



Policy on Anti-Bribery and Corruption

SP Energy Networks Compliance Unit

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The Board of Directors of Scottish Power Energy Networks Holdings 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 and the other companies within the group of companies controlled by the Company (the “SP Energy Networks Group”).

For the purposes of this SP Energy Networks Anti-Bribery and Corruption Policy (the “Policy”), references to the “SP Energy Networks Group” excludes any subsidiary company that is itself designated a head of business company within the Iberdrola Group with its own Governance and Sustainability System, as well as any subsidiary of such company.

1. Purpose

The Company takes a zero-tolerance approach to bribery, corruption and fraud and 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.

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 reporting of any suspected breaches.

2. 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 SP Energy Networks Group in this area in the exercise of their powers and in accordance with their autonomy.

This policy also applies to all SP Energy Networks employees (whether full or part-time), including all directors, officers, managers, agents, and permanent or temporary contractors. This policy also applies to third parties working on behalf of the Company, as well as our suppliers, partners, and others we do business with.

Moreover, the SP Energy Networks Group expects its third parties, suppliers, partners, and others we do business with, to conduct themselves in an ethical manner and consistent with the principles outlined in this Policy.

The Company can be held liable for failing to prevent bribery by employees or associated persons working on its behalf, regardless of where the act takes place. Compliance with this policy is therefore mandatory.

The SP Energy Networks Compliance Unit is responsible for the day-to-day oversight of the Policy. The SP Energy Networks Business Compliance Officer is the Senior Officer responsible



for the Policy who will monitor and report on compliance with the Policy to the Scottish Power Energy Networks Holdings Limited Audit and Compliance Committee and the ScottishPower Group Compliance Unit.

3. Bribery, Corruption and Fraud Defined

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.

The UK Bribery Act 2010 came into force on 1 July 2011 and there are serious consequences, for individuals and / or companies found to be non-compliant with the Act, including imprisonment and unlimited fines. There are four key offences under the UK Bribery Act 2010:

- Offering, promising, or giving a bribe;
- Requesting, agreeing to receive, or accepting a bribe;
- Bribing a foreign public official; and
- Failure of commercial organisations to prevent bribery.

Corruption is any dishonest or illegal behaviour that is aimed at gaining an improper advantage. Corruption can typically include activities such as theft, misreporting, embezzlement, or financial crimes such as money laundering, tax evasion or terrorist financing.

Fraud is a dishonest act or omission made to gain an advantage or cause a loss to another party. It can involve false representations, failing to disclose information, or abuse of position.

4. Anti Bribery, Corruption & Fraud Principles

The Company promotes a preventive culture based on the principle of “zero tolerance” for business corruption and bribery, as well as for the commission of other acts constituting any form of fraud. We are committed to the following key principles:

A. Doing Business

- We will carry out business fairly, honestly, and openly.
- We will not tolerate, permit or engage in any conduct constituting corruption in any of its forms, including fraud or bribery, in the course of business or professional activities or in relations with the public or private sector.
- Facilitation or ‘grease’ payments and kickbacks, whether legal or not in a country, are prohibited. Employees must notify the Compliance Unit when they identify any kind of request for a facilitation payment:



- 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.
 - Kickbacks are an illegal payment intended as compensation for preferential treatment, to induce a purchase or improperly influence future purchases.
- We do not allow employees to accept money, gifts, hospitality, and other advantages from business associates, actual or potential suppliers, or service providers which are intended or could be seen to influence a business decision or transaction.
- Where gifts or hospitality are considered to be appropriate in the circumstances, these should be recorded to ensure appropriate transparency and oversight. A central register is in place for ScottishPower employees to record gifts, hospitality, and conflicts of interest.
- 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.
- Regardless of their purpose, all gifts or hospitality accepted or offered by SP Energy Networks employees must be of limited value and reasonable in the circumstances.
- No employee will suffer demotion, penalty, or other adverse consequence for refusing to pay bribes, even if it may result in ScottishPower losing business.
- 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.

B. Public 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.
 - A 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 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.

If in any doubt, contact the SP Energy Networks Compliance Unit.



- 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 does not support individual politicians or officials, and does not make contributions to political parties, organisations or individuals engaged in politics as a way of obtaining an advantage in business.
- ScottishPower recognises that there can be legitimate business reasons for supporting events and other activities of public officials. The amounts involved in such support should be reasonable, and any payment for such an event must be made direct to the political party or organisation, rather than to an individual.
- 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.

C. Third Parties

- We will ensure that the relationship between the Company and its suppliers is based on legality, business ethics, efficiency, transparency and honesty.
- If a third party does not commit to doing business without bribery, then we will not work with them.
- Third parties are not permitted to offer or provide any money, gift, hospitality, or other advantage in order to secure benefits for themselves or the Company when carrying out business connected with SP Energy Networks.
- We will not use intermediaries or contractors for the purpose of committing acts of bribery.
- We will carry out appropriate risk assessment and due diligence on third parties and maintain a record of this process.
- We will include appropriate anti-bribery and corruption clauses within our contractual arrangements.
- 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.

D. Monitoring and Awareness

- We will undertake a bribery and other 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 area covered by this Policy is kept up to date.



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. Control, Evaluation and Review

The SP Energy Networks Compliance Unit shall review the contents of this Anti-Bribery & Corruption 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 SP Energy Networks Compliance Unit shall propose to the Scottish Power Energy Networks Holdings 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 Energy Networks Holdings Limited Board on 24 June 2025.

6. 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.

7. Reporting a Concern

We all have a responsibility to help prevent, detect, and report instances of bribery, corruption and fraud. If you have a concern regarding a suspected instance of bribery, corruption or fraud, 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.