

# Group Corruption and Financial Crime Prevention Policy

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## Policy statement

SSE's policy is that it has zero tolerance towards corruption, fraud and criminality (including financial crime), and the giving or receiving of bribes for any purpose.

## Policy purpose

This policy is intended to maintain SSE'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 bribery, corruption and financial crime and maintain a culture where bribery or corruption is never acceptable.

This policy is owned by the General Counsel 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.



**Liz Tanner**  
General Counsel



**Alistair Phillips-Davies**  
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> <li>• Corruption can include, but is not limited to, acts of financial crime, internal or external fraud, theft, bribery, mis-reporting, deception, or misappropriation.</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>○ Financial Sanctions</li> <li>○ Money Laundering</li> <li>○ Bribery</li> <li>○ Terrorism Financing</li> <li>○ Human Trafficking 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 PR-COR-078 Corporate Hospitality Procedure.</li> <li>• SSE promotes the disclosure and management of potential conflicts of interest.</li> <li>• SSE only accept and raise invoices and other contractual documents which are true to our agreed commercial situation and which do not include false information.</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>
REMIT	<ul style="list-style-type: none"> <li>• SSE will comply with EU Regulation No.1227/2011 on wholesale energy market integrity and transparency (REMIT) (“the Regulations”).</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.

**MD's, 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 Anti Financial Crime Officer** assists in financial crime horizon scanning, regulatory news and preparing internal financial crime updates.

Each Business Unit **Anti Financial Crime Officer** can offer support and guidance on any concerns you may have about AFC risks and complete additional enhanced training.

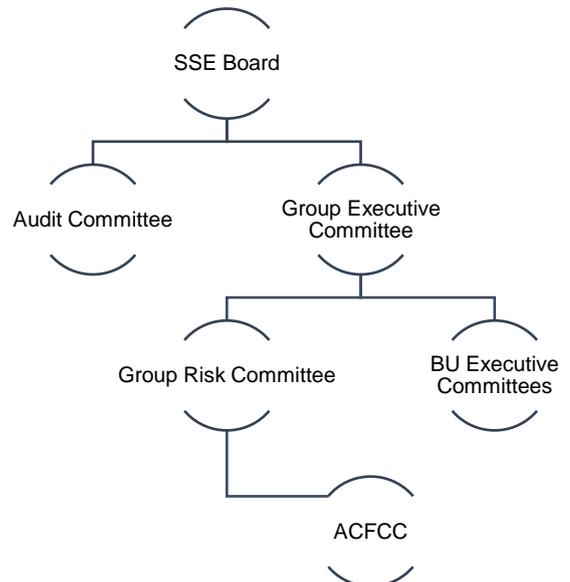
The **Group Compliance team** can also provide further policy advice and support.



## 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 Anti-Corruption and Financial Crime Committee (ACFCC)** supports the Policy Owner and MDs to drive policy adherence through awareness, training and monitoring of policy implementation. Incidents and breaches are reviewed and where appropriate opportunities for improvement are actioned.





## TRAINING

SSE has an Ethics and Compliance eLearning programme for key topics to ensure we are all aware of our responsibilities for doing the right thing.

Bi-Annual completion of the following core Ethics and Compliance eLearning modules is mandatory for **all employees**:

- Fraud Awareness
- Bribery and Anti-Corruption
- Anti-Money Laundering and Financial Sanctions

Completion of the following core Ethics and Compliance eLearning modules is mandatory for **selected employees**:

- Competition Law (bi-annually)
- REMIT (annually)

**Business Unit Anti-Financial Crime Officers** also undertake advanced mandatory training.



## 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.

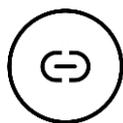
Individuals, employees, managers, directors and companies can all be held accountable for bribing other individuals or organisations under the Bribery Act 2010. Penalties for bribery offences include imprisonment for up to 10 years and unlimited fines. Directors may also be disqualified from acting as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

SSE encourages all employees to report any instances of suspected bribery or corruption.

If you see or hear something that falls short of our expected high standards of ethical conduct and compliance you should be able to discuss it with your manager, or a Speak Up Ambassador. When that is not possible you are encouraged to raise issues with SafeCall through the following channels:

- Phone: 0800 915 1571 (UK) 1800 812 740 (Ireland)
- Email: [sse@safecall.co.uk](mailto:sse@safecall.co.uk)
- [www.safecall.co.uk/report](http://www.safecall.co.uk/report)

Alternatively, you can contact the Group Anti-Financial Crime Officer by emailing [corporateanti-financialcrime@sse.com](mailto:corporateanti-financialcrime@sse.com) or raise a request for advice on the [AFC Portal](#).



## 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 Document Library including:

- The [Financial Crime Guide](#) provides a high-level overview of the rules that all SSE business areas must follow.
- The [Anti-Financial Crime Framework](#) sets out the minimum standards which should be applied by all business units across the SSE Group to demonstrate compliance with the Group's principal anti-financial crime obligations.
- The [Group Inherent Fraud Risk Register](#) provides useful guidance on Fraud risks across SSE.
- PR-COR-078 [Corporate Hospitality Procedure](#).
- [Group Hospitality and Gifts SharePoint site](#).

You can find additional rules-based guidance via the [iComply portal](#) on [SSEnet](#).

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

- [EPM](#)
- [Fleet Services](#)



## DEFINITIONS

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

**Corporate Hospitality** can be described as entertainment offered by a company to customers, suppliers, trading partners or other business contacts to promote business. It excludes business meals with a pre-defined purpose, and which are required to take place away from SSE premises for reasons of privacy, confidentiality or logistics, these are defined as formal meetings.

Comments and feedback on this policy and its application are welcome.

Please contact [gaby.dosanjh-pahil@sse.com](mailto:gaby.dosanjh-pahil@sse.com) or [corporateanti-financialcrime@sse.com](mailto:corporateanti-financialcrime@sse.com)