropriate procedures where required. In particular, you must be aware of any situation that could cause doubt over ScottishPower's independence or impartiality when doing business, or that could result in a fraud being committed on ScottishPower's behalf. This includes representations being made on ScottishPower's behalf by our third parties.

If you become aware of any suspicious, fraudulent, or corrupt behaviour, you should speak to SP Compliance. Please do not attempt to investigate yourself. Your line manager can support if appropriate.

Financial crime can take many forms and what might seem like standard business practice could still create a risk to ScottishPower. The Financial Crime Policy and the Compliance & Ethics Manual will guide you in the practical requirements, but we'll also explore some of those risk areas further here:

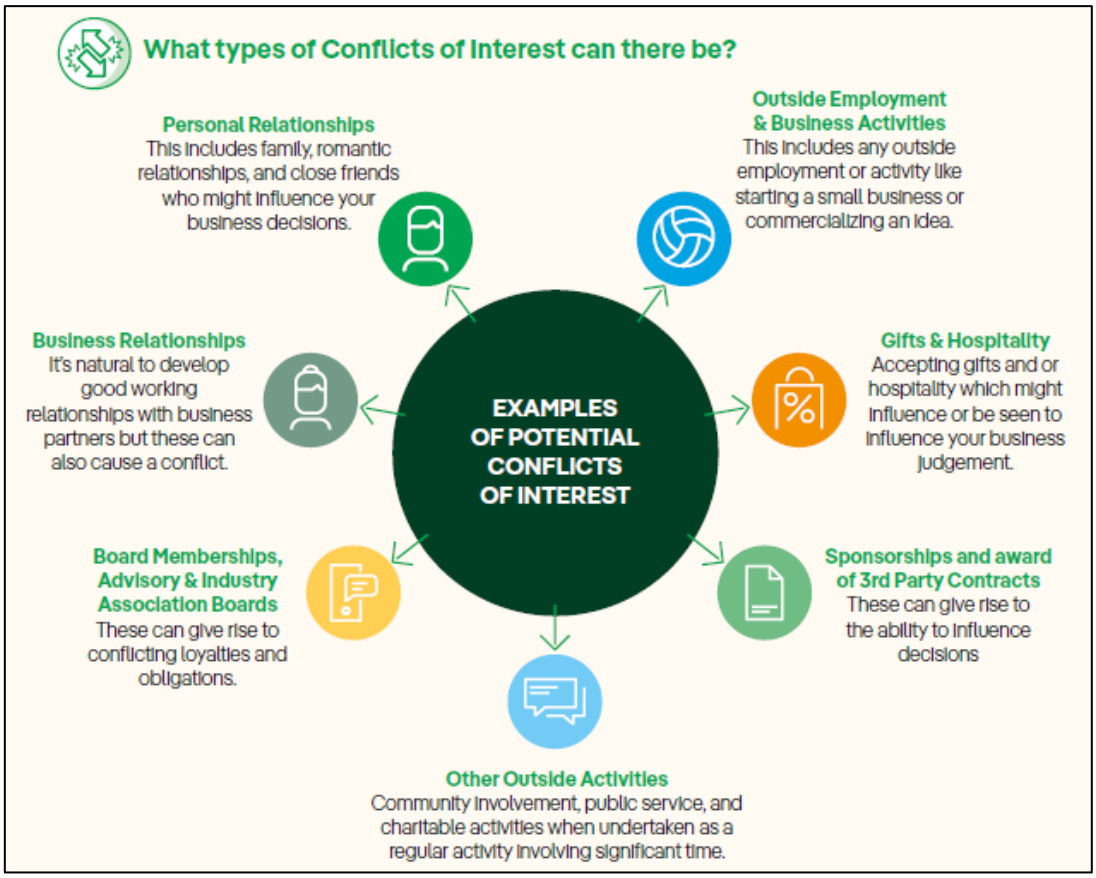
Conflicts of Interest

What is a Conflict of Interest:

A Conflict of Interest is any case in which your own circumstances (financial, business or personal activities), which conflict with, or have the potential to conflict with, ScottishPower's interests. This can include the perception of others that you could be influenced by those circumstances.

It is not wrong to have a Conflict of Interest, but it is wrong to let it influence your actions or decision-making. It is important to recognise and disclose any potential conflicts and seek advice. SP Compliance will support open discussion in a timely manner to enable any required mitigating actions to be implemented.

What types can there be?



Q – I think I have a potential Conflict of Interest, but I am not sure what to do?
A - You should inform your Line Manager if you are able and, in all cases, you are required to report any potential conflict to SP Compliance. SP Compliance will record the circumstances of the conflict (in an appropriate way), recommend any appropriate action as needed, and inform People & Organisation as required. You must not take any action in relation to that matter until the conflict is resolved.

Remember, it is not wrong to have a Conflict of Interest and in fact many employees do. It is important that any conflicts are disclosed, to allow SP Compliance to review and resolve them appropriately.

A conflict can cause reputational damage even if you do not act upon it. All conflicts should be declared to ensure full transparency, even if the conflict is mitigated or you do not act inappropriately.

Gifts and Hospitality

The giving of gifts and hospitality can be a significant risk factor for bribery and corruption because they can influence the independent decision making of the recipient. Before you offer or accept any gifts or hospitality think about whether it is the right thing to do. The G.I.F.T. rule can help you do that:



- You should always seek approval from your line manager before offering or accepting any gift or hospitality. **You are responsible for ensuring any gifts or hospitality you offer or receive are appropriate.**
- If you have any doubts or concerns as to the appropriateness of an offer of a gift or hospitality, the offer should be turned down or, if appropriate, discussed with SP Compliance.
- Every offer of gifts over £25 value or hospitality over £50 value must be reported to SP Compliance, **in advance**, using the online form on the Employee Portal. This applies to gifts and hospitality given to SP employees, even if it is declined.

> ***Remember****: You must never seek or accept a gift or hospitality where it could influence (or be seen as an attempt to influence or affect) decision-making in any way. If you are unsure or need some further guidance, we've created a 'Can I offer or accept third party gifts and hospitality' decision tree to help guide you.*
>
> **Q – I am running a tender for an upcoming contract award. One of the bidding companies has invited me to a luxury overnight event at a golf resort, all expenses paid. What should I do?**
>
> **A –** Decline the offer. You should inform your manager and report it to SP Compliance for transparency.
>
> Aspects to be aware of are:
>
> - Timing and Intent: The offer was made during an active bidding process which could influence, or at least be seen to influence, decision making and the outcome of the tender.
> - Value: The hospitality is high in value and could be seen as excessive. It would not be appropriate to accept on this basis.
>
> **Q – I have just completed a routine project with a long-standing supplier and they have invited myself and a colleague for lunch (roughly £30 per person value) as a thank you gesture. What should I do?**

A – You should obtain approval from your line manager, and as the offer is estimated to be above £25 in value, you should report the offer to SP Compliance, in advance, for transparency. It would generally be considered appropriate to accept the offer.

Aspects to be aware of are:

- Timing: The project has completed, so there is no ongoing decision or contract at stake.
- Intent: The gift appears to be a simple thank you, not an attempt to influence future decisions.
- Value: The lunch is of low value and not excessive.

Business Opportunities / Outside activities

Activities Outside ScottishPower

You may be asked to, or want to, take on activities or roles outside of ScottishPower, in addition to your role with the Company. This could include helping with charities, joining a board, teaching or starting your own small business.

Your priority must be to your role with ScottishPower. Make sure any outside work does not affect your ability to perform your role effectively. Before you start any new role, you should discuss with SP Compliance, to consider whether any measures need to be put in place to manage any conflict.

You must not take on any work that is in competition with ScottishPower, could harm the legitimate business interests of the Company, or is likely to result in you becoming unfit for work.

Social Media

When you take part in any activities outside of your employment, it should be clear that this is entirely personal and not connected with your role in ScottishPower. This includes your use of personal social media. You can refer to the Social Media Guidelines for more guidance on the use of social media in relation to your role.

Use of Artificial Intelligence (AI)

We must use AI technologies responsibly and ethically, ensuring compliance with all applicable laws, regulations, and company policies. We do not tolerate misuse of AI, including increasing unfair bias, data privacy violations, or unauthorized automation.

ScottishPower has adopted and promotes a set of AI principles of conduct that must govern its activities regarding the design, development, application and use of artificial intelligence tools. Further information can be found in the Policy on the Responsible Development and Use of Artificial Intelligence Tools.

AI tools should be used to enhance productivity and decision-making—not to replace human judgment or ethical decision making.

Use of Company Resources

ScottishPower will give you the tools and support you need to carry out your role and help improve how we work. You must use these resources in a responsible and honest way. This includes making sure that you only use these resources for the purposes of your role and not for any personal or private purposes.

For example:

- Do not use company email or IT equipment for non-work-related activities.
- Do not use company credit cards, buying cards or expense claims for anything that isn't work related.
- Be aware of, and always follow, the rules and limits set within our Expenses Policy.

Do not disclose information about the systems, tools or resources owned or used by ScottishPower. Do not offer to loan or gift any company resources to anyone outside the company, unless this has been clearly approved by an appropriate ScottishPower senior manager.

ScottishPower offers a generous benefits package, including discounts and offers through the Employee Benefits scheme. You can only take advantage of discounts or offers that are available to all employees as a whole – you shouldn't use your role to seek any discounts or offers that are not generally available to all employees.

Insider Information

In your role, you might come across information that isn't available to the public and could affect the value of stocks or other financial products. You must never use this information for personal gain, such as buying, selling, or holding shares or other investments.

Some roles in the company will be considered to be within the scope of the Internal Regulations for Conduct in the Securities Markets. These roles have been identified as having access to sensitive information about the Group, and therefore restrictions have been placed on when they can trade Group shares or communicate with third parties about that information. These rules also apply to anyone who might come across insider information and could benefit unfairly from it.

Always be careful when buying or selling shares or other financial products. Make sure your decisions are honest, fair, and not influenced by any inside information you may have access to (whether it's about ScottishPower, the Iberdrola Group or any related company).

IV. WE MEET ALL LEGAL AND REGULATORY OBLIGATIONS

We operate in full compliance with all relevant laws and regulations. Everyone at ScottishPower is expected to understand and uphold these obligations, ensuring our actions reflect integrity and accountability at all times.

Compliance with Laws

At ScottishPower we take our legal obligations extremely seriously. We all have a responsibility to understand the laws and regulations that apply to our business and to comply with both the spirit and the letter of these. Not knowing or understanding legal requirements is not an excuse or defence.

You must not do anything that could result in a breach of law or relevant regulations. You must:

- Know the laws or regulations relevant to your role and comply with them at all times.
- Only act in line with the level of authority of your role.
- Ensure the third parties that you work with are clear about ScottishPower's expectations of them
- Ask your local Legal team if you are unsure about anything.

If you become aware of, or concerned about, any criminal activity in relation to ScottishPower's business, you must report this to SP Compliance or your local Legal team immediately. If you take part or are involved in any criminal activity, you could be subject to penalties or sanctions or even imprisonment. This will not be tolerated within ScottishPower and may be subject to action under ScottishPower's Disciplinary procedures.

If you are accused of, or involved in, a crime committed outside of work, it could impact ScottishPower's reputation or activities. Therefore, if you are formally accused or charged with involvement in an illegal activity, you must notify your local SP Compliance contact, who will assess the circumstances and determine if any additional action or support is required. All contacts on this issue will be kept confidential, as far as possible.

Fair Competition

ScottishPower supports free and open competition. We do not allow any actions that could unfairly limit competition or trade.

Competition Law is a complex area, so it is important that we all follow the rules. ScottishPower has a Competition Law Compliance Policy and Manual (applicable throughout ScottishPower), to help employees understand their roles and responsibilities in this area.

You must make yourself aware of what anticompetitive behaviour means and what it might look like in practice. This is particularly important if you work with third parties or are involved in sales, marketing, or trading. You must not:

- Accept any unsolicited confidential information about a competitor
- Take part in any meetings or activities with competitors that are not fully documented (with a clear agenda)
- Enter into any informal agreements with competitors.

If you have any doubts or questions, you should contact your local Legal department, who can advise on competition law matters.

Business Separation

SP Energy Networks (SPEN) is a regulated business that operates as a natural monopoly. Under its Distribution and Transmission licences, SPEN must work within the rules of Business Separation. The ScottishPower Business Separation Policy, which applies to all ScottishPower Businesses, provides more detail on these rules and what they mean in practice.

We must ensure:

- SPEN is managed and run separately from other parts of the ScottishPower Group, with its own brand.
- Confidential SPEN information is not shared with other parts of the Group.
- IT systems with SPEN data are kept separate from other parts of the Group.
- Access to SPEN premises is controlled, especially if shared with other parts of the Group. Personnel transferring to other parts of the Group must also be managed carefully.
- No financial support (cross subsidies) is given between SPEN and any other Group businesses.
- Metering and connection services must be offered fairly to all suppliers and competitors.

Business Separation doesn't stop us from working together across ScottishPower, provided we keep Business Separation in mind. You can still talk positively about the Group, both internally and externally, and attend cross-business events with colleagues, so long as no confidential SPEN information is shared. At external events SPEN and non-SPEN staff can attend, as long as there is clear separate branding for SPEN activities.

If you have any questions on business separation, you can contact the business separation mailbox - businessseparation@spenergynetworks.co.uk

V. WE SAFEGUARD OUR ASSETS, DATA AND BUSINESS INTERESTS

We are committed to protecting the organisation's assets, proprietary information and commercial interests. All employees must handle data responsibly, maintain confidentiality, and use resources in accordance with legal, ethical and corporate standards.

Confidential, Sensitive, and Personal Information

Confidentiality

You may have access to confidential or sensitive information in the course of your work. You must make sure that you are aware of the sensitivity of any information that you use and protect it accordingly. Take care how and when you discuss or disclose such information and only use it for the purposes of your work. As a general rule, you should treat all information you deal with as confidential, unless it is information that you know to be public, or which needs to be disclosed. You must read and understand the Information Protection Rule and how it applies to you.

For example, you must never disclose confidential information to a third party without being sure who you are discussing this with and ensuring they have a legitimate requirement to receive the information.

Personal Information

The protection of personal information (that is information that can be used to identify individuals, such as customers or employees) is of utmost importance. You must be aware of, and always comply with, the ScottishPower Data Protection Policy and also complete any requested training. You should never disclose personal information without seeking advice from your Data Protection Manager / team.

Intellectual Property

You must also make sure that you are aware of any intellectual property rights associated with any work, especially when it involves third party content. This means the rights to use, change, share or otherwise publish material, photos, or audio. We must respect the intellectual property rights of both ScottishPower and any third parties. ScottishPower branding or logos must not be used unless explicitly approved by the Brand or Communications team.

If you have any concerns about the use of Company or third-party information, you should seek advice from your local Legal team.

External collaboration

As experts in our field, ScottishPower personnel may be invited to speak at external events, provide interviews, offer advice to related organisations, or publish articles on relevant topics. These opportunities can be a great way to promote our positive work. However, it's essential that all external communication is carefully considered, as anything you say might be seen as the official view of Scottishpower.

Before you agree to take part in any external collaboration, you must get approval from your manager and (where relevant) the Corporate Affairs team. The content to be presented should be agreed in advance, and you must not share any confidential or sensitive information or do anything that could harm ScottishPower's interests. The Corporate Affairs team will also confirm whether any training or briefing is needed before the event.

If you are contacted by the media, do not respond. All such requests should be referred directly to the Corporate Affairs team.

You should take great care in any engagement with elected parliamentarians, ministers and political advisers. Always refer to the Political Engagement Policy to make sure that you are behaving appropriately in such engagements. The Political Engagement Policy regulates what ScottishPower personnel must do before engaging with politicians and their advisers, and what to do following any unplanned contact as part of their day-to-day activities. You should inform the Government Affairs team as soon as possible ahead of any engagement with politicians, so that this can be recorded correctly.

Generally, you should also take care in any engagement with public bodies and government officials, particularly at a senior level, and advise Corporate Affairs in advance, as appropriate, to ensure any required briefings or training can be provided.

Record Keeping

ScottishPower is committed to maintaining accurate books and records, and to accurate financial and non-financial reporting. This helps protect the integrity of our activities. Everyone has a role in keeping accurate records of our transactions and activities, to evidence our behaviour as a company.

You must not destroy, spoil, change or hide any record or transaction to mislead others, internally or externally. You must store all records and data safely and securely and keep them in accordance with the relevant Retention Policy in your area.

You must also take care that records of activities and transactions are correct and accurate. You must never sign or approve anything unless you have checked that the details are correct and match the activity.

8. Leaving the Company

Employees and Workers:
Before you leave, you should make sure that you return everything in your possession that belongs to ScottishPower. This includes any saved information and data, and any technology or devices that store information. Even after you have left ScottishPower, you will have a contractual responsibility to maintain obligations in relation to competition and confidentiality. ScottishPower leavers are also asked to complete a short online Exit Survey to help us to improve the workforce experience. Responses will be treated in the strictest of confidence. Further detail can be found in the Leaving the Company - Employee Information article.

You should make sure that you are aware of any terms in your employment contract that restricts the type of work you can do after leaving ScottishPower. Even if you don't have any such terms in your contract, you should be aware that a conflict of interest could arise if you, as an ex-employee, look to take employment with a business or organisation that has a contractual or other relationship with the Company. If you leave in such circumstances, you are advised to inform the Company of the nature of the proposed employment and your participation in it. You can do this through your manager or through the SP Compliance mailbox.

Line Managers:
When a member of your team decides to leave the Company, you should assess the potential risks to allow ScottishPower to take steps to protect commercial or sensitive information and mitigate conflicts of interest, as required. All access to ScottishPower premises and IT systems should be removed as well as ensuring that all Company property, including the access control card (security pass), is returned. As a manager it is your responsibility to ensure this happens. Our Asset Return Guidance article provides additional information on the required actions.

Q – A member of my team is leaving the company. What risk factors do I need to consider?

A – You should consider if the individual is leaving to:

- Join a competitor, consultant, regulatory body, supplier, stakeholder, or third party linked to ScottishPower.
- Start a business in the same industry or engage in related activities.
- Undertake any activity that may pose a commercial risk.
- Is unwilling to disclose their next role but is expected to remain in the industry.

You should also assess if they:

- Have access to valuable commercial information (e.g. contracts, technical data, financial systems, strategic plans).
- Have a potential conflict of interest with their current role at ScottishPower.
- Are graded OL17, EN7, Band 6 or above.

If any of the above risk factors exist, you should contact the People Services Team or your Business Compliance Officer. Additional steps may need to be put in place to protect ScottishPower's commercial or sensitive information, or to mitigate any conflict of interest. Further detail can be found in the Leaving the Company - Manager Information article.

9. ScottishPower Disciplinary Rules

Gross Misconduct means behaviours which are sufficiently serious to require summary dismissal of the employee. There is not an exhaustive list of what makes up gross misconduct, but ScottishPower has established a set of rules as examples of what this will include. These rules have been developed in line with the Code of Conduct, as well as the ACAS Code on discipline and grievance.

A full copy of this Code of Conduct incorporating the Disciplinary Rules is available to employees on the Employee Portal.

Financial Crime Policy

ScottishPower Compliance Unit

Prepared:	Reviewed:	Approved:
ScottishPower Compliance Unit	ScottishPower Chief Compliance Officer	Scottish Power Limited Board of Directors



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Version Control

Version	Author	Purpose	Date
0.5	SP Compliance Unit	Iterative version of new proposed Policy, following review and update of ABC Policy, incorporating stakeholder comments	August 2025
1.0	SP Compliance Unit	Final approved version	



1. Purpose

Scottish Power Limited ('the Company') is committed to the highest standards of ethical conduct and integrity in all our business activities, as set out in the ScottishPower Code of Conduct and Disciplinary Rules, the ScottishPower Code of Conduct for Suppliers and the Ethical and Basic Principles of Governance and Sustainability of the Iberdrola Group. Reflecting that commitment, the Company has a zero-tolerance approach to financial crime including, but not limited to, bribery, corruption and fraud.

Financial crime is never acceptable. This ScottishPower Financial Crime Policy (the "Policy") establishes that zero-tolerance approach and further a commitment that the Company will ensure that it has an effective framework in place to ensure that it does not benefit from, or facilitate, financial crime. This Policy sets out the principles for compliance with that approach, explains how they are applied within the Company, and encourages and provides guidance for the reporting of any suspected breaches.

2. Scope

This Policy applies to the Company. It includes basic principles that complement those contained in the *Ethical and Basic Principles of Governance and Sustainability of the Iberdrola Group* and reflects the high standards of ethics and compliance that we expect across all of our business activity.

This Policy applies to all ScottishPower employees (whether full or part-time), including all directors, officers, managers, agency workers, and permanent or temporary contractors.

This Policy also applies to third parties working on behalf of ScottishPower, including agents and partners, and others we do business with, including suppliers. The ScottishPower Group expects its third parties to conduct themselves in an ethical manner and consistent with the principles outlined in the ScottishPower Code of Conduct for Suppliers. To that end, we expect that those third parties align to the relevant principles of this Policy and ensure their own practices meet the standards set out by this Policy.

This Policy applies in equal effect to any Joint Ventures in which ScottishPower is the operating or majority partner, unless an equivalent Policy is already in place. Where ScottishPower is not the majority or operating partner, it will seek to ensure that appropriate alternative principles are in place.

The Company can be held liable for failing to prevent the commission of certain financial crimes by employees or associated persons working on its behalf, regardless of where the act takes place. Compliance with the principles and intent of this policy is therefore mandatory.

3. Financial Crime Defined



For the purposes of this policy, 'Financial Crime' includes Bribery; Corruption; Fraud (internal and external); Money Laundering; Terrorist Financing; breach of Economic Sanctions; Tax Evasion and the Facilitation of Tax Evasion.

Bribery is an inducement or reward offered, promised, or provided, to improperly gain any commercial, contractual, regulatory, or personal advantage. For example, giving someone money or offering a job in return for favours or special treatment.

- Facilitation or 'grease' payments are a type of bribe. They are usually defined as payments made to expedite or facilitate the performance of a routine transaction or service rather than to influence the outcome of a decision.

Corruption is the abuse of entrusted power, resources or influence, and includes any dishonest or illegal behaviour that is aimed at gaining an improper advantage. Corruption can typically include activities such as theft, misreporting, manipulation of processes, embezzlement, bribery, fraud and or financial crimes such as money laundering, tax evasion or terrorist financing.

Fraud is a dishonest act or omission made to bring about a practical result such as to gain an advantage or cause a loss to another party. It can include false representation (providing information that is inaccurate or untrue), abuse of position, failure to disclose relevant information and theft or misuse of funds or assets.

Money Laundering refers to activity that makes money obtained through criminal activity appear to have come from a legitimate source. This can include transfers of funds between banks, trading platforms or legitimate institutions. Concealing or dealing with the proceeds of a crime (including the crime of another) can be a criminal offence.

- Note: Scottish Power Energy Management (Agency) Limited is subject to additional anti-money laundering duties and has a separate anti-money laundering policy and procedures which apply to its business activities.

Tax evasion is the deliberate misleading or hiding information from HM Revenue & Customs or an overseas tax or customs authority to reduce a tax liability.

Facilitation of tax evasion is dishonestly assisting another person, such as an employee, customer, supplier or business partner to evade tax.

Terrorist Financing is any activity that provides funds in support of terrorist activities. The funds can be from a legitimate source or funds obtained from criminal conduct, so it may also involve an element of money laundering.

Economic sanctions are formal restrictions imposed by government or international bodies (including the UK, USA, UN and EU) with the aim of influencing the behaviour of a country, organisation or individual, usually in response to violations of international law, human rights



abuses or threats to security and peace. This includes measures to limit or prohibit financial transactions and economic activity with designated individuals, entities, sectors, or countries.

The term Public Official may include anyone, regardless of rank or title, who exercises a public, administrative, or judicial function. This includes anyone who works with, on behalf of, or for:

- A government, a government agency, a regulatory body, a local or public authority;
- A political party, politician or individual engaged in politics;
- A person who works for a public international organisation (for example, the United Nations or the World Bank);
- An employee of a state-owned company; or
- A close relative of any of the above.

4. Financial Crime Policy Principles

The Company promotes a preventive culture based on the principle of "zero tolerance" for the commission of any acts constituting any form of financial crime. Companies commit a criminal offence if they fail to prevent associated persons (employees, agents, subsidiaries and other persons who perform services for or on behalf of the organisation) from engaging in bribery and fraud which is intended to benefit their business, or the facilitation of tax evasion. To minimise and mitigate such risks, we are committed to the following key principles:

A. Legal and Regulatory Compliance

- We will act in accordance with all and not contravene any applicable UK laws and regulations, including (but not limited to):
  - The Proceeds of Crime Act 2002
  - The Fraud Act 2006 and Scots common law fraud
  - The Criminal Finances Act 2017
  - The Bribery Act 2010
  - The Sanctions and Anti-Money Laundering Act 2018 (and regulations made under this Act)
  - The Economic Crime and Corporate Transparency Act 2023
- We will monitor changes to such legislation through appropriate horizon scanning activity and update our internal controls accordingly.

B. Doing Business

- We will carry out business fairly, honestly, and openly.
- We will not tolerate, permit or engage in any conduct constituting financial crime in any of its forms in the course of business or professional activities or in relations with the public or private sector.



- Facilitation or 'grease' payments and kickbacks are prohibited. Employees must notify the Compliance Unit when they identify any kind of request for a facilitation payment:
- We will not give or offer any money, gift, hospitality, or other advantage to any person carrying out a business or public role in the UK or abroad, or to a third party associated with that person, to get them to do something improper or to improperly influence them to our business advantage.
- We do not allow employees to accept money, gifts, hospitality or other advantages from business associates, actual or potential suppliers, or service providers which are intended to, or could be seen to, influence a business decision or transaction.
- Regardless of their purpose, all gifts or hospitality accepted or offered by ScottishPower employees must be of limited value and reasonable in the circumstances.
- No employee will suffer demotion, penalty, or other adverse consequence for refusing to take action that could result in financial crime being committed (including paying bribes, false declarations or omissions), even if it may result in ScottishPower losing business.
- We will maintain robust procedures to ensure that the Company meets all its tax obligations, in accordance with our Corporate Tax Policy, and to prevent the facilitation of tax evasion by third parties such as suppliers and business partners.
- We will adhere to all applicable standards, principles, and laws for accounting and financial reporting, make and keep accurate records that reflect all the transactions of the Company, and maintain an adequate system of internal accounting controls.

C. Diligence and Risk Management

- We will maintain appropriate and reasonable procedures that are designed to Identify and prevent financial crime risk or suspicious activity within our own operations and supply chains, including regular risk assessment and supplier and transaction due diligence.
- We will conduct appropriate due diligence on our third parties, in accordance with defined procedures and in accordance with the associated level of risk. This will include onboarding screening and at appropriate intervals on an ongoing basis (which may include daily / periodic spot screening). We will maintain a record of the diligence activity carried out.
- We undertake appropriate third-party due diligence, including screening against relevant sanctions lists (e.g., OFSI, UN, EU), and risk-based compliance onboarding checks for any indicators of ethical concerns.
- We will implement appropriate internal controls, transaction monitoring, training and reporting arrangements in response to financial crime risk which are proportionate based on the level of risk identified.
- All employees and agency workers are required to complete any compliance training that is identified as being necessary and relevant to their role
- We maintain various routes for reporting suspicious or concerning financial crime activity, including to independent Business Compliance Officers and a confidential Speaking Out system. Further details on how to report can be found in Section 8 of this Policy.



D. Public Officials

- Interactions with public officials can be susceptible to the risk of financial crime (particularly bribery and corruption) due to the potential for influence held by such officials. All interactions with public officials, both foreign and domestic, must comply with this Policy, the ScottishPower Code of Conduct and Disciplinary Rules, the ScottishPower Code of Conduct for Suppliers, and with all applicable laws, rules, and regulations.
- You must ensure that you maintain the principles of transparency, openness, and honesty in dealing with any public officials. Regardless of the intent, all employees and third parties must be sure that they do not act in any way that could even create the appearance of any impropriety.
- ScottishPower employees engaging directly with politicians or government agencies, or speaking at an event attended by politicians, must inform the Government Affairs team as soon as possible, in line with the ScottishPower Political Engagement Policy.
- Engagement with any regulatory body must be managed in accordance with the relevant Business or Corporate regulatory function.

E. Third Parties

- We will ensure that the relationship between the Company and its suppliers, agents and partners is based on legality, business ethics, efficiency, transparency and honesty.
- We will include appropriate, proportionate and robust clauses within our contractual arrangements that aim to support the principles and intention of this Policy.
- Third parties are not permitted to offer or provide any money, gift, hospitality, or other advantage in order to improperly secure benefits for themselves or the Company when carrying out business connected with ScottishPower..
- When carrying out any activity for, on behalf of or related to the Company, third parties must ensure that they do not engage in, facilitate, or enable any form of financial crime.
- Third parties should take reasonable steps to prevent financial crime within their own operations and supply chains, including implementing internal controls and financial crime risk assessments and training staff on fraud awareness and reporting.
- We expect our third parties to support and comply with the principles of this Policy and ensure equal standards are upheld within their subcontractor populations. This includes fair co-operation in any investigations related to concerns reported under this Policy.
- Any actual or suspected financial crime activity by a third party related to ScottishPower's business, operations or activity must be reported to the Compliance Unit, in accordance with the approach set out in Section 8 of this Policy.

F. Monitoring and Awareness

- We will undertake a financial crime risk assessment regularly to ensure the appropriate management of risk. The results of the risk assessment will be documented and retained for record keeping purposes.



- Employees will be provided with appropriate training and communications in this area, with a frequency sufficient to ensure that their knowledge in the areas covered by this Policy is kept up to date.
- We will take seriously and thoroughly investigate any claims, allegations or concerns related to financial crime reported to us. Section 8 of this Policy provides more information on how concerns can be reported.

Failure to comply with any provision of this Policy is a serious violation. Any employee found to be in breach of these principles will face disciplinary action.

5. Roles and Responsibilities

The Company's Board of Directors is ultimately responsible for overseeing compliance with this Policy and takes non-compliance with this Policy very seriously. The Company's Compliance Unit will support the Board of Directors through ensuring day-to-day oversight of the Policy. The Chief Compliance Officer is the Senior Officer responsible for the Policy who will monitor and report on compliance with the Policy to the Scottish Power Limited Board of Directors, the Scottish Power Limited Company's Audit and Compliance Committee, and the Scottish Power Limited Compliance Unit.

The Scottish Power Limited Management Committee shall facilitate that the requirements of this Policy are embedded and adhered to within the various respective business areas and functions.

All Company employees, agency workers and third parties are responsible for ensuring that their own conduct meets that expected by this Policy, as well as reporting any instances of actual or potential breach of the Policy (see Section 8 for further guidance on how to report).

6. Control, Evaluation and Review

The ScottishPower Compliance Unit shall review the contents of this Financial Crime Policy in accordance with the frequency set out in the Compliance Unit Policy Management Framework. Such review shall aim to ensure that the Policy reflects the recommendations and best international practices in effect at that point in time. The ScottishPower Compliance Unit shall propose to the Scottish Power Limited Board those amendments and updates that contribute to the development and ongoing improvement of the policy.

This Policy was last approved by the Scottish Power Limited Board on <9th October 2025>.

7. Further Information and Guidance

The following supplementary policies are available for ScottishPower employees, on the SP Compliance Unit area of the Employee Portal (Iberdrola Group > Our areas and businesses > SP Compliance Division):



- ScottishPower Code of Conduct and Disciplinary Rules;
- ScottishPower Compliance and Ethics Manual;
- ScottishPower Speaking Out Toolkit.

8. Reporting a Concern

We all have a responsibility to help prevent, detect, and report instances of financial crime, whether carried out in relation to an individual's own interests or with the intention of benefitting the Company. If you have a concern regarding a suspected instance of financial crime, or a breach of this Policy, please Speak Out.

If you feel comfortable to do so, you can discuss your concern with your line manager in the first instance. You or your line manager should report any concerns relating to a breach of this policy in one of the following ways:

In person or by email to your Business Compliance Officer (BCO)	The ScottishPower Compliance Unit structure and contact details are available to employees on the ScottishPower Employee Portal (*here*)
Through the Ethics Helpline reporting tab	Available on the ScottishPower Employee Portal (*a guide for ScottishPower employees on How To Report can be found here*)
By email to the Compliance Unit mailbox	compliancedivision@scottishpower.com
Access our Speaking Out Channel on the ScottishPower website	Speaking Out Channel - ScottishPower https://www.scottishpower.com/pages/speaking_out_channel.aspx

ScottishPower will not tolerate any form of discrimination, harassment or retaliation against any person who raises a concern in good faith or refuses to participate in conduct that would violate law or this Policy.

Policy on Business Separation

ScottishPower Compliance Unit

Prepared:	Reviewed:	Approved:
ScottishPower Compliance Unit	ScottishPower Chief Compliance Officer	Scottish Power Limited Board of Directors

17 February 2026



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Version Control

Version	Author	Purpose	Date
1.0	SP Compliance Division	Final approved version following annual review and update of content.	July 2019
1.1	BCO, SP Energy Networks	Implementation of document management principles, and annual review and update of content.	September 2020
2.0	BCO, SP Energy Networks	Final approved version following annual review and update of content.	October 2020
2.1	SP Compliance Division	Updated contact details for reporting a concern	August 2021
3.0	SP Compliance Division	Final approved version.	September 2021
3.1	SP Compliance Division	Annual review and update of content, alignment to new brand.	June 2023
4.0	SP Compliance Division	Final approved version.	July 2023
4.1	SP Compliance Unit	Annual review and update of content.	November 2024
5.0	SP Compliance Unit	Final approved version	December 2024
5.1	SP Compliance Unit	Updated contact details for reporting a concern	May 2025
5.2	SP Compliance Unit	Update to include additional SP business companies within scope	January 2026
6.0	SP Compliance Unit	Final Approved Version	February 2026



1. Purpose

There are companies within the ScottishPower Group ('ScottishPower' or 'the Group') which perform regulated network activities, either in established geographical areas or as a competitive market provider across the UK and therefore have access to network information which could give other Companies within the Group an advantage. These companies are subject to certain regulatory controls as a result. This includes:

- The Distribution Network Operator ('DNOs') Companies, ScottishPower Distribution ('SPD'), ScottishPower Manweb ('SPM') and SP Electricity North West ('SP ENW')
- The Transmission Company, ScottishPower Transmission ('SPT') and
- The Independent Distribution Network Operator ('IDNO', a competitor to the established DNOs in their traditional home areas), Sphere Energy Connect ('Sphere')

These Companies have regulatory obligations through their Distribution and Transmission licences to operate within the conditions of Business Separation. This means that our Transmission, Distribution and IDNO businesses (or 'Network businesses') are required to keep their activities ('Network Activities') fully separate from any competitive energy activities ('Liberalised activities') carried out across ScottishPower and existing monopoly DNO businesses must keep their activities fully separate from any iDNOs within the ScottishPower Group, to prevent giving those businesses any undue competitive advantage.

In addition, SPT must be separate from other Distribution and IDNO Companies within the ScottishPower Group that have not been granted a derogation from Ofgem to operate together as one business. Currently SP Energy Networks Holdings Limited ('SPEN') has a derogation allowing it to operate SPT alongside SPD and SPM, within the SPEN business. Within this Policy, references to the Network Businesses consider SPEN as a single business, where applicable.

The purpose of this Policy is to ensure that Network Businesses operate independently, transparently, and without conferring undue advantage on the supply, generation and iDNO businesses within ScottishPower. This Policy sets out the principles for compliance with that approach, explains how they are applied within the Company, and encourages and provides guidance for the reporting of any suspected breaches.

2. Scope

The main Business Separation Requirements are set out within Condition 42 and 42A of the Distribution Licence, Condition 31B of the Distribution Licence for iDNOs and Special Condition 9.14 of the SPTL's Transmission Licence (as well as some Standard Conditions of the Transmission Licence). Network Companies are also required to appoint an independent Business Separation Compliance Officer to support compliance with the Business Separation Requirements.

The *Ethical and Basic Principles of the Iberdrola Group ('the Principles')*, to which ScottishPower is subject as part of the Iberdrola Group, require Iberdrola Group Companies

to keep 'Regulated' and 'Liberalised' activities[1] fully separate within the boundaries of the Group. The Principles commit all Iberdrola Group companies to follow the industry regulations regarding business separation, including making sure that all relevant employees are aware of the rules, and that any policies developed in this area are published appropriately. The ScottishPower Code of Conduct recognises the importance of this requirement and creates this as an obligation for ScottishPower Group Companies.

Although the Business Separation Requirements are placed on DNO, Transmission and IDNO licensees, all ScottishPower employees are responsible for supporting compliance with the requirements. This Policy applies to all employees, Directors, agency workers and relevant Third Parties of ScottishPower. It extends to all operational, commercial, and strategic activities within the UK and to all information systems and data flows utilised by the Networks businesses. Compliance with the principles and intent of this Policy is therefore mandatory.

Accordingly, all interactions between Network Businesses and Liberalised Businesses within the ScottishPower Group are subject to this Policy, as well as interactions between DNOs and iDNOs within ScottishPower and between the Transmission Company and other Network businesses within the Group (unless in this latter case, a derogation to the Business Separation rules has been granted by Ofgem, which has the effect of permitting such interactions).

3. Business Separation Requirements

Business Separation licence obligations are placed on Transmission and Network licensees, requiring them to operate: i) the Network businesses independently from other parts of ScottishPower which are carrying out competitive activities; ii) Transmission and Distribution companies within the Group separately, unless a derogation has been granted by Ofgem[2]; and iii) DNO and iDNO businesses within the Group separately, so as to ensure that iDNO businesses are not granted any competitive advantage over non-affiliated iDNOs. **Failure to comply with the obligations can result in Ofgem imposing financial penalties on companies within the ScottishPower Group. There is also a risk of reputational damage to ScottishPower and the wider Iberdrola Group**.

Ofgem has certified that SP Transmission does not currently need to comply with the requirements of the unbundling requirements under the EU Third Energy Package. This means that SPEN can operate a Transmission business as part of a vertically integrated business comprising electricity generation and electricity supply activities. This relaxation of the regulations could be withdrawn if the separation requirements are not met, ultimately resulting in the forced separation of the Transmission business from the SP Group.

[1] Ethical and Basic Principles of Governance and Sustainability of the Iberdrola Group, as approved by the Board of Directors of Scottish Power Ltd on 16 December 2025
[2] SPT has been granted a derogation under Special Condition 9.16.14 of its Transmission Licence which removes certain of the business separation requirements between SPT and SPD/SPManweb (but not SP ENW).



The Company takes a zero-tolerance approach to non-compliant and unethical behaviour with laws and regulations in which the Company must comply. This includes a commitment to have in place arrangements to guarantee effective separation of activities to meet compliance with the Business Separation Requirements.

ScottishPower is committed to the following principles to support compliance with the Business Separation requirements:

A. Licence Reporting Obligations

Network Businesses will submit the following annual certifications and reports to Ofgem relating to the Business Separation Requirements, as appropriate to their Licence obligations:

- Ultimate Controller Undertaking: Confirmation that Iberdrola S.A., as the Ultimate Controller, will not take any action that would cause the licensee to breach the Electricity Act 1989 or its licence requirements. This means Iberdrola S.A. and all subsidiaries must comply with our Business Separation Requirements.
- Business Separation Reports: Reports setting out how Business Separation Requirements are being controlled and monitored in relation to that Network Business or Company, including in relation to separation of the DNO businesses from iDNOs within the Group, any issues arising in the previous year and how any risks and control deficiencies have been addressed.
- Unbundling Certificate: A declaration that no events or circumstances have arisen which may affect SPT's eligibility for the transmission unbundling derogation from the EU rules (which allows the Transmission business to stay as part of ScottishPower's operations).

B. Operational Licence Requirements

The following arrangements are in place to ensure compliance with the Business Separation Requirements:

- Managerial and Operational Separation: The Network Businesses must put in place, and at all times maintain, full managerial and operational independence of their own activities from other market-facing ('Liberalised') ScottishPower businesses or companies. For the DNO businesses this also means separation of their business and activities from iDNO businesses within the Group. The ScottishPower Group structure has been designed to allow full managerial and operational independence of the Network businesses, and the corporate governance model in place supports this, to make sure the requirements are met.

  Any organisational and business change (such as staff from one of the Networks Businesses or their embedded functions moving to other business or Corporate areas or the appointment of Directors) must consider the impact on Business Separation Requirements and any mitigations that may be required. Any employees from other business areas who engage with any of the Network Businesses (such as through cross-business steering groups where best practice is shared) must ensure that the Business Separation Requirements are not breached.

- Non-disclosure of confidential information: Arrangements must be in place to ensure that:

- confidential information relevant to any of the Network Businesses is not disclosed to ScottishPower's Liberalised businesses or companies;
- confidential information relating to the Transmission business is not shared with other Networks businesses, unless an appropriate derogation is in place (such as in the case of SPEN companies); and
- confidential information relating to any of the DNO businesses is not shared with iDNOs within the Group.

Confidential information means any information that is not in the public domain or able to be shared as such. Information which could be considered confidential information will cover a wide range of subjects, including but not limited to, generation connection dates, other supplier data, cost data from Network Business procurement processes, or financial data related to the Network Businesses.

- Segregating of systems for recording, processing, or storing data: Arrangements must be in place to prevent employees from other ScottishPower businesses or companies having unauthorised access to Networks Business' systems and confidential data in order to support the principles above (including between Transmission and Distribution businesses that are not part of the same business group and to ensure that iDNO employees do not have access to DNO systems). This includes data held within billing and customer management systems, or any IT system where commercially confidential Networks Business information resides.
- Restricted access to Networks Business premises: Arrangements must be in place to prevent employees from ScottishPower's Liberalised businesses or iDNO companies having access to ScottishPower sites (or areas of ScottishPower sites) occupied by one of the Network businesses. Employees of other ScottishPower businesses cannot access any Network Business floors or buildings without prior authorisation from that Network Business (and the appropriate escort within the area).
- Prohibition of cross subsidies: Arrangements must be in place to ensure there is no cross subsidisation between: i) one of the Network Businesses and ScottishPower's Liberalised businesses; and ii) between the DNO businesses and iDNO businesses within the Group, to avoid the distortion of competition and protect customers. This extends to internal corporate recharges, any transfer of goods or services, or business activity between the Network Business in question and other ScottishPower companies.
- Non-discrimination of metering and connection services: Any of the Network Businesses must not give preferential treatment to any other ScottishPower Group company when setting charges and carrying out activity in relation to Use of System, customer connections and metering/distribution.
- Branding: Network Businesses must have, and maintain, a brand that is fully distinct from ScottishPower' Liberalised or competitive businesses. This means separate and distinct branding of assets, communications, and material logos.

C. Corporate Functions



There will be occasions where corporate functions are required to engage with Networks Businesses functions, in relation to the management and operation of the Distribution, Transmission and IDNO businesses. For example, the consolidation of Group accounts, input to policy or regulatory developments, and audit and compliance oversight. Corporate Functions exist to support ScottishPower Group activities, rather than participating in competitive activities on behalf of the Group and so are not considered to be Liberalised businesses for the purposes of this Policy. However, they could create risk for Business Separation if not subject to appropriate controls to protect their neutrality and the sharing of data or information.

Shared services can be used provided they: i) do not compromise independence; ii) confidentiality is protected; and iii) costs are allocated transparently and objectively. Where this is the case, effective arrangements must be in place to ensure information is only used for that purpose, and not disclosed further. Access to any relevant systems or premises must also be appropriately controlled, as detailed above.

4. Control, Evaluation and Review

Networks Businesses are obligated under their own Business Separation Requirements to appoint an independent Business Separation Compliance Officer (BSCO) to monitor the effectiveness of practice and controls in place across the Company to meet licence obligations. For SPEN, a single BSCO can act on behalf of both the Distribution and Network Companies within the SPEN group of Companies.

The BSCO is required to produce an annual report to the Board of Directors of the relevant Company, and, in the case of SPEN, the SP Energy Networks Holding Ltd Audit & Compliance Committee, on the effectiveness of these controls.

ScottishPower's Chief Compliance Officer will report to the Scottish Power Limited Audit and Compliance Committee and the Scottish Power Limited Board on compliance against this Policy as appropriate, primarily through publication of the annual BSCO Report.

Each Network Business will establish which function which has responsibility for the day-to-day management and monitoring of business separation compliance within their business activities. The SPL or SPEN Compliance Officers may also provide additional support and advice which complements the overall Business Separation compliance framework.

The Scottish Power Limited Compliance Unit is responsible for this Policy and shall review the contents in accordance with the frequency set out in Compliance Unit Policy Management Framework.

This Policy was last approved by the Scottish Power Limited Board on 17 February 2026.



5. Further Information and Guidance

The Distribution and Transmission Business Separation licence conditions can be found on the Ofgem website:
https://www.ofgem.gov.uk/licences-codes-and-standards/licences/licence-conditions

Guidance in relation to SPEN interactions and operations can also be obtained via the businessseparation@spenergynetworks.co.uk mailbox.

The following supplementary policies are available for ScottishPower employees on the SP Compliance Unit area of the Employee Portal (Iberdrola Group > Our areas and businesses > SP Compliance Unit): ScottishPower Code of Conduct and Disciplinary Rules.

6. Reporting a Concern

The Company takes a zero-tolerance approach to non-compliant and non-ethical behaviour with laws and regulations in which the Company must comply. If you feel comfortable, you can discuss your concern with your line manager in the first instance. You or your line manager should report any concerns relating to a breach of this policy in one of the following ways:

Queries related to SPEN Business Separation can be raised by email to the Business Separation Mailbox	businessseparation@spenergynetworks.co.uk
In person or by email to your Business Compliance Officer (BCO)	The ScottishPower Compliance Unit structure and contact details are available to employees on the ScottishPower Employee Portal (*here*)
Through the Ethics Helpline reporting tab	Available on the ScottishPower Employee Portal (*a guide for ScottishPower employees on How To Report can be found here*)
By email to the Compliance Unit mailbox	compliancedivision@scottishpower.com
Access our Speaking Out Channel on the ScottishPower website	Speaking Out Channel - ScottishPower https://www.scottishpower.com/pages/speaking_out_channel.aspx

Please refer to the ScottishPower Speaking Out Toolkit for further information on the Speaking Out process and the protections for anyone making such reports. The Speaking Out Toolkit is available for ScottishPower employees on the SP Compliance Unit area of the ScottishPower Employee Portal (Iberdrola Group > Our areas and businesses > SP Compliance Unit).

Internal Procedures & Protocols

The Company’s Governance and Sustainability System is supplemented by the Internal Procedures & Protocols, as formally adopted by the Company. Being documents of an internal nature, these procedures and protocols are not published.