

Introduction

ScottishPower is committed to achieving a better future, quicker, by leading the

We're delivering this transition by unlocking green gro in communities across the country through a record £24 billion investment in UK energy infrastructure by 2028. This investment will double our renewable ene generation capacity, meeting rising demand as more people and businesses shift away from fossil fuels. C investment of £18 million every working day will ensu sustainable energy future.

Our ambition extends beyond environmental sustainability and into fostering a diverse and inclusiv workplace, backed by our largest-ever green jobs recruitment campaign which has seen 1,500 new hire welcomed into ScottishPower since July 2022.

We are pleased to report that our gender pay gap ha continued to reduce year on year, falling to 7.6% in 202 down from 8.1% in 2023.

Alongside commitments to gender equality, we have implemented several initiatives to attract and retain a diverse range of talent. Key actions taken include implementing the recommendations from the independent Early Careers Recruitment Audit to enh candidate attraction and selection processes, introdu

transformation of energy systems across the UK. As the first major UK energy company to generate 100% renewable electricity, we are at the forefront of the transition to net zero.

rowth y ergy e	a new partnership with Black Professionals UK as our employability programme and implementing a Allies Programme for senior leaders in collaboration our Executive Diversity & Inclusion Committee.
Our ure a	In addition, we are working towards EDGE+ accred by 2026, a leading global standard for Diversity, Ed and Inclusion (DE&I) focusing on workplace gende intersectional equity. We're also continually improve the transparency of our D&I metric performance a
ive	continuing to focus on our existing employability programmes.
res	
as 024,	Supporting our communities, ScottishPower has continued delivery of the largest single investment women's football in Scotland through our role as F Partner of both Scottish Women's Football and the Scottish Women's Premier League.
he hance ducing	As we move forward, ScottishPower remains com to creating an environment where everyone can the contributing to a sustainable and inclusive future. On dedication to diversity, equity, and inclusion is integrated our mission of delivering vital green energy infrastr projects and supporting a better future, quicker, for



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past year.

"We understand that the transition to net zero has to create" opportunities and ensure that no one is left behind.

"Our commitment to investing in green energy infrastructure runs in parallel to our dedication to fostering an inclusive culture that supports every individual within our community.

"As a result, our investment in people is as crucial as our investment in technology. This year, we've seen the impactful launch of our Strategies 4 Success programme, complementing the global 'HerEnergy' initiative, both designed to empower female leadership at ScottishPower. We're continuing to see positive, tangible outcomes from these efforts benefitting both individuals and the wider business through the successful transition of green energy projects from concept through to delivery.



"As we look ahead to 2025, our priorities span three areas of focus across Talent, Culture and Social Contribution. In practice this means continuing our efforts to attract and retain talent from the broadest possible range and to create a culture that provides opportunities for people to be the best they can be."

Keith Anderson, **CEO ScottishPower**



"As we continue our journey towards achieving a better future, quicker, I am immensely proud of the strides we have made in the

Delivering a better future quicker through diversity & inclusion

As a leading UK energy provider, we're working every day to achieve a better future, quicker, for all of us.

To deliver on this mission, we aim to inspire a truly inclusive culture that helps our people to deliver vital green energy infrastructure projects in a supportive environment.

One of the key inclusivity challenges facing the energy sector is the underrepresentation of women in leadership roles. To play our part in the solution, we have set a target to increase the percentage of women in senior management positions such that it exceeds 35% by 2030.

Empowering Female Leadership at ScottishPower

As part of a companywide strategy to improve gender representation in the sector, we've implemented two career development programmes known as "HerEnergy" and "Strategies 4 Success", that share a common goal of empowering women to assume leadership positions.

HerEnergy: **Empowering Women in the Energy Sector**

Launched in 2023, HerEnergy is an Iberdrola group-level programme that offers real-world leadership experience for female employees. The programme covers project management, concept development, presentation skills, stakeholder management, financial planning, and strategic delivery.

Participants are placed into teams of six to develop a live business proposal, which they pitch to the Iberdrola Senior Executive panel. Successful teams then implement and deliver the project. This initiative has proven invaluable for participants, providing a solid foundation for managing complex projects and delivering tangible results.

HerEnergy enhances visibility and engagement within the organisation, providing participants with the chance to interact with the Senior Executive team and hone their presentation skills. This direct interaction boosts confidence and offers insights into career planning.

"The programme has been" highly rewarding, offering me the opportunity to work with and learn from people I wouldn't normally interact with. The oneto-one mentoring has been particularly valuable, helping me build on my experience and skills. I advise anyone considering the programme to fully embrace the opportunity to learn and build powerful relationships."

Irene Monescillo

Head of Regulated Transaction Services, ScottishPower Renewables





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Delivering a better future quicker through diversity & inclusion (cont.)



"Strategies 4 Success has been highly valuable for my personal development. The open and honest learning environment allowed us to build authentic connections and a network of like-minded individuals. I now feel more confident in articulating my career goals and have had many meaningful conversations about my career direction beyond the course. We continue to meet and share solutions to career challenges, committing to helping others develop their skills and achieve their career goals."

> Dawn Clayton, Commercial Development Manager, Smart Solutions

Impacts:

- A number of the first cohort at the Iberdrola group level have already been promoted.
 Syndrome, career development mapping,
- The first ScottishPower-led project has moved from concept to delivery, with three members in leadership positions within a new business unit.

Strategies 4 Success: Cultivating Future Female Leaders

Launched in 2024, Strategies 4 Success is a ScottishPower leadership development initiative aimed at nurturing high-potential future leaders. The programme offers a supportive network and addresses both personal and professional development challenges relevant to female leaders.

Conclusion

Delivering on ScottishPower's vision to support a better future, quicker, requires attracting, retaining, and nurturing a broad range of talent by creating opportunities and inspiring people to be the best they can be.



The course includes in-person days and virtual sessions, covering topics such as imposter syndrome, career development mapping, visualisation of success, and goal setting. Participants receive one-to-one coaching and engage in peer learning activities, fostering a sense of community and support.

ScottishPower plans to expand the reach of the Strategies 4 Success programme while maintaining its quality, running multiple cohorts per year and using the impacts to support recruitment efforts by showcasing its commitment to gender diversity.



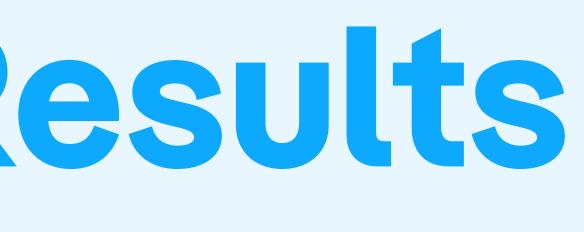
Gender Pay Gap Results

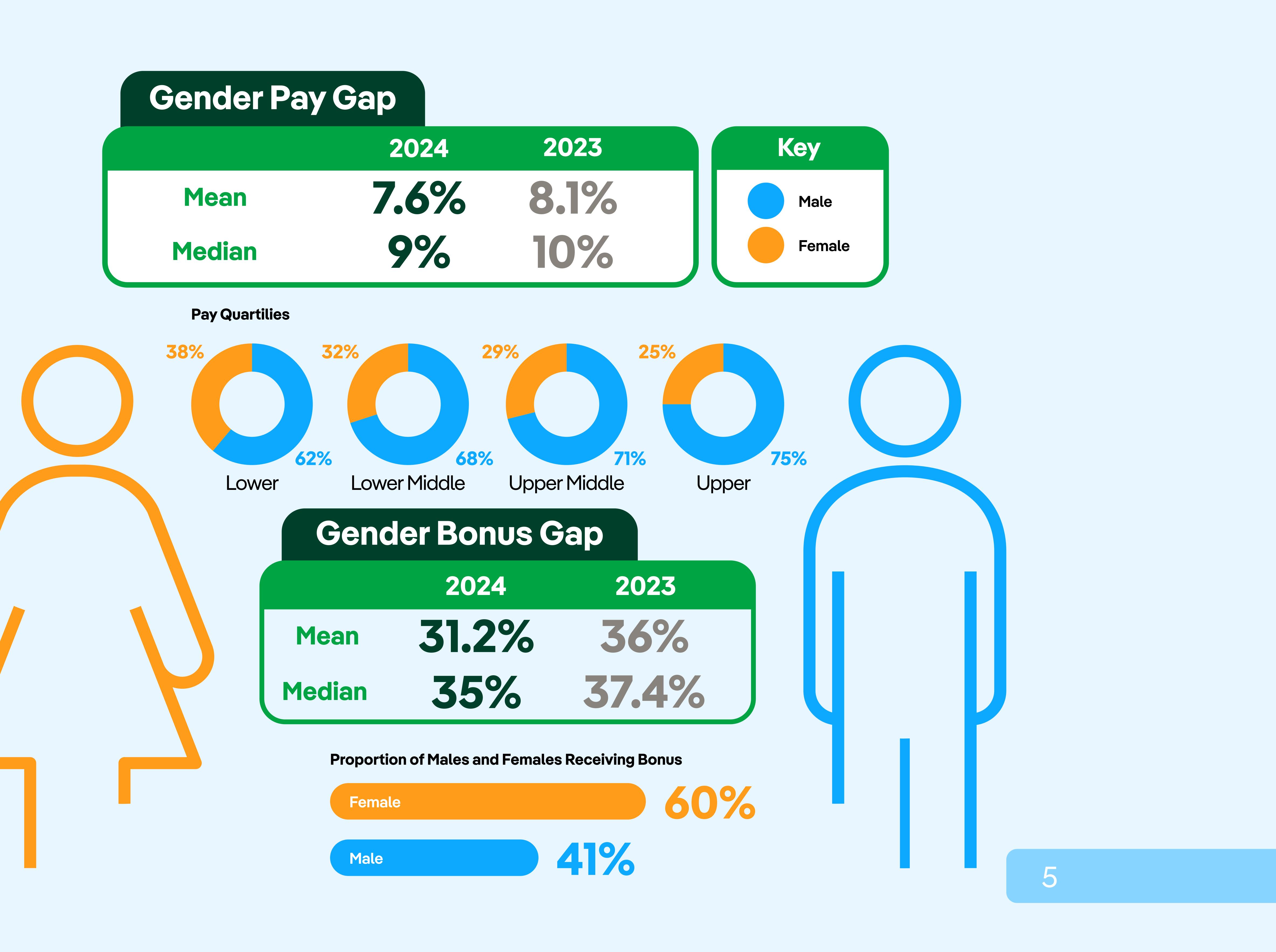
We're working hard to improve gender representation and both our median and mean gender pay gaps continue to fall year-on-year. However, the average hourly rate of all our male employees is greater than our female employees.

This is aligned with more males performing technical roles that command a premium in the market. These roles also receive allowances to compensate for unsociable work patterns.

In 2024, the proportion of females in our senior management population decreased to 32% (2023 34%). The number of women at this level remains unchanged whilst the number of men has increased slightly year on year. However, we remain focused on achieving our aspirational target to increase the number of females in our senior management population to exceed 35% by 2030

The proportion of females in our middle management population has decreased to 32% (2023 33%). There has been a 12% increase in the number of women in this population however the number of men increased by 13% year on year.





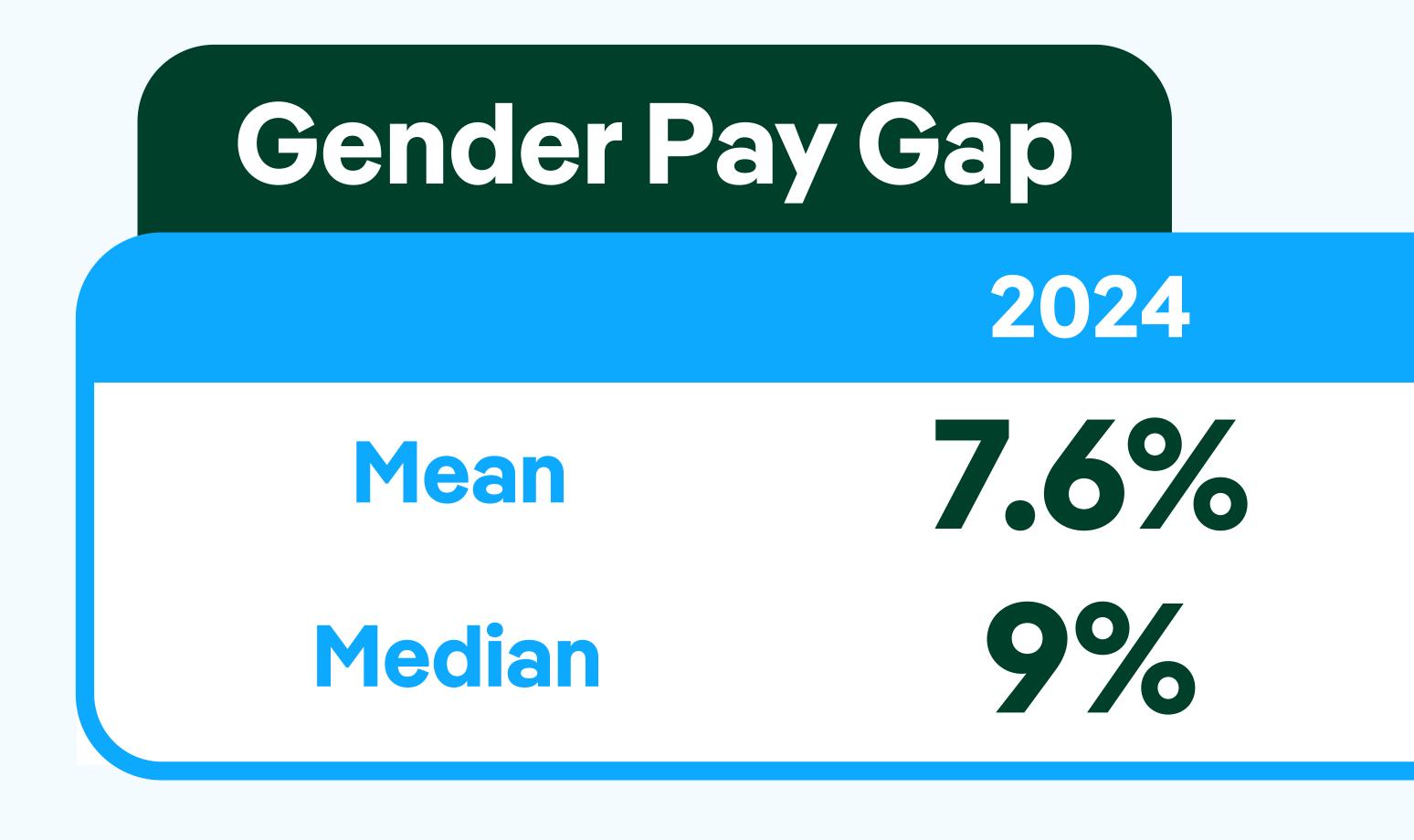


Analysis of Our 2024 Pay Gap

Our mean pay gap has decreased to 7.6% (2023, 8.1%) while our median pay gap is reported at 9% (2023, 10%).

This reduction is attributed to the sustained high volume of male trainees recruited to our SP Energy Networks business, restructuring activity and the profile of senior male leavers.

As a result of these changes the difference in average earnings between women and men has reduced.









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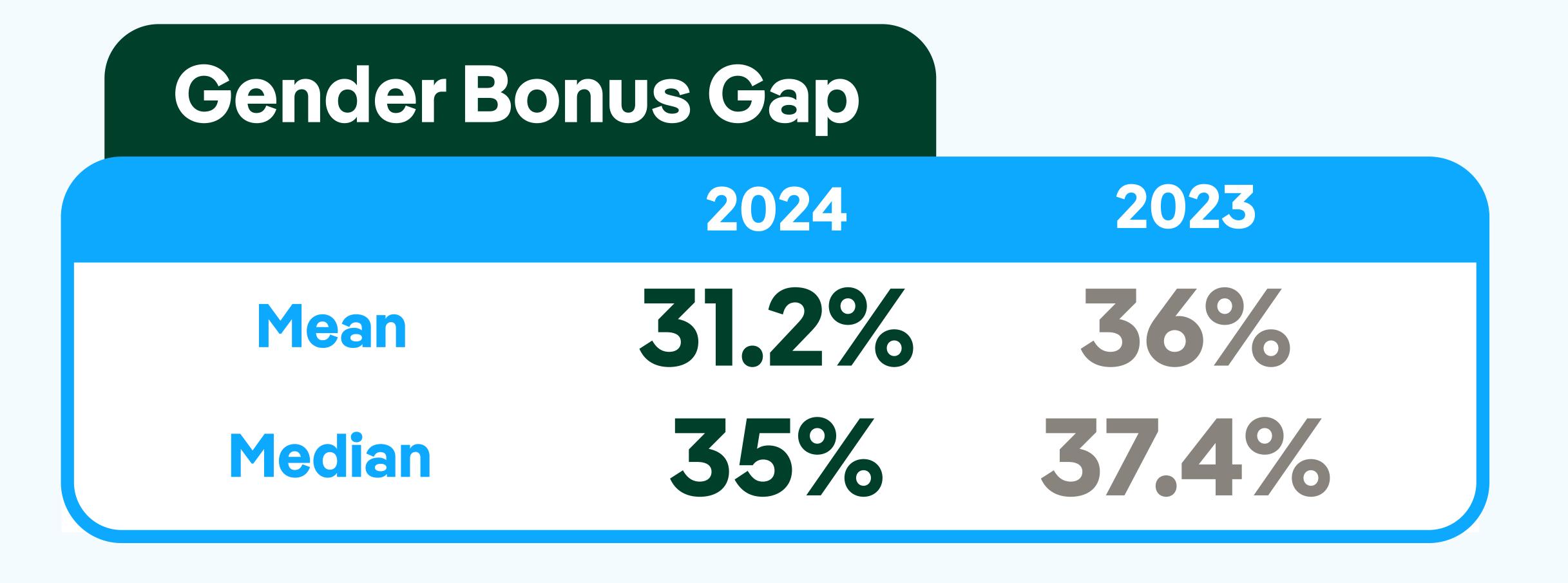
Analysis of Our 2024 Bonus Gap

Our mean bonus gap has decreased to 31.2% (2023, 36%) while our median bonus gap is reported at 35% (2023, 37.4%).

The year-on-year decrease in the bonus gap can be attributed changes in headcount mix which meant that bonus payments were lower on average particularly in male dominated areas.

UK Government methodology mandates that we include data from several different performance-related schemes in place across the organisation.

Within our collectively bargained populations, the nature and timing of these fixed payments linked to the achievement of business results varied between the 2023 and 2024 reporting periods.





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Embedding & Inspiring an Inclusive Culture

Here is what we delivered in 2024:



Talent

- Implemented recommendations from the independent Early Careers Recruitment Audit to further improve diverse candidate attraction and selection.
- Increased the proportion of senior management vacancies that incorporate diverse shortlisting and interview panels.
- Launched Strategies 4 Success, a management development programme for Female Middle Management using an innovative approach to more effectively empower females who aspire to progress.



Culture

- Worked with the Executive D&I Committee to launch a new Allies Programme for senior managers.
- Rolled out free period products for all female employees across our UK in the Workplace accreditation.
- Used insightful data on employee progression trends to identify opportunities and potential barriers to progression which have informed proposals to increase paternity, carers, and neo-natal care leave offerings for all employees.

At ScottishPower we're working hard to create an inclusive culture for all. We believe that an inclusive business provides a productive, supportive, and successful environment.

sites as we work towards Menopause

Social Contribution



 Continued to enhance our STEM in education programme to engage with thousands of school age girls and boys with exciting opportunities and initiatives throughout the year including a new partnership with Girlguiding Scotland.

Incorporated a new partnership with Black Professionals UK by offering placements where participants gain work experience to grow their careers as part of our employability programme.

• Built on our SP Energy Networks business Inclusive Services certification by the British Standards and Improvement Company (BSI) with the achievement of EDGE Certification - leading global standard for Diversity, Equity, and Inclusion (DE&I).

Our 2025Priority Areas

In 2025, we will continue to inspire an inclusive culture, helping our people to deliver a record number of green energy infrastructure projects in a fulfilling and supportive environment.

The future:

To be truly inclusive, we need to continually evolve and adapt our recruitment practices. Using insight and feedback from our colleagues, we will continue to refine our approach.

Broadening demographic and gender diversity is at the heart of our recruitment strategy. We'll strive to match the progress within our graduate programmes on gender diversity within our apprentice roles; reaching and attracting diverse audiences to apply shall continue be a key focus for us going forward.

Our vision is to attract talent from the broadest possible range as well as retaining talent by creating opportunities and inspiring people to be the best they can be, supporting a better future, quicker, for everyone.

Talent

- and sponsorship programmes offered.

Culture

- Reviewing and improving training and policy awareness on harassment at work.

Social Contribution

- Barnardo's (social exclusion) and Black Professionals UK (ethnicity).

• Implementing new initiatives to improve diverse candidate attraction and selection. This includes further increasing the use of balanced shortlisting / interview panels and attraction strategies targeting diverse candidates. • Continued focus on female senior and middle management development programmes and broadening the scope of mentoring

• Reviewing our selection and onboarding approach for trainees to maximise inclusive experiences for neurodiverse applicants.

• Implementing our improved policy offerings for employees who need paternity, caring, and neonatal care leave. Broadening our population of senior managers who've completed training on allyship and developed reverse mentoring relationships.

• Working towards EDGE + accreditation by 2026 which values commitment to gender and intersectional equity Improving the transparency of D&I metric performance through sustainability reporting • Continuing to focus on our existing employability programmes which include Returners (gender), Breaking Barriers (disability),





We support the UK Government's initiative on gender pay reporting. ScottishPower aspires to deliver the 2030 stretch targets our leadership team have set for gender pay:

- Increase the number of women in senior management jobs to exceed 35% by 2030 (currently 32%)
- Increase the number of women in our middle management population to exceed 36% by 2030 (currently 32%)

We confirm that the information and data provided is accurate.

Keith Anderson **CEO ScottishPower**

Sarah McNulty People Director





