

SCOTTISHPOWER

COMPLIANCE DIVISION

December 2016

Anti-Bribery and Corruption Policy



SCOTTISHPOWER

Anti-Bribery and Corruption Policy

Policy Objective

Scottish Power Limited (the “Company”) takes a zero-tolerance approach to bribery and corruption and is committed to the highest standards of ethical conduct and integrity in its business activities in the UK and overseas.

The Scottish Power Limited Board of Directors (the “Board”) and senior management team expect all employees, contractors, suppliers and third parties to fully comply with this Policy, and it extends to all of our majority owned business dealings and transactions in the UK and in all countries in which ScottishPower or our subsidiaries and associates operate.

The Policy is accompanied by the ScottishPower Anti-Bribery and Corruption Procedures that set out in more detail the processes and procedures to be followed by employees to ensure compliance with this Policy.

UK Bribery Act 2010

The UK has some of the most robust anti-bribery and corruption legislation in the world. The Bribery Act 2010 came into force on 1 July 2011 and creates a framework of five criminal offences:

- giving, promising, and offering of a bribe;
- agreeing to receive or accept a bribe;
- bribing a foreign official;
- failure of commercial organisations to prevent bribery; and
- a senior officer of a commercial organisation consenting to or conniving in an act of bribery.

Bribery is a criminal offence and there are serious consequences if you are found to be in non-compliance with the Act, the implications could include imprisonment, significant fines, and termination of your employment or contract with ScottishPower.

The consequences for ScottishPower could be equally severe including a multi-million pound fine, confiscation of revenue, debarment, serious reputational damage, and loss of investor confidence.



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Key Anti-Bribery and Corruption Principles

ScottishPower does not tolerate, permit, or engage in bribery, corruption, or improper payments of any kind in our business dealings, anywhere in the world, both with public officials and people in the private sector. Ethical behaviour is in the long term interests of our company.

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

- We will carry out business fairly, honestly and openly.
- We will not give or offer any money, gift, hospitality or other advantage to any person carrying out a business or public role, or to a third party associated with that person, to get them to do something improper.
- We will not give or offer any money, gift, hospitality or other advantages to any foreign public official with the intention of influencing them to our business advantage.
- We will not use intermediaries or contractors for the purpose of committing acts of bribery.
- We do not allow employees to accept money, gifts, hospitality and other advantages from business associates, actual or potential suppliers, or service providers which are intended to influence a business decision or transaction in some improper way.
- We will carry out appropriate due diligence on third parties and maintain a record of this process. We will include appropriate anti-bribery and corruption clauses within our contractual arrangements.
- We do not allow facilitation or 'grease' payments under any circumstances.
- Any employee found to be in breach of these principles will face disciplinary action.
- No employee will suffer demotion, penalty, or other adverse consequence for refusing to pay bribes, even if it may result in ScottishPower losing business.
- We will avoid doing business with others who do not commit to conducting business without bribery.

Implementation and Monitoring

The ScottishPower Compliance Division is responsible for the day to day oversight of the Anti-Bribery and Corruption Policy. The Chief Compliance Officer is the Senior Officer Responsible



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for this policy who will monitor and report to the Board and the Audit and Compliance Committee on compliance against this policy.

Report a Concern

The Company is committed to a programme to counter the risk of ScottishPower being involved in bribery. Any concerns relating to a breach of the Policy should be reported in one of the following ways:

- Line manager
- SP Chief Compliance Officer
- Business Compliance Officer
- Compliance division mailboxes :
 - compliancedivision@scottishpower.com
 - liberalised.compliance@scottishpower.com
 - networkscompliance@scottishpower.com
 - renewablescompliance@scottishpower.com
- Anonymous helpline (0800 374 199)

Further information and guidance

The following supplementary policies available on the ScottishPower Compliance Division intranet site:

- Code of Ethics
- ScottishPower Code of Conduct and Disciplinary Rules
- ScottishPower Anti-Bribery and Corruption Procedures
- Speaking Out Policy
- ScottishPower Gifts, Hospitality and Conflicts of Interest Policy
- ScottishPower Crime Prevention and Anti-Fraud Policy
- **The UK Ministry of Justice website**
[:http://www.justice.gov.uk/guidance/making-and-reviewing-the-law/bribery.htm](http://www.justice.gov.uk/guidance/making-and-reviewing-the-law/bribery.htm)

