

# Group Corruption and Financial Crime Prevention Policy

---

## Policy statement

The SSE Group has zero tolerance towards bribery, corruption, financial crime and the making of profits based on, or assisted by, fraud for any purpose.

## Policy purpose

This policy is intended to maintain the Group's established reputation for lawful and ethical behaviour and for financial integrity in all aspects of its business. It aims to minimise the Group's (including its directors' and employees') exposure to financial crime, including bribery, corruption and fraud and maintain a culture where bribery, corruption or fraud is never acceptable.

This policy is owned by the Director of Group Risk and Audit and is one of a suite of group-level policies that promote a healthy business culture, guide decisions and actions as expected by the company's stakeholders and make SSE a responsible company that people want to invest in, buy from, work for and partner with.



**Ewan Currie**

Director of Group Risk and Audit



**Martin Pibworth**

Chief Executive Officer



## POLICY PRINCIPLES

The following principles highlight how we expect the policy statement to be achieved, and should be used to guide behaviours, decision making and action:

Corruption	<ul style="list-style-type: none"> <li>• SSE will implement controls and strategies to manage the risks and to comply with legal and regulatory obligations and reporting requirements relating to corruption.</li> </ul>
Financial Crime	<ul style="list-style-type: none"> <li>• SSE aims to maintain a strong and positive culture towards ethics and compliance and doing the right thing. Financial crime is never acceptable and may include, but is not limited to, the following:           <ul style="list-style-type: none"> <li>○ Extortion (Cyber)</li> <li>○ Fraud, Fraudulent Reporting and Fraudulent Disbursements</li> <li>○ Financial and Trade Sanctions</li> <li>○ Money Laundering and Terrorism Financing</li> <li>○ Bribery</li> <li>○ Theft, Asset Misappropriation and Energy Theft</li> <li>○ Human Rights and Modern Slavery</li> <li>○ Facilitating Tax Evasion</li> <li>○ Market Abuse</li> </ul> </li> <li>• As hospitality/gifts can be perceived as a form of bribery, when deciding whether to accept or offer hospitality/gifts guiding principles should be followed as outlined in Group Gifts and Hospitality Procedure.</li> <li>• SSE requires the disclosure and management of actual and potential conflicts of interest.</li> </ul>
Anti-Competitive Practices	<ul style="list-style-type: none"> <li>• In conducting its business, SSE has zero tolerance in relation to any competition law infringement. It is committed to competing vigorously and fairly, and to giving full consideration at all times to its obligations under UK, EU and Irish competition law (together with competition laws in any other jurisdiction in which SSE is active).</li> </ul>



## ROLES AND RESPONSIBILITIES

This policy applies to all SSE employees, contingent workers and people contracted to provide services to the Company through third parties.

Where we operate internationally, we will utilise our Group Policies as a default, subject to legal or regulatory requirements of the relevant international domain, and relevant local policies and supporting procedures.

**MDs, Directors and Managers** are responsible for making sure that their teams understand and comply with the policy and supporting procedures as well as complete any relevant training.

**All employees** must comply with the policy and supporting documents and complete all relevant training.

**The Group Ethics and Financial Crime Team** understands, monitors and manages SSE's statutory obligations and risk profile across ethical conduct and financial crime, setting standards, providing policy advice and support, enhanced training and carrying out horizon scanning and external benchmarking to support future-proofing the organisation.

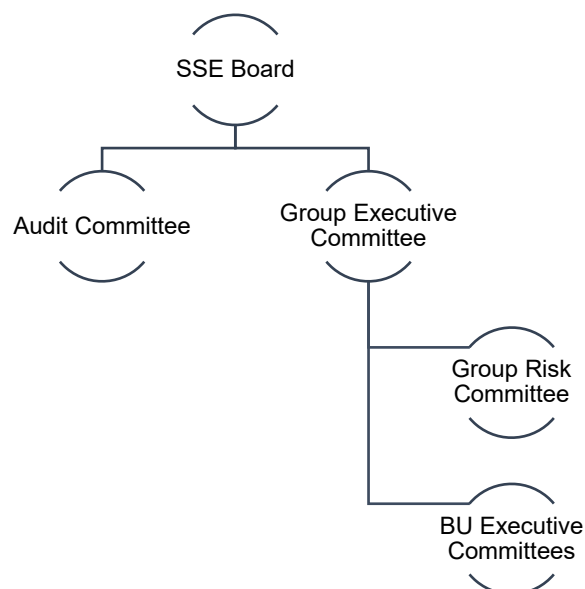
Each **Business Unit Financial Crime Officer** can offer support and guidance on any concerns you may have about financial crime risks and can give advice on the completion of additional enhanced training.



## GOVERNANCE

The **SSE plc Board** and **Group Executive Committee** are responsible for the oversight for this policy including the approval of any changes to the policy. This policy is reviewed annually as part of an evaluation process.

**The Group Risk Committee (GRC)** reviews risk exposures across the Group, by overseeing the controls and strategies employed to manage these risks, and, by ensuring and promoting an effective system of internal control.





## TRAINING

SSE has a communications and training programme for key ethical topics to ensure we are all aware of our responsibility to do the right thing. Completion of relevant eLearning modules is mandatory for all employees, with Business Unit Financial Crime Officers and other employees required to undertake role-specific training related to Bribery and Anti-Corruption, Anti-Money Laundering, Financial Sanctions and Fraud Awareness. Selected employees are required to complete mandatory eLearning in relation to REMIT annually.



## SPEAKING UP

Any form of corruption will be treated as gross misconduct and disciplinary procedures will be rigorously applied. This may result in dismissal and, in some cases, criminal prosecution.

Individuals, employees, managers, directors and companies can all be held accountable for bribing other individuals or organisations under the Bribery Act 2010. Penalties for bribery offences include imprisonment for up to 10 years and unlimited fines. Directors may also be disqualified from acting as a director, and companies banned from entering into public sector contracts.

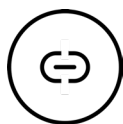
Under the Economic Crime and Corporate Transparency Act 2023 companies can be held accountable for failing to prevent fraud and for economic crimes committed by senior managers who are responsible for making decisions about how the whole or a substantial part of the activities of the company are managed or organised.

SSE encourages all employees to report any instances of suspected bribery, corruption or financial crime. Employees can contact the Group Ethics and Financial Crime Team by emailing [FinancialCrime@sse.com](mailto:FinancialCrime@sse.com) or raising a request for advice on the Financial Crime Hub

Employees can discuss anything that falls short of our expected high standards of ethical conduct and compliance, with their line or any other manager within the business. Alternatively, any concerns can be raised internally at [Speakup@sse.com](mailto:Speakup@sse.com) or externally through SafeCall using:

- Phone:
  - UK - 0800 915 1571
  - Ireland - 1800 812 740
  - All other countries +44 800 915 1571. If you are more comfortable speaking in your own language, an independent telephone interpreter will be made available.
- Email: [sse@safecall.co.uk](mailto:sse@safecall.co.uk)
- [www.safecall.co.uk/report](http://www.safecall.co.uk/report)

*Any wrongdoing brought to light through the Whistleblowing Policy will result in internal disciplinary procedures, possible dismissal and criminal prosecution of individuals involved.*



## SUPPORTING DOCUMENTS

SSE's Guide to Ethical Business Conduct Doing the Right Thing sets out clearly the behaviours and standards expected of all of our employees.

Additional guidance and supporting documents can be found on the Document Library including:

- The Financial Crime Hub through which advice and support can be requested.
- The Employee Financial Crime Guides provides a high-level overview of the rules that all SSE business areas must follow.
- The Group Financial Crime Framework sets out the minimum standards which should be applied across the SSE Group to demonstrate compliance with the Group's principal anti-financial crime obligations.
- Group Gifts and Hospitality Procedure
- Group Gifts and Hospitality Portal
- Conflict of Interest Procedure
- Human rights Escalation Process

You can find additional rules-based guidance via the iComply portal on SSEnet.

Procedures relating to the **FCA** regulated business can be found on the Document Library:

- EPM (Energy Portfolio Management)



## DEFINITIONS

**Corruption** involves dishonest or illegal behaviour, deception and / or concealment (whether for personal gain or perceived operational benefit). Corruption can include, but is not limited to, fraud, theft, bribery, mis-reporting, conspiracy, embezzlement, deception, misappropriation or acts of financial crime such as money laundering, tax evasion or terrorist financing.

**Bribery** is where a financial (or other) advantage is given or received to improperly induce performance of functions or activities, or to reward a person for already having done so. Examples of bribery include: the giving or receiving of cash, gifts, credits, discounts, hospitality, travel, accommodation, services or the awarding of contracts to procure a personal or business advantage; inducing those with a public function to perform it improperly (e.g. to make a favourable decision); enticement to speed-up routine actions or processes.

**Facilitation payments** are bribes. You must not make or accept a facilitation payment on SSE's behalf. Facilitation payments are typically made to secure or expedite the performance of a routine action by a public official. It is an offence to offer a facilitation payment or "grease payment" to a person (usually a public official) to induce the person to expedite processes in an unofficial manner.

**Fraud** is the intentional act of deception carried out to secure unlawful gain or to cause loss to another party. It encompasses a wide range of criminal behaviours including, but not limited to, false representation, failure to disclose information, abuse of position, false accounting, and fraudulent trading. Fraud may be committed by individuals or entities and can occur internally or externally to the organisation.

**Hospitality** includes (but is not exclusive to), entertainment or invitations to different events (including sporting events), ceremonies, exhibitions, forums, charity events offered by a company to customers, suppliers, trading partners or other business contacts to promote business