

REGULATIONS OF THE COMPLIANCE UNIT

TITLE I. NATURE AND OBJECT

Article 1. Nature and Object

1. The Compliance Unit (the “**Unit**”) of Scottish Power 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 head of business or country 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 “**SP Group**” shall mean the group of companies of which the Company is the controlling entity. 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 chief compliance officer of the Company (the “**Chief 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 (via their Corporate Governance Department) 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 Audit and Compliance Committee.
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 Chief 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. Chief Compliance Officer

1. The Chief 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 Chief 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 Chief 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 encourage an understanding thereof and compliance therewith among their professionals, the members of their supply chain and other Stakeholders.
 - b) Submit to the Compliance Unit of IBERDROLA, S.A. 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. 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. The Unit shall endeavour to ensure that the codes of conduct approved by other companies of the SP Group in accordance with their corporate autonomy establish conduct guidelines similar to those set forth in the *Codes of Conduct*.
3. 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.
4. 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.
 5. 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 SP Group level in accordance with the general priorities and objectives established in each case.
 6. The Unit shall endeavour to ensure that the compliance functions of the SP Group's companies disseminate the content of the *Codes of Conduct* or of their code of conduct within their respective purview.

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 11.3;
 - 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 Chief 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 *Compliance System* and 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. Powers regarding Separation of Activities

1. The Unit must endeavour to ensure effective compliance with applicable legal provisions on the separation of regulated activities.
2. 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 Compliance Unit of IBERDROLA, S.A.

Article 10. Other Powers

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.

Article 11. Relations of the Unit with the Compliance Unit of IBERDROLA, S.A. and with the Compliance Bodies of the Controlled Companies in Compliance Matters

1. Pursuant to the *Compliance Policy*, respecting the purviews proper to IBERDROLA, S.A. and to the head of business and country companies, the Unit shall act on a coordinated basis with the Compliance Unit of IBERDROLA, S.A. and shall establish an appropriate framework for coordination, cooperation and information sharing among the various compliance units and heads of compliance of the Controlled Companies and with the 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. In this regard, the coordination framework shall be further developed following the provisions of an internal protocol approved by the Unit which shall establish – within the general framework of coordination, cooperation and information defined by the Compliance Unit of IBERDROLA, S.A. – appropriate mechanisms to:
 - a) foster knowledge sharing and best practices, and maximise the generation of synergies and the exploitation thereof among the compliance systems of the Controlled Companies;
 - b) propose improvements and initiatives for the optimisation and responsible use of financial and human resources allocated to the compliance function within the Company and at the Controlled Companies;
 - c) endeavour to ensure that the annual activities plans and training and communication actions that are submitted for the consideration and approval of the governance bodies of each of the SP Group’s companies are aligned with the basic principles of the structure and operation of the compliance systems of the SP Group’s companies;
 - d) collaborate in the preparation of public compliance information that the Company and the Controlled Companies disclose within their purviews; and
 - e) encourage the Controlled Companies to have homogeneous, solid, comprehensive and effective compliance systems that conform to the particularities of the various businesses.
3. On an annual basis, the Unit shall issue: (i) a report evaluating the effectiveness of the Company’s Compliance System; and as applicable (ii) with the help of the compliance units of the head of business companies of the Controlled Companies, a report evaluating the effectiveness of the compliance systems of the Company and its Controlled Companies. The report(s) shall be submitted to the Audit and Compliance Committee for it to issue its opinion and forward them to the Board of Directors. Such report(s) shall also be forwarded to the Compliance Unit of IBERDROLA, S.A.

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 12. 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 13. 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 14. 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 15. 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 16. 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 17. 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 18. 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 19. 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 20. Budget

1. Prior to the commencement of each financial year, the Unit, at the proposal of the Chief 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 Chief 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 or to the Executive Committee for final approval

Article 21. Annual Activities Plan and Performance of the Unit

1. Prior to the commencement of each financial year, the Unit, at the proposal of the Chief 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 ITS MEMBERS

Article 22. 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 23. 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 24. 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 *Compliance Policy* and in the *Internal Reporting and Whistleblower Protection System Policy*.
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 an 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, 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 allegations 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 25. 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 Chief Compliance Officer in accordance with applicable legal provisions. References to 'Unit' in Articles 25 to 28 will be read as Chief Compliance Officer, where appropriate.
2. In order to perform such duty, the Unit and the Chief 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 *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 26. 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 24.2 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 27. 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 allegation or report or the whistleblower has not identified themselves 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 *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 allegation 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 24.2.
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 themselves or has declined to be informed of the outcome of their communication.
6. For purposes of deciding whether to accept an allegation or report for processing, the Unit may request the whistleblower, if the whistleblower has identified themselves 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 section 2 of Article 22.
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 28. 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 SP 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 SP 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 29. 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 28.4 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 Chief Compliance Officer.

Article 30. Prevention of Retaliation

1. As provided by applicable legal provisions, the Company undertakes not to adopt, and to ensure that the professionals of the SP 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 SP 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 Chief 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 31. 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 32. 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 33. 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 & 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 Limited on 8 October 2015
and last amended on 17 February 2026