



Responsible Procurement Charter

This Responsible Procurement Charter (RPC) presents some basic principles for working with SSE.

SSE seeks to be a Responsible Buyer of goods and services. We set high standards to ensure that all our business is conducted ethically, sustainably and within the law. We also expect our suppliers to comply with all applicable local laws and regulations and to respect internationally recognised human and labour rights.

Health and Safety

SSE believes that all accidents are preventable, so we do everything safely and responsibly or not at all.

We aim to provide staff with the training, work methods and equipment necessary to achieve the highest level of health and safety performance.

We expect our suppliers to comply with relevant legislation such as CoSHH, REACH and RoHS where appropriate.

We also expect our suppliers to work with the UK and Irish governments, other administrations, Ofgem and other regulators in the UK and Ireland to secure a stable and competitive framework for electricity generation and energy supply.

Suppliers working on our sites are expected to respect SSE's health and safety culture and where appropriate we will seek evidence that our suppliers are compliant.

Bribery and Kickbacks

Suppliers must not engage in any form of commercial bribery or kickback, or offer any incentive to any SSE employee, their family or friends, in order to win or retain SSE business.

For all transactions relating to the manufacture, distribution or delivery of goods, works or services to SSE (or relating to SSE) suppliers must comply with our RPC, Bribery Act 2010 legislation, plus local laws against bribery of state officials.

Suppliers must not transfer anything of value, directly or indirectly, to any state official, state-controlled company employee or political party in order to obtain improper benefit or advantage (e.g. relating to regulatory permits, taxation, customs, judicial or legislative proceedings).

Suppliers must keep current, accurate written accounts of all payments (including gifts, meals, entertainment and anything of value) made on behalf of SSE, or from funds provided by SSE.

Supporting Local Economic Supply Chains

SSE is committed to ensuring that real economic and social benefits flow to local businesses and communities as a result of our investment in new energy infrastructure throughout the UK and Ireland. Our key supply partners are critical to delivering this objective. SSE looks to them to form constructive local relationships so that local communities feel a direct benefit from those significant capital investments. SSE undertakes significant economic impact assessments of its investment portfolio to monitor the impacts made on the UK, Scottish and Irish economies.

Modern Slavery

SSE has a zero tolerance of modern slavery in all its forms in our own business and in our supply chain. This means not using forced or compulsory labour, and / or labour held under slavery or servitude.

Suppliers must not have any form of modern slavery across their business or supply chain. Suppliers with a turnover over £36m must comply with the Modern Slavery Act 2015 and publish modern slavery statements publicly. SSE will seek evidence that suppliers are compliant.

The Living Wage

SSE is a Living Wage accredited employer. The Living Wage Foundation promotes a UK Living Wage and a London Living Wage, based on hourly rates that are set independently and updated in November of each year.

As part of its Living Wage commitment, SSE is phasing in the Living Wage across its supply chain. From April 2014, all applicable service and works contracts include a Living Wage obligation.

This will mean that any contracted or subcontracted UK employee who works regularly to provide services to SSE's customers or works regularly on an SSE site in the UK will earn at least the Living Wage. For more information e-mail: living.wage@sse.com.

Employment

As a Responsible Employer SSE is committed to promoting equal opportunities to all of our employees, clients, communities, suppliers and contractors, whether permanent or temporary.

SSE will not discriminate on the basis of age, disability, gender reassignment, marriage and civil partnership, pregnancy and maternity, race (which includes colour, nationality and ethnic or national origins), religion or belief, sex or sexual orientation.

We expect all businesses in our supply chain to respect the people they employ directly or indirectly and offer a safe workplace that is free from harm, intimidation, harassment or fear.

Information Security

Suppliers should protect confidential information belonging to or vested in SSE in accordance with all relevant laws, and act to prevent its misuse, theft, fraud, or improper disclosure.

Suppliers must take due care in handling, discussing, or transmitting sensitive or confidential information that could affect SSE, its employees, its customers, the business community or the public, even after their assignment or contract with SSE has expired.

Prompt Payment

SSE has voluntarily signed up to the obligations of the Prompt Payment Code which is accredited by the Institute of Credit Management.

We have reduced our standard payment terms to net 30 days and are working hard to make meet the obligations set out in the code.

Environment

SSE aims to prevent environmental damage and at all times comply with legislative and regulatory requirements. Furthermore, SSE will actively seek to develop positive environmental impacts as a responsible energy operator, develop and supplier.

We expect our suppliers and encourage their supply chain to measure, manage and reduce their carbon footprint. Furthermore, we expect our suppliers to report greenhouse gas emissions performance using internationally recognised greenhouse gas reporting frameworks (such as GHG Protocol and the UK Government's environmental reporting guidelines) and standards in mainstream company reports and get data externally verified to standards (such as ISO14064 and ISAE2000) by credible accredited third parties.

Conflicts of interest

Suppliers should avoid any interaction with SSE employees that may conflict, or appear to conflict, with any employee acting in the best interests of SSE.

Suppliers should not employ or otherwise make payments to any SSE employee during the course of any business transaction (other than pursuant to the SSE contract).

If a supplier employee is a family relation to any SSE employee, or if the supplier has any other relationship that might represent a conflict of interest, the supplier should disclose this fact to SSE and ensure that any SSE employee does so.

Reporting

Suppliers who believe that an SSE employee, or anyone acting on behalf of SSE, has engaged in illegal or otherwise improper conduct, should report the matter to SSE. Suppliers similarly should report any potential violation of this Charter.

Reports may be made directly by email to rpc@sse.com.

A supplier's relationship with SSE will not be affected by an honest report of potential misconduct.