



2025 Modern Slavery Statement

June 2026

About our statement

This is ScottishPower's Modern Slavery Statement ('the Statement') for the financial year ending 31 December 2025 in accordance with s54 of the Modern Slavery Act 2015. Scottish Power Limited is the UK parent company of the ScottishPower group ('ScottishPower').

This is our tenth annual Statement and it applies to all companies within the ScottishPower group that meet the reporting criteria specified in the Modern Slavery Act (save for companies within the Electricity North West (Holdings) Limited group, which will report separately). A full list of the companies that this statement applies to can be found on [page 23](#).

This Statement is prepared on behalf of the Scottish Power Group of Companies by the ScottishPower Compliance Unit. Input is sought from each relevant business area or corporate function to agree, evidence and support included content, as appropriate. The updated Statement is reviewed and approved by the SPL Compliance Unit and recommended onward to the SPL Audit and Compliance Committee, before review and final approval by the SPL Board of Directors. Once approved at SPL level, a similar process of review takes place at each of the ScottishPower Business Compliance Units before adoption by each Business Board.

All of ScottishPower's previous Modern Slavery Statements can be found at [ScottishPower's Modern Slavery Statement](#).

Approval

ScottishPower is committed to preventing modern slavery and human trafficking in our business activities and supply chains. This Statement sets out ScottishPower's overall approach to combatting Modern Slavery in our operations, as well as any developments to that approach in 2025.

The Board of ScottishPower has been briefed on the Modern Slavery Act 2015, and in respect of how ScottishPower has responded to the legislation since it was enacted. We consider that the measures highlighted in this Statement, coupled with our overall approach to ethics and employee and supplier engagement, are helping to reduce the risk of Modern Slavery taking place across ScottishPower and our supply chain. This Statement was approved by the Scottish Power Limited Board of Directors on 30th April 2026.



Keith Anderson
Chief Executive Officer,
Scottish Power Limited
30th April 2026

What is Modern Slavery?

Modern Slavery is an umbrella term that covers various forms of slavery and human trafficking.

Slavery involves depriving a person of their freedom and exploiting them for personal or commercial advantage. This can occur through an individual being unable to escape their situation, living in fear of either themselves or loved ones being punished if they don't comply, or working in conditions which do not meet legal standards.

Human trafficking includes recruiting, transporting, or transferring people between locations, for the purpose of exploitation.

Our statement

The Statement considers ScottishPower's actions in six key areas:

- Organisational structure, business, and supply chains
- Policies and procedures
- Due diligence
- Risk management
- Communication and training
- Measuring effectiveness.

Key Actions and Improvements Taken in 2025

As part of our programme of action to address Modern Slavery risks within our business we have retained our robust overall approach supported by new initiatives designed to target specific risks within our operations, including:

- We maintain a number of policies that are designed to protect and strengthen Human Rights within the organisation, including our Code of Ethics and Modern Slavery Policy.
- All individuals recruited by ScottishPower are subject to various pre-employment checks.
- We remain accredited as a Living Wage employer by Living Wage Scotland.
- We use a single approved agency for agency or short term workers to ensure that workers are not required to make payments to the agency for work, and also that the agency adheres to the principles of our Supplier Code of Conduct.
- Iberdrola retained the [Sustainable Purchasing Strategy](#) certification. Supporting this, ScottishPower's procurement process is ISO 9001 accredited and is designed to support ScottishPower in meeting its sustainability and ethical goals.
- All new ScottishPower suppliers are subject to a Compliance onboarding screening process, and are screened daily, with red flags followed up by the Compliance Unit.
- We have maintained our membership with Slave-Free Alliance and the Institute of Business Ethics, to benchmark best practice and promote high standards.
- Iberdrola maintains a Human Rights risk map, which assesses Human Rights risks in each country, and ScottishPower maintain a Compliance Risk Assessment which includes the Impact, Probability and Criticality of Modern Slavery risks.

Specifically for 2025 we:

- Introduced bespoke modern slavery onboarding checks completed for all outsourced suppliers that transitioned to South Africa.
- Provided ongoing Compliance and Ethics training to employees and provided various Compliance update sessions at management and team meetings.
- Launched mandatory 'Ethics Training for Line Managers' designed to equip managers to deal with ethical concerns, including instances of modern slavery.
- Facilitated bespoke in depth Modern Slavery training to employees involved in new higher risk business activity.
- Introduced a new externally-facing Speaking Out reporting form allowing third parties to report concerns of activity, including Modern Slavery issues, confidentially and anonymously if needed.
- Published posters around the ScottishPower estate including operational locations, promoting Speaking Out to field teams and third parties working at ScottishPower sites.
- Engaged Slave-Free Alliance to complete a review of our modern slavery statement, mapping opportunities for improvement against the statement working and ScottishPower activity.

In addition, as part of the Iberdrola Group, we have:

- Continued improvement of the human rights due diligence processes, with stronger integration across all phases of activity and throughout the value chain
- Strengthened supply chain due diligence through enhanced oversight in the selection, hiring and monitoring of suppliers, especially in higher-risk sectors and geographies
- Enhanced assessment of social impacts in strategic corporate transactions, together with human rights training and awareness initiatives among employees and third parties
- Developed digital tools that improve social management, documentation and efficiency, incorporating technologies that automate data and facilitate advanced analytics
- Made further progress in commitment to transparency through the update of the Human Rights Report and improvements to communication channels with Stakeholders.



Organisational Structure, Business and Supply Chains

About ScottishPower

ScottishPower is part of the Iberdrola group ('Iberdrola'), one of the world's largest integrated utility companies and a world leader in wind energy. Iberdrola aims to be a leader in sustainable energy and ethical conduct and in 2025 was again rated as one of the World's Most Ethical Companies by the Ethisphere Institute.

Our businesses

ScottishPower operates in the United Kingdom through the following business sub-holding companies: Scottish Power Energy Networks Holdings Ltd (SPENHL), ScottishPower Renewable Energy Ltd (SPREL) and Scottish Power Retail Holdings Ltd (SPRHL).

In March 2025, the UK Competition and Markets Authority ("CMA") cleared the acquisition by SPENHL of an 88% shareholding in Electricity North West (Holdings) Limited, which heads a group including the electricity distribution network operator Electricity North West Limited ("ENWL"). ENWL has previously maintained its own Modern Slavery Statement and will do for 2025. As such, while we include reference to ENWL for context on our overall structure, this Statement does not cover ENWL for the reporting period.

These business companies sit within Scottish Power Limited, which has principal responsibility for the formulation and implementation of ScottishPower Strategy.

Each of the business sub-holding companies have their own boards of directors who hold decision-making responsibility for operational business management, ensuring appropriate business separation safeguards are observed. Policies and procedures approved by the Scottish Power Limited Board of Directors will be adapted and adopted by the sub-holding businesses, as appropriate for their business area. This ensures that each business has responsibility for its own activities and strategy, while operating in accordance with the Purpose and Policy requirements established for the ScottishPower group.



The three divisions operated by the ScottishPower group are Energy Networks, Renewables and Customer Business (incorporating energy Retail and Wholesale activities) and their activities include:



Energy Networks: ScottishPower is responsible for four regulated electricity network businesses in the UK. These businesses are 'asset-owner companies', holding the regulated assets and electricity distribution and transmission licences of the Group, and are regulated monopolies. They own and operate the network of cables and power lines transporting electricity to around 3.5 million connected customers in the Central Belt and South of Scotland, Cheshire, Merseyside, North Shropshire, and North Wales. With the approval of the purchase of ENWL, ScottishPower now becomes the second largest distribution network operator in the UK, delivering electricity to around 12 million people, across a network spanning more than 170,000 kilometres ("km").



Renewables: Our Renewable production business is responsible for the origination, development, construction and operation of renewable energy generation plants, principally onshore and offshore wind.

Renewable production currently has more than 40 onshore operational sites alongside our East Anglia One ("EA1") and West of Duddon Sands ("WoDS") offshore wind farms, totalling 3 gigawatts ("GW") of operational capacity across our portfolio. We also have a strong programme of future projects in the UK pipeline out to 2038, including: more than 5GW of potential onshore wind; circa 3GW of offshore wind within the East Anglia zone; and seabed rights for two offshore wind projects in Scotland with a total capacity of 5GW, with one fixed-bottom site and one floating site. We continue to consider further opportunities to invest more widely in renewable generation and storage, and to also explore opportunities to repower our existing fleet.



Customer Business: Our Customer business is responsible for the supply of electricity and gas to over four million domestic and business customers throughout the UK, including customer registration, billing and handling enquiries in respect of these services. The division is also responsible for managing the Group's smart solutions activities, including the installation of heat pumps and the UK's first national heat pump annual service plan and Heat Pump tariff, solar panels, batteries, and electric vehicle ("EV") charging and tariff. The division is also responsible for managing the Group's exposure to the UK wholesale electricity and gas markets and the optimisation of gas storage.

Our workforce

At ScottishPower we believe that the well-being of people is a strategic cornerstone. That is why we continue to champion a model that enhances the employee experience every day, in both their professional excellence and their quality of life.

Our businesses operate across the UK, and we have a skilled workforce throughout, many of whom have specialist talents and abilities, valued in our commercial and technical environment. We have a variety of supportive employment policies and are fully compliant with minimum wage legislation. In 2025, ScottishPower was pleased to remain accredited as a Living Wage employer by Living Wage Scotland. The Real Living Wage is a voluntary UK wage rate which is set by the Living Wage Foundation each year to reflect the cost of living based on a basket of goods and services. This is higher than the UK Government's National Living wage. This also extends to our main contractors, requiring them to ensure they pay a Living Wage to workers acting for ScottishPower.

Our recruitment programme is designed to ensure equal opportunities, compliance with local legislation, our corporate diversity and inclusion policy and practices (which are aligned to international best practices) and that all our people have the appropriate rights to work.

Background and eligibility checks can help to identify cases where workers may be at risk of human trafficking or modern slavery. All individuals recruited by ScottishPower are subject to employment checks prior to the employment contract being finalised. We check eligibility to work in the UK and conduct pre-employment background checking (this includes address and employment verification, basic disclosure check, credit check, civil litigation check and media search). For some roles additional checks of educational/professional qualifications, international criminal/credit check and directorship search may be conducted as needed. Records of eligibility checks are retained on employee HR records

Due to the diverse nature of our business activities, our core employee base is supplemented by i) agency workers for short term or specialist roles, as needed from time to time; and ii) our third-party suppliers, for products and services required to support our business activities.

Agency or short-term workers must be recruited through a named approved agency, who are responsible for carrying out the same checks as for directly recruited employees. Using a single approved agency means that we can ensure that workers are not required to make payments to the agency for work and also that the agency adheres to the principles of our Supplier Code of Conduct.



At the end of **2025** we had contracted directly with **2,989** third-party suppliers, registered in over **30** countries.



At the end of **2025** ScottishPower employed around **7,800** employees¹ across the UK.



¹ This number excludes those employees joining the Group as part of ENWL, which will be covered in ENWL's own Modern Slavery Statement for the period.

Our Supply Chain

As with many large organisations, ScottishPower uses a complex supply chain to deliver our supply needs, across a variety of industries and countries. Our supply chain supports: the generation, distribution, transmission and supply of electricity and the supply of gas; domestic energy services such as boiler care, heat pumps, electric vehicle chargers and energy efficiency measures; and the general resourcing and administration requirements of a large organisation. Due to the diverse nature of these activities, we use a combination of directly employed professionals and third-party suppliers to deliver particular expertise.

We recognise that we have a valuable opportunity to identify potential instances of Modern Slavery in our supply chain at an early stage, through our purchasing activity. All purchases from third-party suppliers are procured under our global Procurement Policy, which has clear and direct links to the Policy in Respect of Human Rights and Supplier Code of Conduct. All new ScottishPower suppliers are subject to a Compliance onboarding screening process, and thereafter they are subject to daily compliance screening on Dow Jones, with red flags followed up and managed by the Compliance function.

Under ScottishPower's standard terms and conditions, suppliers are required to comply with the Modern Slavery Act, take all reasonable steps to prevent slavery and human trafficking, and ensure that all employees and agency workers are paid in accordance with applicable employment legislation and minimum wage requirements. As part of our onboarding process, we request copies of suppliers' Code of Conduct, Purchasing Policy and Sustainability Policy.

Depending on the nature of the contract, our contractors may use specialist suppliers to fulfil elements of their contracts with ScottishPower and therefore broaden our supply chain. ScottishPower's current supply chain visibility is principally focused on tier 1 suppliers. While lower tier suppliers may form part of the delivery of goods and services, these relationships are not yet fully mapped in all cases, particularly within complex global manufacturing supply chains and subcontracted construction activities. However, where this is the case, suppliers are expressly responsible for ensuring that their suppliers meet ScottishPower's required standards. Suppliers are also asked to confirm whether they include human rights clauses in their contracts with suppliers and whether they conduct social audits of their suppliers. ScottishPower reserves the right to audit suppliers' compliance with these obligations and statements.

Policies and Procedures

As part of the Iberdrola Group (the “Group”), we maintain a number of policies that are designed to protect and strengthen Human Rights due diligence 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
- recognising the Human and labour rights commitments enshrined in international law
- encouraging ethical and responsible behaviour by employees; and
- requiring suppliers to adhere to the same principles of business ethics and human rights.

A change to the overall Iberdrola Governance and Sustainability System in 2025 introduced a greater autonomy for companies within the Iberdrola Group to develop and approve their own Policy principles, provided they remained aligned to the overarching Group principles. While all policies were reviewed and approved new during the year, in practice, our overarching policy approach and principles remained largely unchanged in 2025.

Figure 1 below illustrates the policy framework that was in place in ScottishPower across the majority of 2025:



Figure 1: ScottishPower Policy Framework, as amended in March 2025.

These policies and procedures are accessible to all staff via the ScottishPower employee portal and external website. They are promoted during Compliance training, team updates, and the Compliance ‘all employee’ communication plan. They are also signposted to suppliers and third parties as part of the procurement process.

Our Code of Conduct

Our [Code of Conduct](#) was in force across the duration of 2025. It represents who we are and how we act as a company. It contains a set of behavioural guidelines designed to reflect the overarching Ethical and Basic Principles of the Iberdrola Group and to ensure ethical, responsible conduct by all employees and Directors, so that their actions are also governed not only by scrupulous compliance with all laws and regulations but also by solid, generally accepted ethical principles.

We also maintain our [Supplier Code of Conduct](#), which all suppliers are required to agree to when submitting a tender response to ScottishPower (and which would then form part of any new contract). As part of the supplier registration process, suppliers are also asked to provide details of their own code of ethics or conduct.

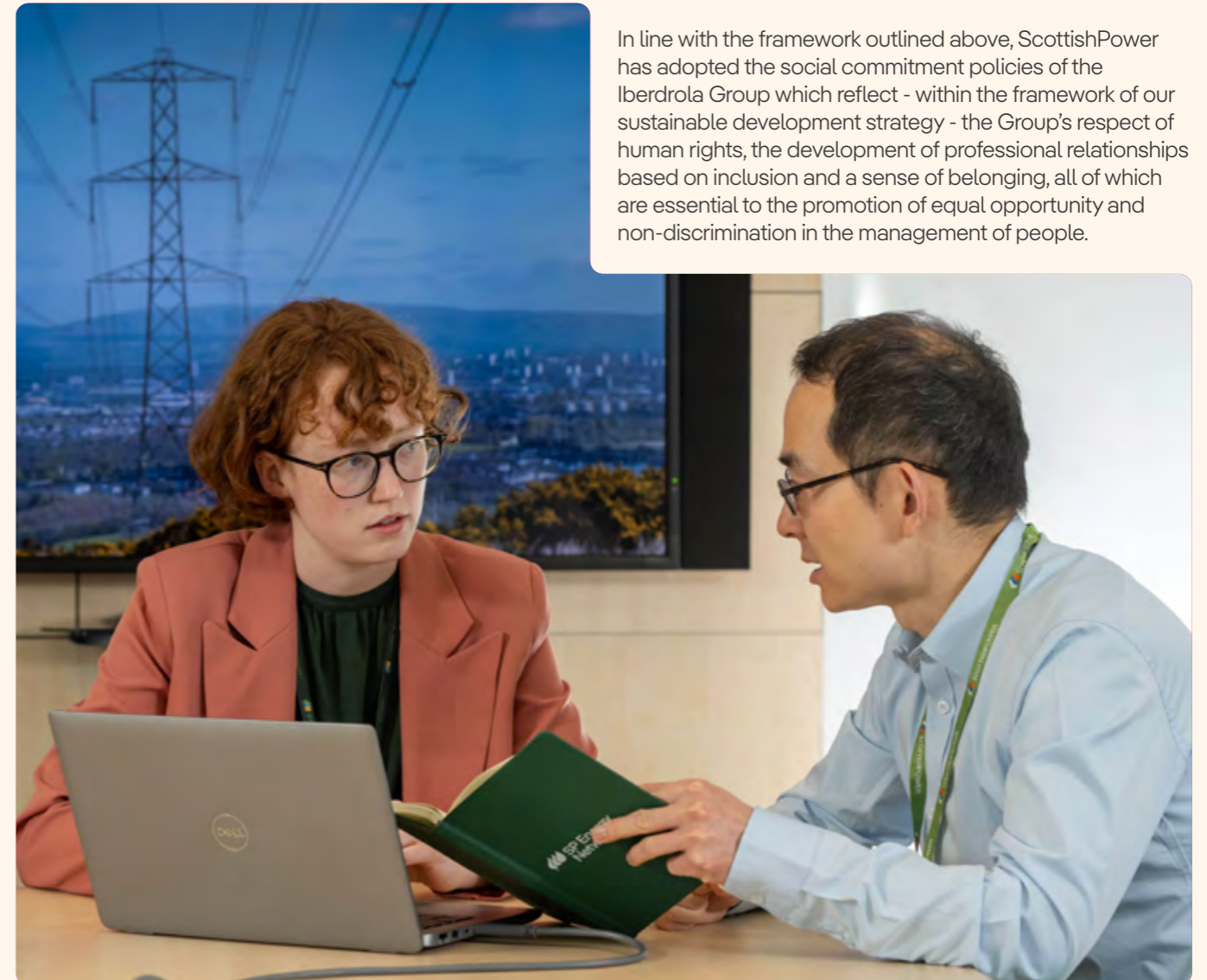
The Scottish Power Limited Board has approved the Policy on Respect for Human Rights and, by virtue of Article 1, requires all employees and suppliers across the group to recognise these principles and to apply them in all of their activities on behalf of ScottishPower.

Human Rights Policies

As part of Iberdrola, ScottishPower abide by the Ethical and Basic Principles of Governance and Sustainability. These Principles recognise and are inspired by the major leading international human rights 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.

Working in conjunction with our colleagues across Iberdrola, we are committed to playing our part towards fulfilling these principles and to aiding our suppliers in contributing to them. Our commitment to this is reflected in ScottishPower’s Sustainable Development Strategy (Action 2030: Powering a sustainable future).

In line with the framework outlined above, ScottishPower has adopted the social commitment policies of the Iberdrola Group which reflect - within the framework of our sustainable development strategy - the Group’s respect of human rights, the development of professional relationships based on inclusion and a sense of belonging, all of which are essential to the promotion of equal opportunity and non-discrimination in the management of people.



Modern Slavery Policy

ScottishPower maintains a Modern Slavery Policy ('the Policy') which is designed to consolidate the principles set out within the Human Rights Policies ([page 11](#)) and detail how they are applied within ScottishPower in relation to Modern Slavery. The Policy applies to all individuals working at all levels of the Company and it applies to all business dealings and transactions.

The Policy also supports the Group-wide Supplier Code of Conduct, which requires that, any third party working on the Company's behalf - including all relevant suppliers, contractors and business partners, must adopt appropriate measures to prevent Modern Slavery and forced labour within their own organisations.

For ScottishPower employees, the Policy is supported by the ScottishPower Compliance and 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.

The Modern Slavery Policy was approved by the Scottish Power Limited Board of Directors in December 2024 and remained in effect throughout 2025. The Policy was reviewed as part of the wider changes to the Governance and Sustainability System in quarter 1, where it was concluded that the Policy remains fit for purpose and no changes were required to the scope, principles or intent of the policy. The Modern Slavery Policy remains published to employees and externally on our website. Similarly, the Compliance and Ethics Manual remained unchanged for 2025.

Speaking Out

ScottishPower actively encourages any employee or third party that has any concerns about its ethical working practices to report those concerns, and we maintain a number of different routes to support that reporting. Each of the routes available provide an independent, confidential

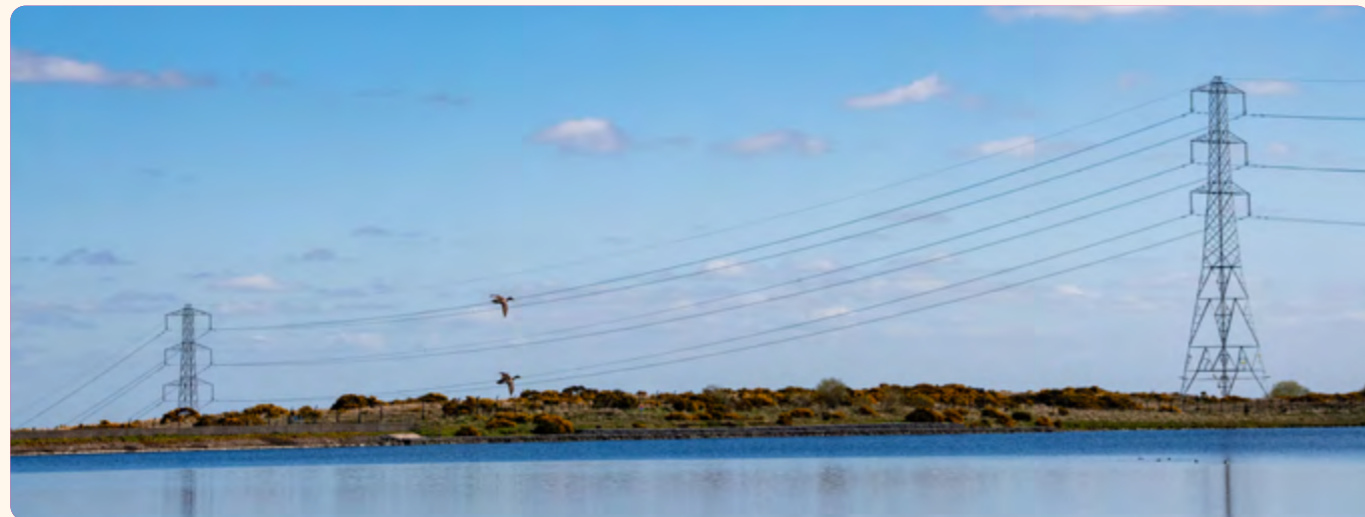
method for ScottishPower employees, suppliers, and their employees to report concerns of any conduct believed to be in breach of the Supplier Code of Conduct or of any other wrongful, criminal, or illegal conduct, directly to ScottishPower.

In 2025 we introduced a new secure reporting form on our external website ([scottishpower.com](#)). This form allows employees, suppliers, subcontractors or any interested stakeholder to make confidential and anonymous claims directly to the SP Compliance Unit on any matters of unethical, illegal or wrongful conduct in our operations. The introduction of the form was supported by a series of posters around the ScottishPower estate, including posters aimed at suppliers working at ScottishPower locations, and posters in more remote work locations. The posters promoted the new Speaking Out reporting form, including a QR code for direct and accessible reporting.

In 2025 we retained our Speaking Out toolkit, which is designed to provide a user-friendly, accessible and tailored source of information and guidance to employees and workers on Speaking Out and the types of issues - including Modern Slavery - that they should report directly to the Compliance Unit. The toolkit also now includes a section targeted at third parties, to support the raising of concerns they perceive in the course of their work with ScottishPower.

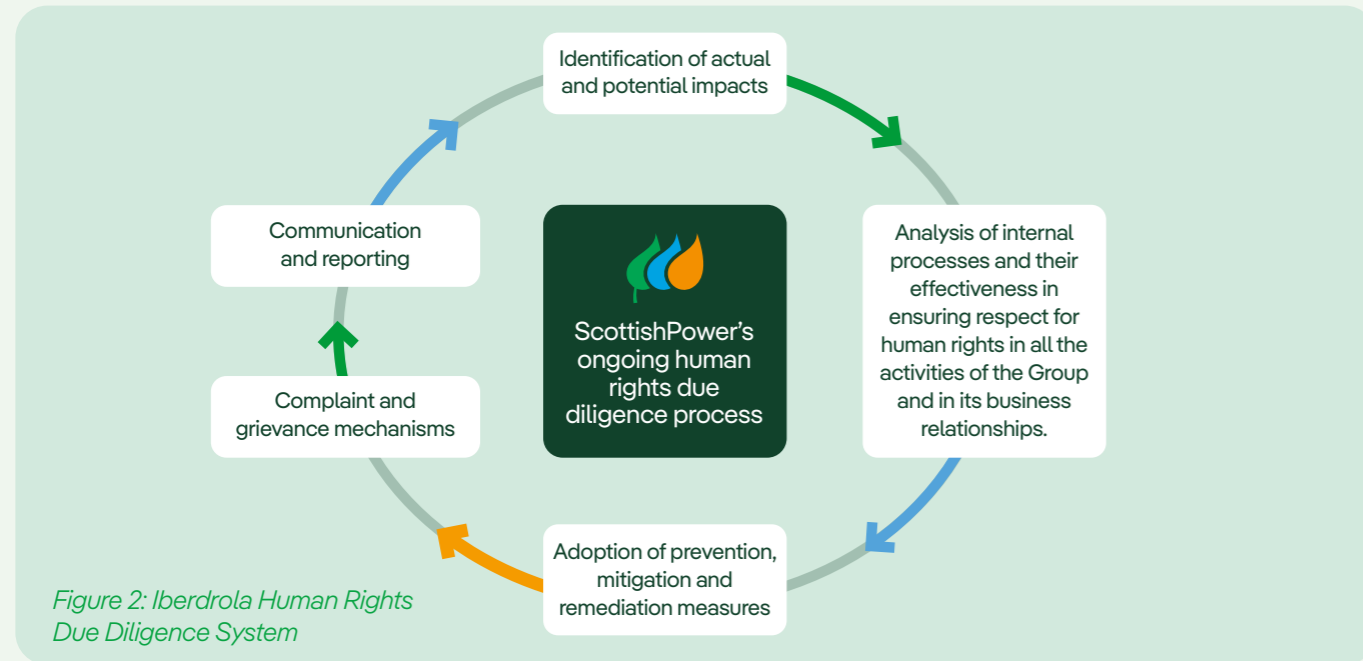
All claims received through the speaking out channels are investigated by the Compliance Unit, or where specialist expertise is required, investigations may be conducted by an appropriate subject matter expert, with oversight retained by the Compliance Unit. Speaking out claims are reported to the relevant business Compliance Unit and Board.

Additionally, the Modern Slavery Policy highlights specific routes for reporting should an individual identify a potential case of Modern Slavery. The Policy emphasises our commitment to ensuring that no-one will suffer retaliation or harm as a result of a report made in good faith, whether that report is accurate or not.



Due diligence processes

An ongoing human rights due diligence process



Procurement of goods and services from third parties

At ScottishPower not all of our suppliers are exclusive to us and many may be used at a global Iberdrola level. The ScottishPower purchasing strategy and approach is therefore directly aligned to the global Group framework, to ensure consistency and the maintenance of clear standards in purchasing activity across the Iberdrola group. This framework includes special emphasis on compliance with the ethical commitments of the Iberdrola Group, by employees and suppliers.

In 2025, Iberdrola retained the [Sustainable Purchasing Strategy](#) certification, in recognition of our approach to integrating and promoting sustainability throughout the company's value chain. With this recognition, AENOR certifies that the purchasing processes carried out by the Iberdrola group have the greatest possible positive environmental, social and economic impact throughout the life cycle of the service or product.

Further information on the Iberdrola procurement and supplier management approach, including awards related to the sustainability and ethical credentials of the process, can be found [here](#).

Supporting this, ScottishPower's procurement process is ISO 9001 accredited and is designed to support ScottishPower in meeting its sustainability and ethical goals.

We recognise that we have a valuable opportunity to identify potential instances of Modern Slavery in our supply chain at an early stage, through our purchasing activity. All purchases from third-party suppliers are procured under our global Procurement Policy, which has clear and direct links to the Policy in Respect of Human Rights and Supplier Code of Conduct.



A core element of the Purchasing process is the Human Rights Due Diligence System (see figure 2), which is aimed at identifying, preventing and mitigating human rights impacts in both our own operations and the wider supply chain. To this end, a core set of supply chain management measures are in place across ScottishPower processes, following the approach of the Iberdrola Group. These measures remained in place in 2025:

Initial third-party registration	Initial risk assessment on modern slavery based on geography, economic sector, existence of supplier policies, any relevant concerns or incidents. This reflects the Iberdrola Human Rights risk map, which is updated annually by an independent third party and includes reference to country risk in relation to Modern Slavery.
Bid	Supplier confirms compliance with the Supplier Code of Conduct and Social Responsibility Policies. Clauses related to Human Rights required in the Terms and Conditions of Contracting activity.
Supplier Assessment and Selection	360° Sustainability Self-Assessment of Suppliers (>€700 k). Suppliers' Sustainability improvement Plans.
Contract Signing	Modern Slavery clauses agreed in contracts. Further more detailed clauses on Forced Labor required in contracts for certain higher risk supplies.
Contract Term	Sustainability Audits (documental audits). Traceability audits in some PV supplies. Access to Speaking Out mechanisms for suppliers and contractors. Termination of the contract if breaches are not managed.

Figure 3 (page 17) provides more detail on the core elements of the ScottishPower Purchasing process, which has been designed to incorporate the Iberdrola Group's principles for the protection of Human Rights.

Additionally, in 2025, Iberdrola continued development of its Supplier Hub, which aims to strengthen management capabilities and interaction with suppliers, simplifying the recruitment of new suppliers and allowing a comprehensive view of the performance and risks inherent in the supply chain. This tool will benefit ScottishPower's ability to better review and manage its supply chain. Activity to roll out the tool across ScottishPower systems and suppliers commenced at end 2025.

Compliance Due Diligence in the Purchasing Process – Initial Third-party Registration - Onboarding screening

During 2025, all new ScottishPower suppliers were subject to a Compliance onboarding screening process using our Dow Jones risk assessment tool to identify and resolve potential compliance risks associated with suppliers and their connected parties, before they register with ScottishPower. This includes any risks or issues related to Modern Slavery.

The onboarding process includes a set of Modern Slavery diligence questions that new suppliers are required to answer. These questions are designed in particular to highlight suppliers who have operations in countries across the globe with a higher prevalence of Modern Slavery and to assess the steps that the suppliers have taken to resolve or address that risk.

Any issues identified through responses to those questions are reviewed by the SP Compliance Unit and discussed with the relevant business owners, in order to assess the risk and agree any appropriate mitigating actions, before the supplier onboarding process can continue.

The Compliance Unit will assign a risk rating for that supplier, based on the output of the assessment and any agreed mitigating actions. If the risk is considered higher than normal, the Compliance Unit will continue to monitor future transactions intended to be entered into with that third party. Suppliers considered as critical Modern Slavery risk are blocked in the systems, which prevents the execution of any transaction or payment in relation to them, preventing them from participating in procurement processes.



Similarly, any supplier that has not completed the Registration form (and had any identified risks appropriately mitigated) will not be eligible to take part in tendering or contracting activity with ScottishPower.

Not only are suppliers subject to screening for any potential human rights or modern slavery issues at the point of registration with ScottishPower, but also across the life of their contract with ScottishPower through daily screening on Dow Jones, with any red flags reviewed and followed up by the Compliance function. Additional due diligence will be used in some higher risk contracts, with specialist third-party due diligence engaged in likely areas of risk when needed.

Supplier Selection and Contracting

In addition to onboarding due diligence, additional diligence will be carried out by a member of the Compliance Unit as part of our purchasing process for higher risk contracts. This includes all contracts over a defined value threshold. The following examples of Modern Slavery risk will be considered as part of the contracting process:

- The use of suppliers in countries across the globe with the highest prevalence of Modern Slavery
- Contracts with a significant proportion of low skilled workers to deliver the services
- Products with a high reliance on labour or outsourced manufacturing (clothing, electronics, minerals, agriculture etc.)
- Contracts which fall between legal jurisdictions (offshore maritime laws).

Our standard contract terms for the purchase of equipment, material, works and services include specific supplier corporate social responsibility clauses which are based on the UN Universal Declaration of Human Rights, the conventions of the International Labour Organisation, the principles of the Global Compact, and compliance with the Code of Conduct. These clauses were reviewed and reinforced during 2025, to ensure that they remain robust, appropriate and fit for purpose. For fuels, the company aims to include these clauses as new contracts are signed.

As part of our onboarding process, we request copies of suppliers' Code of Conduct, Purchasing Policy and Sustainability Policy. Suppliers are also asked to confirm whether they include human rights clauses in their contracts and whether they conduct social audits of their suppliers. ScottishPower reserves the right to audit suppliers' compliance with these obligations and statements.

During the term of the contract, the supplier must allow ScottishPower to assess its compliance with the principles established in the contracts where it considers it appropriate, with termination rights for ScottishPower in the event that non-compliance is detected and corrective plans are not adopted.

All major suppliers of general goods and equipment and services are assessed on this basis, taking into account their material risks in relation to human rights and potential negative social impacts. These risks are mitigated and managed through the quality processes in place and the regular audits carried out by each business unit. In 2025, Iberdrola continued its campaign of social audits of key suppliers, targeting key suppliers. The 2024-25 Iberdrola Purchasing Report shows that 48 social and sustainability audits had been carried out across the reporting period. The results of this campaign was positive, as the independent auditors were able to verify "in situ" good practices previously declared by suppliers, with minimal deviations.

Figure 3: Key steps in the procurement process:

Stage 1 The engagement and selection of suppliers

Our vendor registration platform (Ariba GoSupply) is used across the Iberdrola Group and acts as a single, consistent point of registration for all third parties wishing to become a supplier of ScottishPower. All third parties registering in Ariba GoSupply are required to confirm acceptance of our Supplier Code of Conduct, as well as provide evidence of their Sustainability credentials, including Human Rights and ethical behaviour. Those third parties registering at the highest level are required to complete a questionnaire to determine an Iberdrola score against three pillars – Environmental, Social & Governance. This score is then monitored to encourage all third parties to reach an acceptable threshold to be considered for contract awards within the Group.

Additionally, checks integrated within our vendor management system are applied to all new suppliers, and potentially higher risk suppliers are automatically flagged to Compliance for further review before they are accepted as a supplier. A third-party screening tool ('the tool'), is used to screen against media activity, regulatory and law enforcement updates, and a variety of financial and risk information, to provide up to date intelligence on organisations and relevant individuals. This allows a more consistent view of new suppliers, enabling ScottishPower to identify any human rights issues or 'red flags' and advise the business on any issues and controls they should consider in taking the supplier forward.

Stage 2 The contracting process (tendering)

Once suppliers have been pre-qualified to proceed to each tender, as a key part of the contracting process they are required to agree to terms requiring them to operate ethically and in compliance with the Supplier Code of Ethics and with relevant legislation, including in respect of Modern Slavery, as well as their ethical obligations in relation to the recruitment, management and compensation of employees. Suppliers are also required to ensure that any sub-contractors are also obliged to meet these obligations. All suppliers are also provided with links to the Supplier Code of Ethics.

Stage 3 The ongoing management of suppliers

Active suppliers are screened by the tool daily, to identify any potential new issues with existing suppliers which require review or action.

Once the contract is signed, responsibility for the implementation and ongoing management of the supplier reverts to the relevant business manager. The scale and type of monitoring will vary depending on the nature of the supplier's work for ScottishPower. Suppliers are required to manage their own sub-contractors and we will ask for evidence of how these third parties are being managed, either as part of ongoing monitoring and reporting, or on an ad-hoc basis if specific concerns are identified.

Risk Management

At Group level, Iberdrola maintains a Human Rights risk map, which assesses the specific risks associated with various categories of Human Rights in each country in which the Group operates. This risk map specifically considers forced labour and Modern Slavery risk at a country level and takes into account recommendations of the UN Global Compact. This map is updated annually, with support from an independent third party.

The latest update of the risk map covers the 27 countries where the Group operates, as well as the 54 countries from which supplies are sourced. The risk assessment considers potential violations of the Independent Labour Organisation's conventions on forced labour, freedom of association and collective bargaining, and child labour, among others. The outputs of this Risk Assessment feed into the Group Restricted Countries list, which drives additional Compliance monitoring for suppliers registered in those regions and payments to those suppliers.

At a local level ScottishPower maintains a Compliance Risk Assessment, which includes Modern Slavery risks. The Risk Assessment exercise is completed by the Compliance Unit, working in collaboration with key stakeholders across ScottishPower, including representatives from business areas, Finance and Procurement. It includes an assessment of the Impact, Probability and Criticality of Modern Slavery risk factors affecting ScottishPower. Previously this assessment concluded that areas of perceived modern slavery risks within our business and supply chain primarily relate to the use of third-party suppliers in parts of the world where there are specific concerns around forced labour.

Renewable and energy services technologies present a risk factor due to the materials and equipment used (such as in solar panels) and offshore windfarm construction is a particular risk area where some work is carried out by overseas vessels and crews. Existing controls were assessed as appropriate and ongoing discussions have been held with key business areas on the scope and management of those risks. In addition to managing modern slavery risks proactively as they arise, through continued monitoring of strategic changes and supplier due diligence, a deep dive review of the Compliance Risk Assessment is completed every three years.

During 2025, we identified an additional risk area arising from a number of suppliers moving some services to South Africa as part of their service offering. South Africa is recognised by Iberdrola in its Human Rights Risk Assessment as a Country with a Higher than Normal risk of Modern Slavery. As a result, the following mitigation measures were taken:

- The inclusion of a bespoke modern slavery schedule within supplier contracts

- Enhanced onboarding due diligence requirements for suppliers, to demonstrate how they identify and mitigate modern slavery risks, including an assessment of:
 - recruitment practices;
 - the use of recruitment agents;
 - contractual terms and condition of workers, including wages and working hours;
 - employee benefits offered;
 - staff transport arrangements;
 - mechanisms for raising grievances and speaking out;
 - assurance and monitoring related to these risks.
- Collaboration with Slave-Free Alliance to deliver targeted modern slavery training awareness to ScottishPower personnel responsible for managing the contracts and visiting supplier sites in South Africa
- Annual review of modern slavery onboarding requirements.

In addition, as part of our daily supplier screening programme, we continue to measure adverse media reports through our screening tools and this provides an additional control in identifying any concerns, including those relating to modern slavery.



Communication & Training

Training and awareness

ScottishPower maintains an online 'Ethics and Compliance at ScottishPower' training course, which reinforces the core messages and requirements of our Code of Conduct, Compliance Policies, Speaking Out arrangements and key contacts. The training was developed by the ScottishPower Compliance Unit and completion is mandatory for all ScottishPower staff every three years. 2025 represents the final year of the three-year training cycle, and so the majority of SP employees have completed this course since 2023. The focus in 2025 was on non-completers and new employees as part of our onboarding training. This course is due for update in 2026.

In 2025, ScottishPower launched mandatory 'Ethics Training for Line Managers'. This initiative was introduced in response to the Company's ethics survey, where staff said that line managers were likely to be the first point of contact for any topics related to ethical conduct. The training is designed to equip line managers with the skills and confidence to engage in ethical conversations with their teams or in dealing with any concerns relating to ethical conduct, which would include concerns related to modern slavery.

During the year we also partnered with the SFA to provide bespoke targeted modern slavery training to staff identified as working in a higher risk area – this included staff responsible for managing supplier contracts, procurement staff or those visiting supplier sites in South Africa. The training comprised of in person workshops, or follow up on-line training sessions delivered by the SFA.

Across 2025 we completed the annual review of our Compliance Policy suite, including the review of the Modern Slavery Policy in quarter 1. This was approved by the Scottish Power Limited Board. These policies and procedures are accessible to all staff via the ScottishPower employee portal. A company-wide communication was issued highlighting the updated policies, along with an online article for employees.

Iberdrola also offers a training module on human rights for businesses on its website, designed to help its third parties and stakeholders understand the importance of human rights in the supply chain.

Stakeholder Engagement

At Iberdrola Group level, a multi-disciplinary working group has been established, in order to monitor forced labour specifically within the solar panel supply chain and identify actions to address those risks. Across 2025 this group met to facilitate collaboration across the Sustainability teams within the various Group businesses, with an overall objective to improve Human Rights due diligence activities, including the risk of Modern Slavery within our supply chain.

At ScottishPower, a senior-level Sustainable Development Committee has been convened to provide oversight, co-ordination and engagement on sustainability and human rights initiatives across all ScottishPower business areas. The Committee met quarterly in 2025.

External Engagement

We believe that external memberships are important in helping to foster opportunities for collaboration with colleagues across industry on steps to eradicate Modern Slavery across the utilities sector and providing the expertise to help further inform our programme.

ScottishPower retained a membership with Slave-Free Alliance in 2025. Slave-Free Alliance is a limited company that is part of the Hope for Justice Charity, working in collaboration with businesses to enhance and support their wider framework around ethical trade, sustainability, compliance, corporate social responsibility, and human rights. The core objective of Slave-Free Alliance is to support businesses to work towards a slave-free organisation and supply chain. Our membership has been valuable in providing challenge, review and support of our programme, including through the development of targeted risk-based training, the sharing of external expertise and best practice through external events and discussion groups and a bespoke review of our Modern Slavery Statement.

ScottishPower is also pleased to continue our membership of the Institute of Business Ethics, an organisation which works to promote high standards of business behaviour based on ethical values and which provides high level guidance on Modern Slavery, alongside other issues relevant to business ethics.

More broadly, in 2025 the Iberdrola Group remained an active member of the Solar Stewardship Initiative, holding a position on the Board of the Initiative. The Solar Stewardship Initiative (SSI) is designed to further develop supply chain transparency and strengthen confidence in how, where, and by whom products and solar components are manufactured. It works to establish and access verifiable information on current levels of transparency, and on overall Sustainability performance standards in the solar supply chain. All solar panel providers who wish to be a member of the Initiative must be certified on the standards across their workforce, following tough social audits.

The majority of large solar panel providers are involved in this initiative and have been certified through this audit process. The SSI has recently approved its Multi-Stakeholder Governance Terms of Reference and is in the process of seeking non-industry representatives (civil society, institutional stakeholders and independent experts) to diversify its stakeholders. Diverse stakeholders lead to more comprehensive and sustainable solutions for solar value in order to join in efforts to combat modern slavery within the solar panel supply chain.



Measuring effectiveness

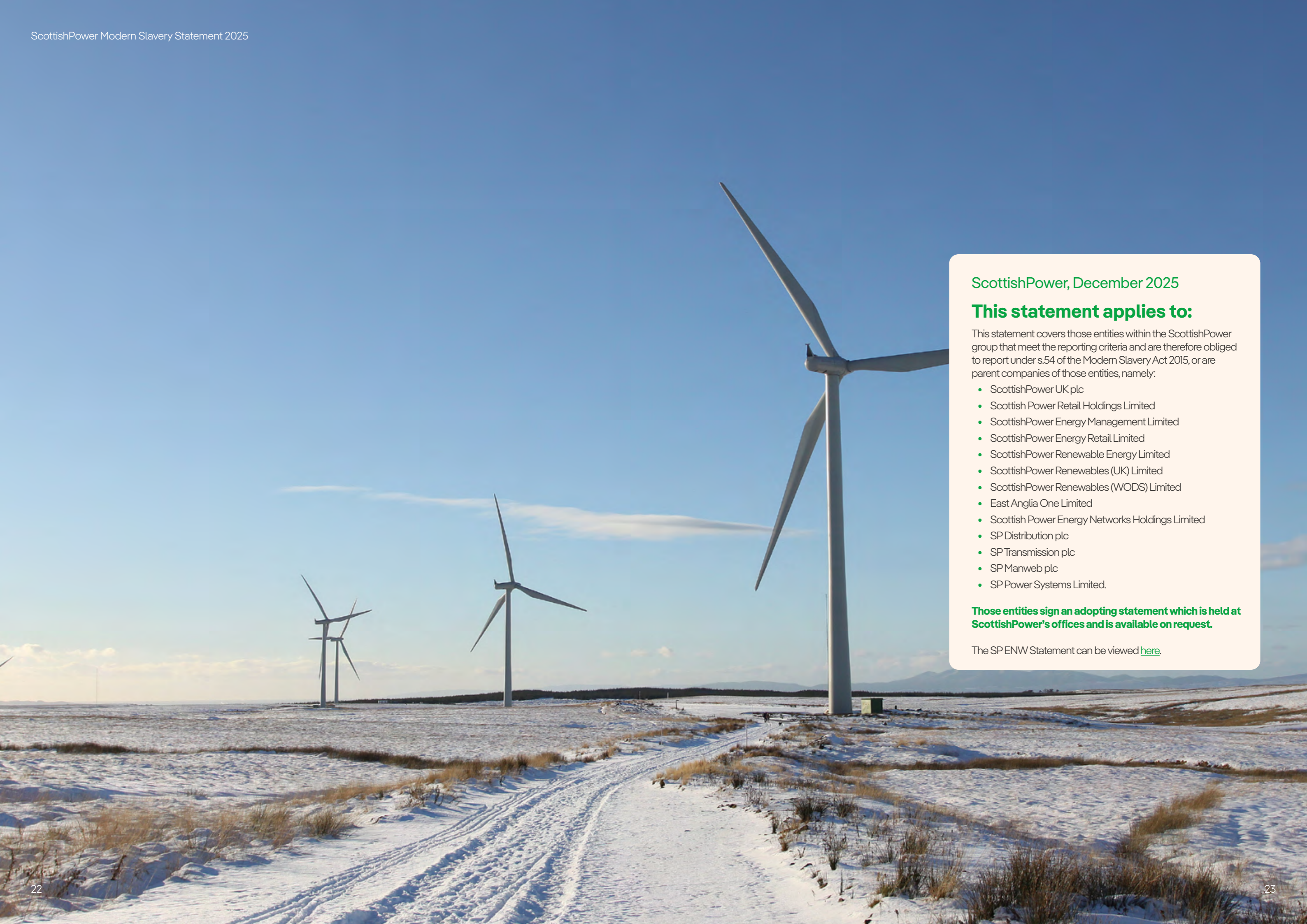
The ScottishPower Compliance Unit has an independent reporting line to the Scottish Power Limited Audit and Compliance Committee (SPL ACC) and the Iberdrola Group Compliance Unit.

On a quarterly basis, the Chief Compliance Officer reports to the SPL ACC on compliance matters including activity in relation to Modern Slavery risks. This is supported by an annual report on the Effectiveness of the Compliance System across the company, including an assessment of activity undertaken in relation to the Modern Slavery compliance programme.

Speaking Out cases are reviewed by the Business Compliance Officers in conjunction with the Chief Compliance Officer with a focus on identifying root causes and remediation actions so that any lessons learned and any wider process and control improvements are shared and implemented. All

Speaking Out cases are automatically flagged for potential human rights impacts, for further action if required. During 2025, there were no Speaking Out cases involving modern slavery.

Supplier due diligence activity, including suppliers noted as higher than normal risk or critical risks, is reported to the relevant business units' Compliance Unit and Boards. Reporting includes a summary of the relevant circumstances and mitigations in place. In addition, a summary of Speaking Out claims is reported to the relevant Compliance Unit, which would include any matters relating to modern slavery. Payments to suppliers in Higher Risk Countries are monitored monthly through Group Compliance reporting dashboard, allowing Compliance Officers to track unusual trends and report these to the relevant Compliance Unit. No Modern Slavery incidents or allegations were identified or reported in 2025.



ScottishPower, December 2025

This statement applies to:

This statement covers those entities within the ScottishPower group that meet the reporting criteria and are therefore obliged to report under s.54 of the Modern Slavery Act 2015, or are parent companies of those entities, namely:

- ScottishPower UK plc
- Scottish Power Retail Holdings Limited
- ScottishPower Energy Management Limited
- ScottishPower Energy Retail Limited
- ScottishPower Renewable Energy Limited
- ScottishPower Renewables (UK) Limited
- ScottishPower Renewables (WODS) Limited
- East Anglia One Limited
- Scottish Power Energy Networks Holdings Limited
- SP Distribution plc
- SP Transmission plc
- SP Manweb plc
- SP Power Systems Limited.

Those entities sign an adopting statement which is held at ScottishPower's offices and is available on request.

The SP ENW Statement can be viewed [here](#).

ScottishPower
320 St Vincent Street, Glasgow G2 5AD
scottishpower.com

