



Anti-Bribery and Corruption Policy

ScottishPower Compliance Division

SUSTAINABLE, ETHICAL WORKING

Prepared:

ScottishPower
Compliance Division

Reviewed:

ScottishPower
Chief Compliance Officer

Approved:

Scottish Power Limited
Board of Directors

Date of document: 14th February 2022





Index

1. Purpose	3
2. Scope	3
3. Bribery and Corruption Defined	3
4. Key Anti-Bribery & Corruption Principles	4
Doing Business	4
Public Officials	4
Third Parties	5
Monitoring and Awareness	5
5. Control, Evaluation and Review	6
6. Further Information and Guidance	6
7. Reporting A Concern	6

Version Control

VERSION	AUTHOR	PURPOSE	DATE
1.0	SP Compliance Division	Final approved version following annual review and update of content.	July 2019
2.0	SP Compliance Division	Implementation of document management principles, and 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	Annual review and update of content following external benchmarking and best practice exercise.	February 2022



1. Purpose

At **ScottishPower** (the “Company”) we take a zero-tolerance approach to bribery and corruption and we are committed to the highest standards of ethical conduct and integrity in all our business activities. These principles are established in the Iberdrola Group Code of Ethics and the Iberdrola Anti-Corruption and Anti-Fraud Policy.

The ScottishPower Anti-Bribery and Corruption Policy (the “Policy”) sets out those principles, explains how they are applied within the Company, and encourages and provides guidance for reporting of any suspected breaches.

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, and to any third party working on the Company’s behalf, including all relevant suppliers, contractors, and business partners.

The Policy extends to all business dealings and transactions in the UK, and in all countries in which the Company, or its subsidiaries and associates, operate.

The ScottishPower Compliance Division is responsible for the 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 and the overall Compliance and Ethics programme to the Scottish Power Limited Board of Directors, the Scottish Power Limited Audit and Compliance Committee, and the Group Compliance Unit.

3. Bribery and Corruption 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, including imprisonment and unlimited fines, for individuals and companies found to be non-compliant with the Act. 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, mis-reporting, embezzlement or financial crimes such as money laundering, tax evasion or terrorist financing.



4. Anti-Bribery & Corruption Principles

ScottishPower is committed to the following key Anti-Bribery and Corruption principles:

DOING BUSINESS

- We will carry out business fairly, honestly and openly;
- Facilitation or 'grease' payments and kickbacks, whether legal or not in a country, are prohibited. Employees must notify the Compliance Division 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; and
 - 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;
- A central register is in place to record gifts, hospitality and conflicts of interest, to ensure appropriate transparency and oversight;
- 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; and
- No employee will suffer demotion, penalty, or other adverse consequence for refusing to pay bribes, even if it may result in ScottishPower losing business.

PUBLIC OFFICIALS

- All interactions with public officials must comply with this Policy, the Company's Code of Ethics, 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 Compliance Division.



- 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.
- If you engage directly with politicians or government agencies or are speaking at an event attended by politicians, you must inform the Government Affairs team as soon as possible, in line with the ScottishPower Political Engagement Policy.

THIRD PARTIES

- 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 ScottishPower;
- 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; and
- We expect our third parties to endorse and abide by the principles of this Policy and ensure equal standards are upheld within their subcontractor populations.

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; and
- Employees will be provided with appropriate training in this area.

I 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 **ScottishPower Compliance Division** shall review the contents of the Anti-Bribery & Corruption Policy on an annual basis, ensuring that the policy reflects the recommendations and best international practices in effect, and shall propose to the 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 14th February 2022.

6. Further Information and Guidance

The following supplementary policies are available for ScottishPower employees on the [SP Compliance Division area](#) of the ScottishPower intranet portal:

- Code of Ethics;
- ScottishPower Code of Conduct and Disciplinary Rules;
- The Anti-Bribery and Corruption procedures established by the Compliance Division; and
- Speaking Out Guidelines.

7. Reporting A Concern

It is the responsibility of all **Employees and Third Parties** to prevent, detect, and report bribery and corruption. Any concerns relating to a breach of this Policy should be reported in one of the following ways:

- ScottishPower Chief Compliance Officer - [Pamela Mowat](#)
- Business Compliance Officers:
 - SP Energy Networks - [June Dickson](#)
 - SP Renewables - [Amanda Henderson](#)
 - Liberalised - [Sean Tierney](#)
- Compliance division mailbox (compliancedivision@scottishpower.com);
- The Ethics Helpline reporting option on the ScottishPower Employee Portal.

I ScottishPower will not tolerate any form of discrimination, harassment or retaliation against any person who raises a concern in good faith or refused to participate in conduct that would violate law or this Policy.