

SCOTTISHPOWER 2016

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# **ScottishPower Modern Slavery Statement 2016**



**SCOTTISHPOWER**



## ScottishPower Modern Slavery Statement

*Scottish Power Limited is the UK parent company of the ScottishPower group ("ScottishPower"). Pursuant to s.54 of the Modern Slavery Act 2015, this statement constitutes ScottishPower's slavery and human trafficking statement ("Modern Slavery Statement").*

### About ScottishPower

ScottishPower is part of the Iberdrola Group, a global energy company which has been recently included in the list of the World's Most Ethical Companies prepared by Ethisphere. ScottishPower operates in the United Kingdom through the following head of business companies: Scottish Power Generation Holdings Ltd (SPGHL), Scottish Power Energy Networks Holdings Ltd (SPENHL) and ScottishPower Renewable Energy Ltd (SPREL), all indirectly wholly owned by ScottishPower.

### The ScottishPower group includes the following business lines:

- Our networks business provides power through a network of cables and power lines that ScottishPower owns and maintains;
- Our generation business delivers energy from across our hydro, gas and biomass generation portfolio;
- Our renewables business develops and operates onshore wind and marine energy projects in the UK and offshore wind farms throughout Europe, managing the development, construction and operation of those projects; and
- Our retail business supplies gas and electricity to over 5 million households and businesses across the UK.



Further information on the ScottishPower group can be found [here](#)

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## The ScottishPower Group

32 

Windfarms / 1,811 MW

1 

Offshore Windfarm / 194 MW

3 

Hydroelectric plants / 566 MW

1 

Underwater power line / 425 km

1 

Cogeneration plant / 1 MW

4 

Combined cycle gas plants / 1,967 MW



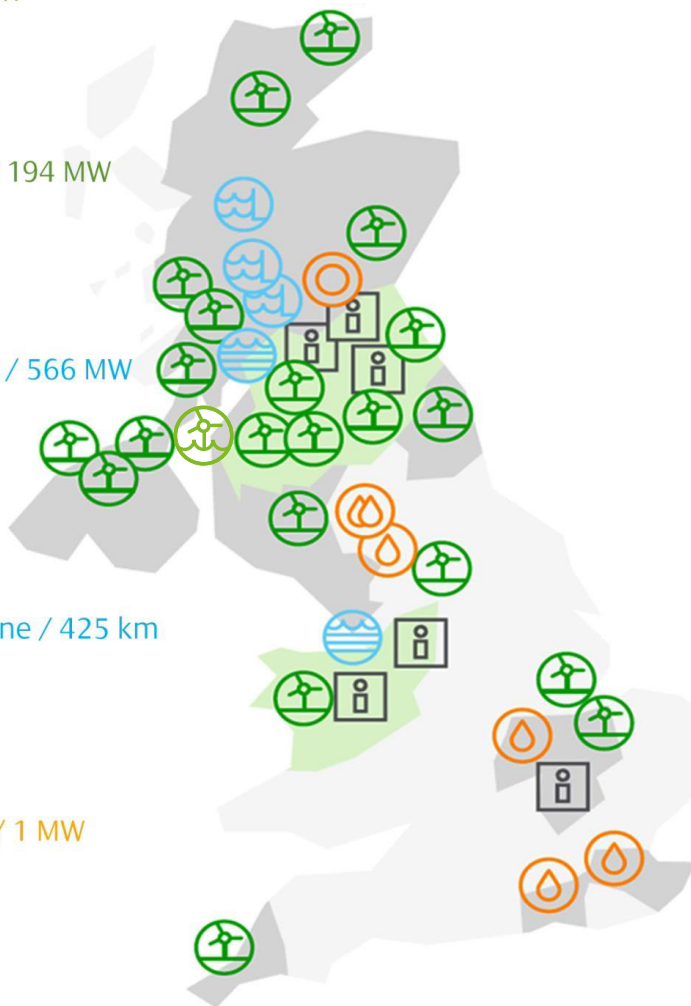
Offices



Electricity  
Distribution



Area of influence



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## Measures to identify and address modern slavery risks

The Modern Slavery Act 2015 prohibits slavery, servitude, forced or compulsory labour and human trafficking ("Modern Slavery"). ScottishPower is committed to combatting all forms of Modern Slavery that could in anyway be connected to our business and supply chain.

### Risk assessment

ScottishPower has conducted an initial Modern Slavery risk assessment in 2016 to identify perceived industry/sector and or geographic areas of Modern Slavery risk. In this risk assessment representatives of all the business lines and the corporate services were involved.

No instances of Modern Slavery were identified; however ScottishPower has suppliers based in Bangladesh, China, India, Russia and the UAE, amongst others, which are countries with a moderate to higher risk rating for Modern Slavery according to the Global Slavery Index. Further diligence on suppliers with links to higher risk jurisdictions or sectors was identified by the risk assessment process as a control measure and a Modern Slavery Questionnaire (the "Questionnaire") was delivered to each of those suppliers. The information obtained from the Questionnaire will be used as a starting point to work on the actions for the Modern Slavery Prevention Annual Plan (the "MSP Plan") before next year's Statement is published.

### Supply chain due diligence

ScottishPower's procurement team assesses significant suppliers and prospective suppliers to ScottishPower against a wide range of compliance criteria and international standards. This procurement process involves registration with Achilles (a supply chain risk management business) and passing an initial qualification and registration process in order to become a ScottishPower pre-qualified supplier. A specific review of the processes and procedures of the procurement team in respect of Modern Slavery began in the financial year ending 30 December 2016. The review is on-going.

### Policies and procedures

ScottishPower adopted a [Policy on Respect of Human Rights](#) on 15 April 2015. This policy formalised ScottishPower's commitment to the human and labour rights recognised in domestic and international legislation and to the principles underpinning the United Nations Global Compact, the Guiding Principles on Business and Human Rights. These principles are also contained in ScottishPower's [Code of Ethics](#). The Code of Ethics sets out ScottishPower's commitment to the principles of business ethics and transparency in all areas of activity and establishes a set of principles and guidelines for conduct designed to ensure ethical and responsible behaviour.

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Article 10 is an example:

1. *The Group hereby expresses its commitment to and solidarity 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 such documents or texts that replace or supplement the ones mentioned above.*
2. *In particular, the Group 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 in the places in which it does business.*

## Suppliers' Code of Ethics

The [Suppliers' Code of Ethics](#) sets out the principles that our suppliers should adhere to regarding ethics, labour practices, the protection of human and worker's rights, and the elimination of forced labour and child labour. The principles and values are expressly accepted by ScottishPower's suppliers through contractual commitments.

## Contracts

We have incorporated further provisions into our standard templates for supplier contracts to manage and reduce the risk of Modern Slavery. These provisions require suppliers to recognise a commitment to prevent Modern Slavery, to take steps to reduce Modern Slavery in their business and supply chain, and to provide information to us in relation to any instances of forced labour. We have the ability to terminate contracts where the supplier has failed to adequately deal with such risks.

## Reporting Concerns

The [Suppliers' Ethics Mailbox](#) is a confidential whistleblowing process for suppliers and their employees to report directly to ScottishPower any conduct believed to be a breach of the [Suppliers' Code of Ethics](#) or any other wrongful, criminal or illegal conduct. A similar whistleblowing process is in place for ScottishPower employees. Our ethics mailboxes are monitored by the ScottishPower Compliance Unit.

## Awareness raising and training

Online training has been provided to employees on ScottishPower's Code of Ethics in order that key principles and values are understood, including respect of human and labour rights.

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The Board of ScottishPower have been briefed on the Modern Slavery Act 2015. In addition, Modern Slavery awareness raising and training programs for ScottishPower employees who may come across Modern Slavery risks are being developed.

We consider that the measures being taken including the MSP Plan, coupled with our overall approach to ethics and employee and supplier engagement, are effective in combatting Modern Slavery within ScottishPower and our supply chain.

**Keith Anderson**

**Director for and on behalf of Scottish Power Limited**



