



# **POLITICAL ENGAGEMENT POLICY**

2024

# ScottishPower Political Engagement Policy

## Policy Objective

The Political Engagement Policy (the “**Policy**”) regulates what ScottishPower staff must do before engaging with politicians and their advisers and what to do following any unplanned contact as part of their day-to-day activities.

This Policy was first approved on 29 May 2018 and amendments may be approved from time to time by the Board of Directors of Scottish Power Limited (the “**Company**”) as part of its Governance and Sustainability System. It applies to all subsidiaries and investees of the Company’s group of companies (“**ScottishPower**”), including ScottishPower employees, contractors, suppliers agents and other parties instructed by or acting on behalf of ScottishPower (in general, its “**representatives**”), on any business dealings and transactions in the United Kingdom (“**UK**”), the Republic of Ireland (“**ROI**”) and in any other countries or jurisdictions in which ScottishPower, affiliate entities administered by it, or its representatives may operate, in relation to the matters set out in this Policy.

The ScottishPower Government Affairs team within Corporate Affairs is responsible for the oversight of the Political Engagement Policy. The Director of Government Affairs is the Senior Officer responsible for the day-to-day operation this policy.

## Key Political Engagement Principles

ScottishPower is committed to the following key political engagement principles:

- Transparency and openness.
- Remaining political neutral.
- A consistent professional and coordinated approach.
- Providing a clear single point of contact for parliamentarians and their staff.
- Good stakeholder engagement practice.
- Full compliance of all existing Group anti-bribery policies.
- Maintaining a publicly available register of contact with politicians.

## Lobbying – Authorisation, Implementation and Monitoring

### Political Engagement

including for:

- In-person or online meetings.
- Telephone calls.
- Attending events such as roundtables or receptions where politicians are known to be present including political party conferences or other party events in a professional capacity.
- Direct correspondence including letters, emails and other forms of electronic communication.

All political engagement must be authorised and logged in advance via this **online form** and by emailing the Government Affairs team via [govaffairs@scottishpower.com](mailto:govaffairs@scottishpower.com)

This should include information about who initiated the contact, when any invitation came to you, and where and when the engagement is taking place. This information is required to ensure the Company is fully compliant with the ScottishPower Policy on Anti-Bribery and Corruption and to ensure the Scottish or ROI Lobbying Registers are updated within timeframes in line with the Scottish and ROI legislation (“**Relevant Lobbying Legislation**”), a summary of which is noted below.

On occasions of any chance meetings or contact initiated by a parliamentarian, government minister, adviser or other staff, you must alert the Government Affairs team at the earliest opportunity to advise of this contact. This includes any conversations outside the UK and ROI.

### POLITICAL PAYMENTS & DONATIONS

ScottishPower is a politically neutral organisation and its group companies are subject to the Political Parties, Elections and Referendums Act 2000, which defines political “donations” and “expenditure” in wider terms than would be commonly understood by these phrases. This includes payment for attending party conferences, party fundraisers, sponsorship of receptions or any other political party event, insofar as such occasions provide an important opportunity for ScottishPower to represent its views on a non-partisan basis to politicians from across the political spectrum and are open to everyone, including party members, non-governmental organisations, the media, and trade unions. The payments do not indicate support for any particular party.

No payment from the Company may be made to a political party or politician without the prior written consent of the Director of Government Affairs and clearance under the internal Sponsorships, Donations and Collaboration Agreements request process.

## Correspondence

In order to provide parliamentarians with a dedicated single point of contact with ScottishPower, all correspondence should be sent via the Government Affairs mailbox, unless there are specific circumstances such as direct correspondence from the Chief Executive Officer (CEO) of the Company. This includes all emails and letters to ministerial private offices, Special Advisers and the parliamentary or constituency offices of parliamentarians.

## Compliance

Failure to comply with this Policy implies a breach of the key political engagement principles (defined above), could also constitute a breach of the Iberdrola Code of Ethics, the ScottishPower Anti-bribery and Corruption Policy, and the ScottishPower Code of Conduct and Disciplinary Rules, and potentially a breach of the Relevant Lobbying Legislation.

The consequences for ScottishPower could be severe including a fine, serious reputational damage, and loss of investor confidence.

Having regard to similar or potential schemes being implemented elsewhere in the UK and ROI, this policy applies to any and all engagement with UK, Scottish, Welsh, Northern Irish and ROI government ministers; Members of the UK Parliament (MPs); Members of the Scottish Parliament (MSPs); Members of the Welsh Senedd (MSs); Members of the Legislative Assembly in Northern Ireland (MLAs); Teachta Dálas (TDs) and Senators in the ROI, Members of European Parliament (MEPs) for constituencies in the ROI; political advisers and staff.

## Relevant Lobbying Legislation

### Lobbying (Scotland) Act 2016

The Scottish Parliament passed legislation in 2016 to create a register of “regulated” lobbying, designed to improve transparency of lobbying contact between organisations and:

- Members of the Scottish Parliament (MSPs).
- Members of the Scottish Government.
- The Permanent Secretary of the Scottish Government.
- Scottish Government Special Advisers.

There are three tiers of compliance with the Act:

- The Lobbying Registrar can issue an Information Notice to anyone reported to have been engaged in regulated lobbying where this has not been registered.
- The Commissioner for Ethical Standards in Public Life in Scotland can investigate complaints about non-compliance with the Act and submit a report to Parliament

upon conclusion of an investigation. Ultimately, the Parliament could then censure the subject of the Commissioner's report.

- Non-compliance could also result in criminal prosecution and the application of penalties.

### **ROI Regulation of Lobbying Act 2015**

The Regulation of Lobby Act 2015 came into effect on 1 September 2015 with amendments (The Regulation of Lobbying (Amendment) Act 2022) being passed into law on 22 June 2023.

This Act, and its regulations, captures engagement with the following “public officials”:

- Ministers and Ministers of State.
- Teachta Dálas (TDs) and Senators.
- Members of European Parliament (MEPs) for constituencies in ROI.
- Members of local authorities.
- Special Advisers.
- Secretaries General and Assistant Secretaries in the Civil Service.
- Chief Executive Officers and Directors of Services in Local Authorities.

Enforcement provisions:

- The Standards Commission has authority to:
  - investigate possible relevant contraventions.
  - prosecute offences.
  - serve fixed payment notices to persons who are late submitting a return of lobbying activities.
  - Impose an administrative sanction. Such a sanction may be ‘major sanction’ or a ‘minor sanction.’
    - If you are prosecuted in the District Court and found guilty (summary conviction), you may be fined up to €2,500 (this is known as a Class C fine).
    - If you are prosecuted in the Circuit Criminal Court and found guilty (conviction on indictment), you may be fined and imprisoned for up to two years.
    - Administrative sanctions may be applied. For a relevant contravention under section 18 (f) (avoidance or circumvention of the person's obligations under the Act) or under section 22(1) (Not seeking a waiver of the cooling off period) a minor or a major sanction may be imposed. A Minor sanction will be advice, reprimand or

caution. A Major sanction will be a financial sanction not exceeding €25,000, a prohibition on the person from registering on the Register for no more than two years, and a prohibition on the person from making or having a return made for no more than two years.

## Report a Concern

The Company is committed to countering the risk of ScottishPower being in breach of the Lobbying (Scotland) Act and the ROI Regulation of Lobbying Act 2015.

Any concerns relating to a breach of the Relevant Lobbying Legislation or of the wider Policy should be reported to the Government Affairs team at [govaffairs@scottishpower.com](mailto:govaffairs@scottishpower.com)

Alternatively, concerns related to a breach of this policy can also be reported through one of the following established Speaking Out routes:

<b>Through the Ethics Helpline reporting tab</b>	Available on the ScottishPower Employee Portal
<b>Through People InTouch, our external third party Speaking Out service provider</b>	Online at: <a href="http://www.speakupfeedback.eu/web/scottishpower/gb">http://www.speakupfeedback.eu/web/scottishpower/gb</a> By calling: 0800-169-3502 ScottishPower Access Code (for both services): 45042

## Further information and guidance

Cross-reference is made to the following relevant documents, which are available on the [ScottishPower Compliance Unit](#) intranet site:

- Iberdrola Code of Ethics
- ScottishPower Code of Conduct and Disciplinary Rules
- ScottishPower Anti-Bribery and Corruption Policy
- ScottishPower Business Separation Policy

Further external information and guidance are available as follows:

- The Scottish Parliament Lobbying Register [website](#)
- The Scottish Parliament Lobbying Code of Conduct [website](#)
- The Scottish Government Ministerial Code [website](#)
- The MSP Code of Conduct [website](#)
- Civil servants and Special Advisers are covered by the UK Civil Service Code [website](#)
- The ROI Register of Lobbying [website](#)