

CODE OF ETHICS

24th September 2019

Chapter I. Introduction

Article 1. Purpose

1. The *Code of Ethics* of the Scottish Power Foundation (hereinafter referred to as the “**Foundation**”), is intended to develop and formalise the Foundation’s mission and values, and guide the actions of its personnel in a global, complex and ever-changing environment.
2. The *Code of Ethics* has been prepared taking into account national and international recommendations on good governance for non-profit making entities, and the social responsibility principles accepted by the Foundation, which constitute a basic reference for monitoring the code. It also deals with new crime prevention obligations in the area of criminal liability for legal entities.
3. The *Code of Ethics* sets out the Foundation’s commitment to the principles of ethics and transparency in all areas of action and establishes a set of principles and guidelines for conduct designed to ensure that all Foundation personnel perform their activities ethically and responsibly.
4. The *Code of Ethics* forms part of the Foundation’s governance system.

Article 2. Scope of application

1. The principles and guidelines for conduct in the *Code of Ethics* apply to all of the Trustees of the Foundation and personnel, regardless of rank or of geographical or functional location.
2. Compliance with the *Code of Ethics* shall be understood to be without prejudice to strict compliance with the Foundation’s governance system and the duty of the Foundation Trustees to exercise independent judgement in accordance with the principles of Scottish charity law.
3. Personnel representing the Foundation in external bodies, associations, foundations or other entities shall do so in compliance with the *Code of Ethics* and shall promote the application of the Foundation’s mission, purpose, values and standards of conduct in those bodies, associations, foundations or other entities.
4. The *Code of Ethics*, by its nature, does not deal with individual situations but rather establishes the standards and principles which should guide the conduct of the Foundation’s Trustees and personnel and sets out how any issues that might arise while carrying out their professional activities should be addressed.
5. The personnel of the Foundation to whom other ethical codes or codes of conduct also apply, arising under the domestic law of those countries in which they carry out their activities, shall also observe them. In the case of the Foundation’s Trustees, compliance with Scottish charity law and UK company law is essential.

Chapter II. The Foundation’s mission and values

Article 3. The Foundation’s mission and values

- a) The Foundation’s mission is to develop, and deliver and/or support, a range of initiatives that will effectively contribute to furthering the following charitable purposes: the advancement of education.
 - b) the advancement of environmental protection or improvement, in particular, promotion, dissemination and support of knowledge, research and culture in their most varied forms, with a special focus on the development of and progress toward a sustainable energy model that respects the environment and biodiversity.
 - c) the advancement of the arts, heritage, culture or science, in particular:
 - i. cultural initiatives for the promotion and support of scientific, technological dissemination and environmental protection activities, encouraging, in particular, the development of studies of all kinds in the areas of energy, biodiversity and environmental impact in general; and
 - ii. in the areas of restoration, development and conservation of the cultural heritage, as well as the development of projects and activities to promote and disseminate art and culture, and to technically and financially support cultural and artistic activities carried out by public and private institutions.
 - d) the prevention or relief of poverty and the relief of those in need by reason of disability or other disadvantage, in particular, the development of initiatives to support social action in the areas of cooperation and solidarity in order to actively contribute to the improvement of the quality of life of the most underprivileged groups, through initiatives for the development of infrastructure and services that provide for their full social and labour integration, as well as professional training, insertion into the work force and the generation of employment opportunities for disadvantaged persons that allows for the creation of jobs for them, and ultimately, for the integration into the labour market.
 - e) the advancement of citizenship and community development.
2. The application and interpretation of the mission and values of the Foundation shall take account of the principles contemplated in the *Mission, Vision and Values of the Iberdrola Group*, and, particularly, in the corporate values of the Founder applicable to a non-profit entity, such as the commitment to principles of ethics, transparency and good corporate governance, the development of human teams, innovation, respect for the environment and institutional loyalty.

3. The Foundation is committed to generally recognised national and international recommendations on good governance for non-profit making entities, and the basic principles of social responsibility, along with ethics and transparency in all its actions.
4. The Foundation's governance system and responsible behaviour by all those who are part of the Foundation should be an ever-present guideline for action and should constitute one of its strongest characteristics.
5. These commitments, far from being a mere statement of principles, are intended to apply to its daily practice and should be part of the day-to-day management of the Foundation in all its areas of activity.
6. The Foundation believes that professional conduct in keeping with the mission and values described above is the best assurance of its commitment to further its charitable purposes.

Chapter III. Compliance Function

Article 4. Compliance Function

1. The Compliance Function of the Foundation is comprised of the Compliance Director and any other persons as may be appropriate from time to time.
2. To the extent that applicable law so allows, the Compliance Function shall have access to the information, documents, and offices of the directors, officers, and staff (including secondees) of the Foundation, including the minutes of the management, supervisory, and control bodies, that may be necessary for the proper performance of its duties. In this regard, all personnel and administrators in these companies must cooperate in full with the Compliance Function to enable them to carry out their duties.
3. The Compliance Function shall have the material and human resources needed to perform its duties.
4. The Compliance Function is responsible for the general interpretation and integration of the *Code of Ethics*. Its interpretative opinions, which must take into account the provisions in Chapter II above, are binding on all Trustees and personnel in the Foundation.
5. Any doubt that may arise for the personnel of the Foundation regarding the interpretation of the *Code of ethics* must be discussed with the Compliance Function.
6. The Compliance Function shall inform the Foundation's Board of Trustees at least annually and whenever deemed necessary or requested to do so, on the measures adopted to promote awareness of and assure compliance with the *Code of Ethics*.

Article 5. Powers of the Compliance Function

The Compliance Function shall have the following powers regarding the *Code of Ethics*:

- a) Promote the dissemination, knowledge of and compliance with the *Code of Ethics*, encouraging the training and communication actions it deems appropriate.
- b) Provide a binding interpretation of the *Code of Ethics* and resolve any questions or concerns raised with respect to the content and application thereof and compliance therewith.
- c) Promote procedures for the verification and investigation of complaints received, and issue appropriate resolutions regarding the cases processed.
- d) Annually evaluate the level of compliance with the *Code of Ethics*.
- e) Manage the Foundation-related submissions to the Ethics mailbox and take or coordinate the necessary steps for investigating claims and issuing any decisions made following investigations of claims.
- f) Report to the Board of Trustees on the compliance with the *Code of Ethics*.
- g) Promote the rules needed to further develop the *Code of Ethics* and to prevent violations thereof.
- h) Approve procedures and protocols in order to ensure compliance with the *Code of Ethics*. These rules must in all cases be in accordance with the provisions of the Foundation's Governance System.
- i) Any other powers, whether specific or more general in nature, that may be entrusted to them by the Foundation's Board of Trustees or attributed under the Anti-Bribery and Corruption Policy and the other regulations that form part of the Foundation's system of governance.

Article 6. Compliance Function Regulations

The operation of the Compliance Function shall be governed by the *Compliance Regulations*, which form part of the Foundation's system of governance, and which must be approved by resolution of the Board of Trustees.

Chapter IV. General standards of professional conduct

Article 7. Compliance with Law and with the Foundation's Governance System

1. Foundation Trustees and personnel shall comply strictly with the laws in force in the jurisdiction of their workplace, complying with both the spirit and the technical requirements of such legal provisions, and shall observe the provisions of the *Code of Ethics*, the rules of the Foundation's governance system, and the procedures governing its activities. They shall also observe all obligations and commitments assumed by the Foundation in its contractual relations with third parties, as well as the standards of best practice within the countries where they work.
2. Foundation managers shall have particular knowledge of the laws and regulations (both internal and external) affecting their respective areas of activity and shall ensure that the personnel reporting to them receive the

requisite information and training to enable them to understand and fulfil the legal and regulatory obligations, (both internal and external) applicable to their position.

3. The Foundation shall observe and abide by all court and/or governmental decisions that may be issued, but reserves the right to file such appeals as may be appropriate against any such decisions when it believes that they do not conform to the law or are contrary to its interests.

Article 8. Irreproachable Professional Conduct

1. The standards which shall govern the conduct of the Foundation's Trustees and personnel shall be professionalism and integrity.
 - a) Professionalism is acting diligently, responsibly and efficiently, focusing on excellence, quality and innovation.
 - b) Integrity is acting loyally, honestly, in good faith, objectively, and in line with the interests of the Foundation and with its principles and values as expressed in the *Code of Ethics*.
 - c) All Trustees and personnel shall ensure that any action taken is based on four basic premises: (i) that the action is ethically acceptable, (ii) that it is legally valid, (iii) that it is desirable for the Foundation, and (iv) that the trustee or member of personnel is prepared to assume responsibility for that action.
2. All Foundation personnel have an obligation to report to the Compliance Function any judicial, criminal or administrative proceedings, to which they are a party if these proceedings are likely to affect the performance of his/her duties or which could potentially tarnish the reputation or interests of the Foundation.

Article 9. Principles of Non-Discrimination and Equal Opportunity

1. The Foundation promotes non-discrimination by reason of race, colour, nationality, social origin, age, sex, marital status, sexual orientation, ideology, political opinion, religion or any other personal, physical or social condition of its personnel, as well as equality of opportunity amongst them.
2. In particular, the Foundation shall promote equal treatment for men and women as regards access to employment, training, promotion of personnel and working conditions.
3. The Foundation rejects any form of violence, physical, sexual, psychological, moral or other harassment, abuse of authority at work and any other conduct creating an atmosphere that is intimidating or offensive to the personal rights of its personnel. Specifically, the Foundation will promote measures to prevent sexual harassment and harassment by reason of sex when deemed necessary.

Article 10. Work/Life Balance

The Foundation respects the personal and family life of its personnel and shall promote reconciliation programmes that make for a better balance between this and their responsibilities to the Foundation.

Article 11. Right to Privacy

1. The Foundation respects the right to privacy of its personnel in all its forms, and particularly in relation to personal data including medical and financial data.
2. The Foundation's personnel undertake to responsibly use email communications, computer systems and other means made available to them by the Foundation in accordance with the policies and standards established for such purpose. The Foundation's personnel must not use email communications or computer systems for non-professional personal use or for private communication. The Foundation's computer and email systems may be monitored by the Foundation for business reasons and in order to comply with legal obligations.
3. The Foundation undertakes not to disclose any personal data of its personnel, except where legally obliged to make such disclosure by statute or to comply with court or administrative orders. Under no circumstances may professionals' personal data be processed for purposes other than those provided for by applicable data protection legislation.
4. Foundation personnel who have access to the personal data of other personnel in the course of their activities shall undertake in writing to respect the confidentiality of such personal data.
5. The Compliance Division, and the other relevant divisions or bodies shall comply with the requirements established in applicable data protection legislation regarding communications sent thereto by the professionals in accordance with the provisions of the *Code of Ethics*.

Article 12. Workplace Health and Safety

1. The Foundation shall promote a workplace health and safety programme and adopt the preventive measures required under current health and safety legislation and any other legislation in this regard that may be enacted in the future, as well as may be required for insurance purposes and in line with principles of best practice.
2. The personnel of the Foundation shall observe with particular attention the regulations relating to workplace health and safety, in order to prevent and minimise occupational risks.
3. The Foundation shall promote the adoption of rules and programmes regarding workplace health and safety by the contractors with which it does business.

Article 13. Selection and Assessment

1. The Foundation shall maintain a strict and objective selection process which takes account of the academic, personal and professional merits of candidates and the needs of the Foundation.
2. The Foundation shall assess its personnel rigorously and objectively on the basis of their individual and collective performance.
3. The Foundation's personnel shall have a say in the setting of their objectives and be informed of the assessments made of them.

Article 14. Training

1. The Foundation shall promote the training of its personnel. Training programmes shall foster equal opportunities and professional career development and shall contribute to the achievement of the Foundation's aims.
2. The Foundation's personnel undertake to update their technical and managerial knowledge continuously and to take advantage of the training programmes provided by the Foundation.

Article 15. Information

The Foundation shall inform its personnel of its strategic objectives and the performance of the Foundation.

Article 16. Gifts and Presents

1. The Foundation's personnel may not give or accept gifts or presents in the performance of their professional activities. As an exception, the delivery and acceptance of gifts or presents shall be allowed if all of the following simultaneously occur:
 - a) they are of insignificant economic value or of symbolic value;
 - b) they correspond to signs of courtesy or to customary business gifts and tokens, and
 - c) they are not forbidden by law or by generally accepted business practices or by the Foundation's Anti-Bribery and Corruption Policy.The provisions of article 29 below shall not apply to presents or gifts under the above circumstances.
2. The Foundation's personnel may not directly or through intermediaries offer or grant or solicit or accept unjustified advantages or benefits that are directly or indirectly intended to obtain a benefit, whether present or future, for the Foundation, for themselves or for a third party. In particular, they may not give or receive any type of bribe or commission from, or made by, any other party involved, such as government officials (whether UK or foreign) or personnel of other companies, political parties, authorities, customers, suppliers, or shareholders. Acts of bribery, which are expressly prohibited, include the offer or promise, whether direct or indirect, of any kind of improper advantage, any instrument designed to conceal them, and influence-peddling. Money may also not be received from customers or suppliers on a personal level, not even as a loan or advance.
3. The Foundation's personnel may not give or accept hospitality that influences, might influence, or might be construed as influencing decisions.
4. In the event of any doubt as to what is acceptable, the offer must be turned down or, if appropriate, first discussed with the Foundation's Executive Officer, who in turn may refer the consultation to the Compliance Director, as applicable.

Article 17. Conflicts of interest

1. A conflict of interest shall be deemed to exist in those circumstances where there is a direct or indirect conflict between the personal interest of the member of the Foundation's personnel and the interest of the Foundation. There shall be a personal interest of the member of personnel when the matter affects him or her, or a person related to him or her.
2. The following shall be deemed to be persons related to the member of personnel:
 - a) The spouse of the member of personnel or the person with whom the member of personnel has a like relationship of affection.
 - b) The ascendants, descendants and siblings of the member of personnel's or of his/her spouse (or person related to his/her by a like relationship of affection).
 - c) The spouses of the ascendants, descendants and siblings of the member of personnel.
 - d) The entities in which the member of personnel, or another person related thereto, directly or through a nominee, falls within any of the control situations established under the law.
 - e) The companies or entities in which the member of personnel, or any of the persons related thereto, directly or through a third party, holds an administrative or management position or a position for which the member of personnel receives compensation for any reason, provided that the member of personnel also directly or indirectly exercises a significant influence on the financial and operational decisions of such companies or entities.
3. By way of example, the following are circumstances that might give rise to a conflict of interest:
 - a) To benefit from the any of the Foundation's activities.
 - b) To negotiate or formalise contracts on behalf of the Foundation with individuals who are related to the member of personnel or with legal entities in which the member of personnel or a person related to him/her holds a management position, is a significant shareholder or director.
 - c) Being a significant shareholder, director, etc. of customers, suppliers or direct or indirect competitors of any of the Foundation's activities.

4. Decisions must be based on the best interests of the Foundation and must not be influenced by personal or family relationships or other personal interests of Foundation professionals.
5. Foundation personnel shall observe the following general guidelines for action in connection with potential conflicts of interest:
 - a) Independence: act at all times with professionalism, loyalty to the Foundation and independently of personal or third-party interests. In consequence, they must abstain at all times from prioritising their own interests over and above those of the Foundation.
 - b) Abstention: refrain from participating in or influencing decisions that might affect the Foundation and with which there is a conflict of interest, from participating in meetings at which such decisions are discussed, and from accessing confidential information related to such conflict.
 - c) Communication: provide a written report to the Foundation's Executive Officer and Compliance Director of possible conflicts of interest before the transaction or business in question is completed. The Compliance Director shall assess the situation and make the appropriate decisions and, where necessary, advise on the right actions for each specific circumstance.

In the notice, the professional shall specify:

 - Whether the conflict of interest affects him or her personally or through a related person, in which case, he or she shall provide the name of such person.
 - The circumstances that led to the conflict of interest, describing, if appropriate, the subject matter and the principal terms of the planned transaction or decision.
 - The amount or approximate economic valuation thereof.
 - The department or person of the Foundation with whom the respective contacts were made.
6. The general guidelines for action described above shall be observed especially in those instances where the conflict of interest is, or may reasonably be expected to be, of such a nature as to constitute a structural and permanent conflict of interest between the professional, or a person related to the professional, and the Foundation.
7. Under no circumstances may the Foundation engage in activities that entail or might entail a conflict of interest, except with prior written authorisation of the Foundation's Executive Officer. The professional shall refrain from taking any action in that respect until having obtained the corresponding answers to his or her query.

Article 18. Business Opportunities

1. Foundation personnel may not, for their own or any related party's benefit, exploit any of the Foundation's business opportunities, unless such investment or transaction was previously offered to the Foundation and the Foundation declined to exploit it, and even then only if the Foundation's member of personnel making use of the transaction is authorised by the Foundation's Executive Officer.
2. Foundation personnel may not use the name of the Foundation or invoke their office at the Foundation to engage in transactions for their own account or for the account of related persons.

Article 19. Resources and Means for the Performance of Professional Activities

1. The Foundation undertakes to make available to its personnel all necessary and appropriate resources for them to perform their professional activities.
2. Without prejudice to the mandatory compliance with the Foundation's specific rules and procedures regarding resources and means, the Group's professionals agree to responsibly use the resources made available to them, using them solely for professional activities in the interests of the Group, such that such resources are not used for private or personal purposes. The Foundation's personnel shall avoid any practices, particularly unnecessary activities and expenses that reduce the Foundation's ability to carry out its purposes.
3. The Foundation owns and holds the right to use and operate the computer software and IT systems, computer equipment, manuals, videos, projects, studies, reports and other works and rights created, developed, perfected or used by its professionals within the framework of their work or based on the Foundation's information technology facilities.

Professionals shall observe the principle of confidentiality in respect of the nature of the rights, licences, software, systems and technological knowledge, in general, owned by the Foundation or which it has the right to operate. The disclosure of any information regarding these characteristics shall require the prior authorisation of the Foundation's Executive Officer.

The use of the computer equipment, systems and software made available by the Foundation to personnel for the performance of their work, including the facility of access to and operating on the Internet, shall comply with principles of best practice around security and efficiency, excluding any use, action or software function that is unlawful or contrary to the Foundation's policies.

Professionals shall not operate, reproduce, replicate or assign the Foundation's IT systems or applications for purposes unrelated thereto. In addition, professionals shall not install or use on the computer equipment provided by the Foundation software or applications whose use is unlawful or that might damage the systems or reputation, or prejudice the interests of, the Foundation or third parties.

Article 20. Internal, confidential and privileged information

1. The non-public information owned by the Foundation shall be kept private and confidential and shall not be made available to third parties except where the Foundation is legally obliged to make such disclosure by applicable statute or to comply with legal, judicial or administrative orders.
2. The Foundation and its personnel shall be responsible for taking sufficient security measures and for applying the established procedures to protect private and confidential information recorded on physical or electronic media from any internal or external risk of unauthorised access, tampering or destruction, whether intentional or accidental. Foundation personnel shall treat the content of their work as strictly confidential in their relations with third parties.
3. The disclosure and/or use of private and confidential information for personal purposes is a breach of the *Code of Ethics*.
4. Any reasonable indication of a leak of private and confidential information or the personal use of such information must be reported by those with knowledge thereof to the Foundation's Executive Officer, who shall in turn report it to the Compliance Director.
5. In the event of severance of an employment or professional relationship, private and confidential information, including documents and storage media or devices, as well as the information stored in their computer terminal shall be returned to the Foundation, and the duty of confidentiality shall continue in all cases.

Article 21. Public disclosure events

The Foundation's personnel shall be particularly cautious when attending professional workshops, seminars or at any other event of possible public disclosure and in which they will participate as representatives of the Foundation and shall 1) ensure that their message is aligned at all times with the Foundation's message and 2) that they have the prior authorisation of the Foundation's Executive Officer to do so.

Article 22. Outside Activities

1. The Foundation's personnel shall devote to the Foundation all the professional capacity and personal effort required to perform their duties.
2. The provision of services as an employee, for one's own or another's account, to companies or entities other than the Foundation, as well as engaging in academic activities must be authorised in advance and in writing by the Foundation's Executive Officer, when they are related to the Foundation's activities or the duties its professionals perform in it.
2. The following are examples that would require prior authorisation:
 - a) Active participation or appointment of a member of the Foundation's personnel to administration or managing bodies of professional or sectoral organisations or associations as a representative of the Foundation.
 - b) Any other type of external activity that may affect the professional's due dedication to their duties or that may constitute a possible conflict of interest.
3. The Foundation respects the performance of social and public activities by its personnel, provided that they do not interfere with their work at the Foundation.
4. The connection, membership or collaboration by Foundation personnel with or in political parties or other kinds of public-purpose entities, institutions or associations shall be made in such a way that the personal nature thereof is clear, thus avoiding any connection with the Foundation.

Article 23. Framework cooperation agreement

The Foundation has entered into a framework agreement with Scottish Power UK Plc and the Scottish Power business subholding companies under which the Foundation is entrusted to carry out charitable activities.

Article 24. Beneficiaries of the Foundation

In its selection of beneficiaries, the Board of Trustees shall act always on an impartial, non-discriminatory basis, appointing beneficiaries from amongst persons satisfying the conditions and requirements indicated in the Foundation's governance system. In particular, the Trustees shall ensure that there is equal access to the Foundation's benefits.

Chapter V. Commitments to and relations with other stakeholders

Article 25. Commitment to Human and Workers' Rights

1. The Foundation hereby expresses its commitment to and involvement with the human and workers' rights recognised in national and international law and to the principles upon which are based the *UN Global Compact*, *the United Nations Norms on the Responsibilities of Transnational Companies and Other Business Enterprises in connection with human rights*, *the OECD Guidelines for Multinational Corporations* and *the Tripartite Declaration of Principles concerning Multinational Enterprises and Social Policy of the International Labour Organisation*, as well as any documents or texts that may replace or supplement the ones mentioned above.
2. In particular, the Foundation affirms its total rejection of child and forced or compulsory labour and undertakes to respect freedom of association and collective bargaining, as well as the rights of ethnic minorities and indigenous peoples at the places where it does business.

Article 26. Suppliers

1. Relations of the Foundation's personnel with suppliers shall be guided solely by objective, impartial and equal opportunity criteria, avoiding any favouritism or conflicts of interest in supplier selection.
2. The Foundation's procedures for the selection of providers must be carried out in accordance with the following objective and impartial principles, avoiding any conflict of interest or favouritism. The Foundation's employees undertake to comply with the established internal selection procedures, particularly those referring to the approval of providers and suppliers.
3. The prices and other information submitted by providers during the selection process shall be treated confidentially and must not be disclosed to third parties other than with the consent of the interested parties, or where required by law or to comply with a court or administrative order. The Foundation's personnel who have access to personal data suppliers shall maintain the confidentiality of such data and comply with the provisions of the laws on the protection of personal data to the extent applicable. The information made available by Foundation's personnel to suppliers shall be accurate and shall not be given with the intent to mislead.
4. Professionals shall avoid any kind of interference or influence of suppliers or third parties that may alter their professional impartiality and objectivity and may not receive any kind of remuneration from the Foundation's suppliers or from third parties for services relating to the member of the Foundation's personnel's activities within the Foundation.

Article 27. The media and transparency of information

1. All communications with the media should comply with the Foundation's Communication Policy in place from time to time.
2. The Foundation shall provide true, proper, useful and consistent information regarding its programmes and actions. Transparency of information is a basic principle that must govern all actions of Foundation personnel.
3. The economic/financial information of the Foundation shall faithfully reflect its economic and financial position and its net worth, in accordance with generally accepted accounting principles. No member of the Foundation's personnel shall conceal or distort the information in the accounting records and reports of the Foundation, which shall be complete, accurate and truthful.
4. A lack of honesty in the communication of information, whether internally (to employees, subsidiaries, departments, internal bodies, management decision-making bodies, etc.) or externally (to auditors, investors, regulatory entities, the media, etc.), is a breach of the *Code of Ethics*. This includes the delivery of incorrect information, organising it in an incorrect manner or seeking to mislead those who receive it.

Article 28. Society

1. As part of its obligations under the collaboration agreement between Scottish Power Limited and the Foundation, the Foundation shall adhere to the principles of the Iberdrola Group's *General Corporate Social Responsibility Policy* as a framework for its programmes and actions with its personnel, customers, suppliers and the beneficiaries of its activities.
2. The Foundation expresses its firm commitment to rejecting practices that might be considered improper in its relations with customers, providers, suppliers, competitors, authorities, etc., including those relating to money laundering.
3. Relationships with the authorities, regulatory bodies and government bodies shall be conducted in accordance with the principles of cooperation and transparency.

Article 29. Actions with a social content and donations

1. The Foundation contributes to the development of communities with its business activity and with its social responsibility strategy, with measures intended to promote education and culture and protect vulnerable groups, and works to establish firm and permanent connections, and works towards establishing strong permanent relationships with them,
2. All social contributions made by the Foundation must fulfil the following requirements (irrespective of their legal form, e.g. collaboration agreement, donation or any other legal option or business and of the affected social responsibility area such as promotion of education, culture and sports and protection of vulnerable groups, etc.): they must not be anonymous, and they must be formalised in writing, and in the case of cash donations, a payment method which allows identification of the recipient must be used. Cash contributions are not allowed.
3. Before any socially related contribution is made, consideration must first be given to the legitimacy of the beneficiary, such consideration shall be in accordance with the criteria established by the Compliance Function.
4. In any case, the Foundation must reserve the right to revoke all socially related contributions notwithstanding the right or entitlement to pursue any corresponding legal actions should the data resulting from the internal examination prove to be false or incorrect.
5. The Foundation is strictly prohibited from, directly or using third parties, make direct or indirect donations, including loans or advance payments, to political parties, including federations, coalitions or groups of voters.

Article 30. Protection of the Environment

1. The Foundation's operations are based on respect for the environment, and it complies with or exceeds the standards established in the environmental laws and regulations that may apply and minimises the impact of its activities on the environment.
2. The guidelines for the conduct of the Foundation are to minimise waste and pollution, conserve natural resources, promote the saving of energy, and carry out and sponsor research and development projects that foster environmental protection.
3. The Foundation cooperates with regulatory authorities to develop and promote fair laws and regulations that protect the environment.

Chapter VI. The Ethics mailbox

Article 31. Creation of the Ethics Mailbox

1. The Compliance Division of Scottish Power UK Plc has created an ethics mailbox in order to promote compliance with legality and high standards of behaviour (the "**Ethics mailbox**").
2. The Ethics Mailbox is a confidential and transparent channel through which members of the Foundation can notify any behaviour which may involve the commission of some irregularity or an act that contravenes the law or the standards of conduct set out in the *Code of Ethics* or to consult any doubts which may arise in relation to its interpretation.
3. Communications addressed to the Ethics mailbox may be sent by completing an electronic form that will be available in the "Ethics Mailbox" section of the Employee's Portal.

Article 32. Principles Governing Grievances Reported Using the Ethics Mailbox

1. The Foundation's professionals who have reasonable indications of the commission of any irregular act or of any act in violation of legal provisions or of the rules of conduct laid down in the *Code of Ethics* that are specifically applicable to the Group's professionals must report it through the Ethics mailbox or through any of the mechanisms established by the Foundation for such purpose. In any event, such communications shall always adhere to standards of truthfulness and proportionality, such that this mechanism may not be used for purposes other than seeking compliance with the rules of the *Code of Ethics*.
2. The identity of the person reporting an irregular action through the Ethics mailbox shall be deemed to be confidential information and, therefore, it shall in no event be communicated to the reported party without the consent of the reporting party, thus ensuring non-disclosure of the identity of the reporting party and avoiding any kind of response towards the reporting party from the reported party as a consequence of the report.
3. The Foundation undertakes not to make any direct or indirect reprisals against the professionals that have reported an action amongst those mentioned in section 1 above through the Ethics mailbox.
4. Without prejudice to the foregoing, the data of the persons making the communication may be provided to governmental or court authorities, to the extent required by such authorities as a consequence of any proceeding stemming from the subject matter of the report, as well as to persons involved in any kind of subsequent investigation or court proceeding initiated as a consequence of the investigation. Such provision of data to governmental or judicial authorities shall always be in full compliance with the laws on the protection of personal data.

Article 33. Processing of Grievances Reported through the Ethics Mailbox

1. The transaction of the complaints made through the Ethics mailbox corresponds to the Compliance Function, unless the complaint is directed against him/her, in which case it will be processed by the person designated by the Board of Trustees for the purpose.
2. In all investigations, the right to intimacy, defence, and the presumption of innocence of the people under investigation is guaranteed.

Article 34. Protection of personal data

1. The transfer of personal data via the Ethics mailbox may result in the Foundation processing the personal data of the person who has sent the communication and the person who has been reported. Any personal data processed by the Foundation shall be processed in accordance with Scottish Power UK plc privacy policy available here: <https://www.scottishpower.com/pages/privacy.aspx>.
2. In general, the reported party shall be informed of the existence of a complaint when the initiating the steps to conduct the investigation.
3. However, in cases with a significant risk that such a notification could jeopardise the ability to effectively investigate the allegation or to gather any required evidence, such notification to the reported party may be delayed for as long as the risk exists. In any event, such period shall under no circumstances exceed three months as from receipt of the report.
4. Persons sending a communication through the Ethics mailbox must warrant that the personal data provided are true, correct, complete and current.
5. The data processed within the framework of the investigation shall be deleted as soon as such investigation has finished, unless the measures adopted give rise to administrative or legal proceedings or there are legal reasons for retaining the data. In addition, the Foundation shall keep such data duly blocked during periods in which any

liability could arise from the reports filed or from the steps taken by the Foundation. The Foundation should also consider the need to preserve data that might be relevant to an investigation by the Office of the Scottish Charity Regulator or any other relevant authority.

6. In accordance with applicable data protection legislation, Ethics mailbox users may exercise their rights of access, rectification, erasure, restriction and portability in relation to their personal data at any time. For more information on the rights of data subjects, please see Scottish Power UK plc's privacy policy available here: <https://www.scottishpower.com/pages/privacy.aspx>.

Chapter VII. Miscellaneous provisions

Article 35. Communication, dissemination and assessment

1. The Compliance Function shall communicate and disseminate the *Code of Ethics amongst* Foundation professionals.
2. External dissemination of the *Code of Ethics* shall be the responsibility of the Foundation's Executive Officer.
3. The Compliance Function shall evaluate and prepare an annual report on the degree of compliance with the *Code of Ethics*. The report shall be sent to the Foundation's Board of Trustees.

Article 36. Disciplinary Rules

1. The Foundation shall develop the requisite measures for effective application of the *Code of Ethics*.
2. Nobody, regardless of rank or position, is authorised to request that a member of the Foundation's personnel commit an unlawful act or breach of the provisions of the *Code of Ethics*. In turn, no member of the Foundation's personnel may justify improper or unlawful conduct or conduct that contravenes the provisions of the *Code of Ethics* in reliance on an order from a superior.
3. Activities which contravene the law or the provisions of the *Code of Ethics* will result in the application of appropriate disciplinary action.

Article 37. Update

The Board of Trustees shall revise and update the Code of Ethics from time to time, in accordance with the annual report of the Compliance Function, as well as with suggestions and proposals from the Foundation's personnel.

Article 38. Acceptance

1. The Foundation's personnel expressly accept the mission, values and rules of conduct established in the *Code of Ethics*.
2. Foundation personnel who join or become part of the Foundation in the future shall expressly accept the mission, values and rules of conduct laid down in the *Code of Ethics*.
3. The *Code of Ethics* shall be attached to the employment contracts of all personnel of the Foundation.

Article 39. Approval

The *Code of Ethics* was approved at a meeting of the Board of Trustees of the Foundation held on 16 June 2015 and was last amended on 24th September 2019.