

Group Procurement Policy

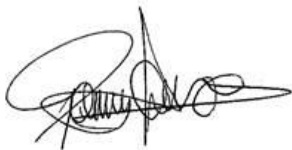
Policy statement

SSE's policy is to act ethically, sustainably and within the law in its procurement of goods, work and services from external sources.

Policy purpose

The purpose of this policy is to ensure all procurement within SSE complies with obligations that arise from EU Procurement Directives including the principles of; transparency, non-discrimination, equal treatment, mutual recognition and proportionality.

This policy is owned by the Director of Procurement, Commercial & Logistics 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.



Ronnie Fleming
Director of Procurement, Commercial & Logistics



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:

Sustainable Supply Chain	<ul style="list-style-type: none"> • SSE's expects that business is conducted ethically, sustainably and within the law and expects its suppliers, and encourages the same of their supply chains, to meet the principles outlined in its Responsible Procurement Charter. This means as a minimum complying with local laws and regulations and respecting internationally recognised human and labour rights, however the values of fairness and respect are equally important to SSE. • SSE has zero tolerance of modern slavery in all its forms in its own business and supply chain. This means not using forced labour, servitude, slavery, human trafficking, debt bondage, forced or servile marriage, descent based slavery or child labour, and the right to freedom of association and collective bargaining is respected.
Procurement Authority Levels	<ul style="list-style-type: none"> • SSE sets authority to approve the approach to procurement and the placement of contracts with third parties. These are outlined in WI-PRS-EMP-080 Procurement Authorisation Levels. • Information Security and Data Protection risk is considered within Procurement processes. SSE's suppliers should protect confidential information and personal data belonging to or vested in SSE in accordance with all relevant laws, and act to prevent its misuse, theft, fraud, or improper disclosure.
People	<ul style="list-style-type: none"> • SSE maintain a professional Procurement and Commercial team with sufficient knowledge, skills and experience to carry out their duties and engage with its strategic supply chain partners to establish long term relationships which create value for SSE. • SSE is committed to the principles outlined within the Prompt Payment Code and to the fair treatment of all suppliers, adopting an approach of providing suppliers with quick resolution of invoices and ensuring any queries or issues are managed effectively.



ROLES AND RESPONSIBILITIES

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

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 procedures and complete all relevant training.

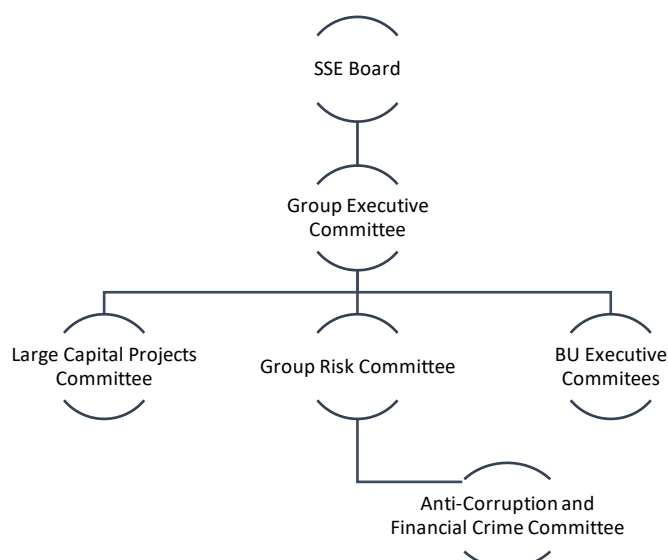


GOVERNANCE

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 Executive Committee** supports the Policy Owner to make sure that the policy is adhered to through awareness, training and monitoring of policy implementation.

Incidents and breaches are reviewed and where appropriate opportunities for improvement are actioned.



TRAINING

In order to achieve our vision of providing a world class Procurement & Commercial Service we shall maintain a professional Procurement and Commercial team with sufficient knowledge, skills and experience to carry out their duties. To support this Procurement and Commercial have in place:

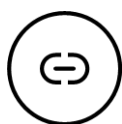
- Sourcing to Contract (S2C) processes which are available to all Procurement and Commercial Staff.
- A full and comprehensive Licence to Operate (LTO) Initiative aimed at making everyone better at their job by improving knowledge, skills and personal attributes of all staff in the Directorate. LTO covers many of the foundational and technical elements of each job role within the Directorate and all modules and required staff are set out in our P&C Hub.
- An annual P&C Training Needs Analysis and Talent Segmentation Review.



SPEAKING UP

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, but 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
- www.safecall.co.uk/report



SUPPORTING DOCUMENTS

Additional documents available to provide further guidance and support include:

- STM-PRS-002 [Responsible Procurement Charter](#)
- WI-PRS-EMP-080 [Procurement Authorisation Levels](#)
- COP-PRS-001 [Procurement: Code of Practice](#)

Further information can also be found on the [Procurement and Commercial Engagement Portal](#)

Complementary policies include [PO-GRP-003 Group Cyber Security Policy](#), [PO-GRP-009 Group Human Rights Policy](#) and [PO-GRP-016 Group Sustainability Policy](#).