

Responsible Business Report

2024/2025



Contents

Introduction	3	Customer	24
Who we are	4	Cost effective and reliable energy	25
Strategy and Governance	5	Low carbon transition	27
Responsible Business Strategy	6	Fairness and inclusion	29
Stakeholder engagement	7	Responsible customer services	31
Business ethics	8	Community	33
Trust and transparency	9	Collaborating in the North West	34
People	10	Colleague-led community engagement	35
Responsible employer	11	Inspiring the next generation	36
Representative workforce	13	Promoting safety	37
Colleague wellbeing	15	Suppliers	38
Safety-first culture	16	Responsibility in our supply chain	39
Environment	18	Tackling modern slavery	40
Environmental management	19	Delivering value	41
Net zero	20		
Waste and resource use	22		
Biodiversity	23		



Introduction

It gives me great pleasure to introduce this year's Responsible Business report, which details our continued progress against our key environmental, social and governance commitments in the year 2024/25.

This year brought some significant wins for us – Investors in People Silver Award, a 3% year-on-year reduction in our overall carbon emissions, numerous awards for our Net Zero Terrace partnership and apprenticeship programme, the launch of our Social DSO strategy and our re-accreditation to the BSI kitemark for inclusive service. These all stand as testament to the hard work of colleagues throughout the business who go the extra mile to ensure that we deliver great value to our people, our customers and communities, while looking to minimise our negative impacts on the environment.

We also had the wonderful honour of being recognised as Utility of the Year at the prestigious Utility Week awards. This was truly an award for all our people – recognising the incredible work done every day to serve our customers, our best ever performances for customer satisfaction and storm response and striving to keep our costs down to ensure the charge we pass on to our customers is among the lowest in the industry.

And this was all achieved in a year that heralded quite significant change for us as a business, following Iberdrola's acquisition of Electricity North West. While we work diligently through the process of alignment, I'm excited to see where we head next on our responsible business journey, as we join a global parent company – Iberdrola – and UK operating business ScottishPower – who have sustainability at the very heart of their purpose.

This year's report has been structured to reflect the refreshed Responsible Business Framework that was launched in early 2024, and introduced in last year's report following a strategic review of our activities. This sees greater alignment with the UN Sustainable Development Goals and an expanded focus on reporting around customers, our supply chain and governance.

Going forward, we will contribute to the overall non-financial information reporting of both ScottishPower and Iberdrola. We will continue to ensure that our stakeholders are kept informed about the progress we are making to deliver all the regional business commitments we have made to the regulatory for the SP Electricity North West current regulatory licence period (RIIO-ED2 2023-2028).

These are exciting times for SP Electricity North West - as we begin to realise the opportunities and benefits of being part of a global business - and for the energy sector in the UK and beyond. We are uniquely placed to support our customers on the journey to net zero, and to make the investments we need to deliver the infrastructure to support a cleaner, greener future for the North West of England. We will strive do this in a way that delivers value to all those whose lives we impact in a socially and environmentally responsible way.



Paul Killilea

Asset and Investment Director

Who we are

We're the North West's electricity network and we are responsible for getting electricity safely, reliably and affordably to 2.4m customers - from the rural communities of the beautiful Lake District to the bustling city of Manchester and beyond, and all the wonderful places in between.



We serve
2.4m customers



We maintain and upgrade
60,000km of overhead and underground power lines



We're investing
£2.6bn in our assets 2023-2028

Our network of poles, wires, transformers and cables carries electricity from both the national grid and locally-connected generation to homes and businesses across the North West, to keep mobiles charged, kettles boiling and lights switched on.

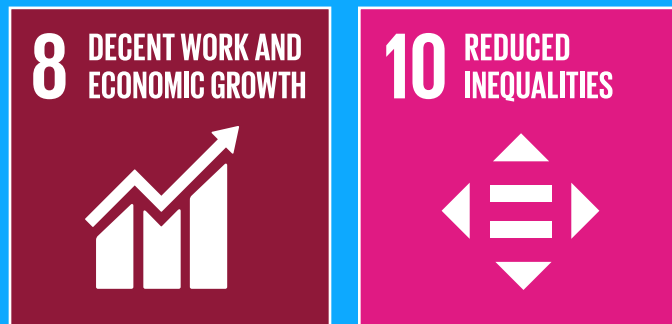
We are proud of the essential role we play for our customers, the critical role we play to support the region's continued clean growth and move to net zero, and the investment we make in the communities we serve. We're a regional monopoly, so we're regulated by Ofgem, the Office of Gas and Electricity Markets to ensure that we deliver sustainable value to our customers.

Our network in the North West is one of the most reliable in the country and we are two years into a five-year £2.6bn investment programme (RIIO-ED2) to ensure we continue to deliver an excellent, safe and affordable service to all our customers. Around 2,300 colleagues work for SP Electricity North West. In 2024/25 we spent £390m across our supply chain. And of the top 80% of contract spend, 41% was spent with North West-based suppliers and 96% with UK-based suppliers.

The energy industry and landscape is changing, which means we have to be agile; finding new ways to innovate and keep ahead of the increasing demand for electricity, while delivering customer excellence, our ambition to be net zero by 2038 and our commitment to responsible business.



Strategy and Governance



We operate with integrity, transparency and strong governance. Our commitment to ethical behaviour guides our work, ensuring we are a responsible employer and business. We prioritise clear communication and accountability, striving to be a force for good in everything we do.

Our commitments

➤ Developing a robust strategy for responsible business

➤ Engaging with our stakeholders

➤ Upholding the highest level of business ethics

➤ Acting with trust and transparency

Responsible Business Strategy

KEY STATS:



18

commitments at the heart of our responsible business strategy



14

UN SDGs supported by our strategy

Our framework for Responsible Business flows directly from our Purpose and commits us to pursuing an environmentally responsible path that delivers value to our stakeholders.

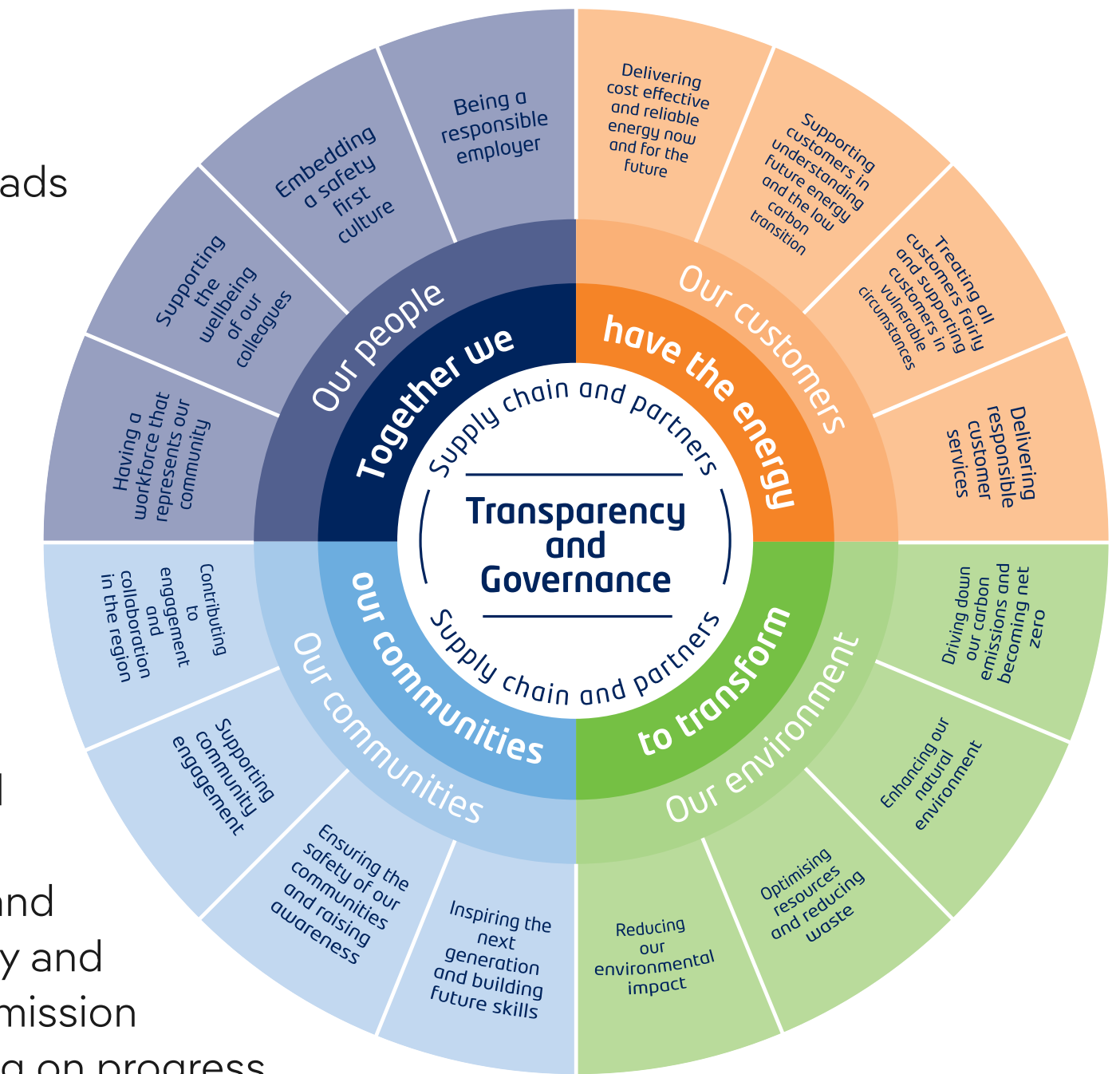
In 2024, we undertook a Strategic Review of our responsible business approach in partnership with Business in the Community. This involved constructive challenge around our existing responsible business framework, strategy and controls, exploration of peer approaches and external benchmarking, and an exercise in aligning **our ambitions to the United Nations Sustainable Development Goals (SDGs)**, which sit at the heart of The 2030 Agenda for Sustainable Development adopted by all United Nations Member States. For each section of this report, the SDGs to which our approach aligns have been highlighted on the introductory page.

The review highlighted opportunities to leverage our position to ensure that we better support global efforts to meet the UN SDGs and deepen our commitment to improving customer, corporate governance and supply chain impacts, in particular. It resulted in the creation of a new framework, launched in April 2024 and co-created with our Responsible Business Steering Group. This framework now informs our reporting approach for 2024/25.

Delivery against Responsible Business Framework goals is pursued by goal leads from across the business, representing our **people, customer, community, environment and supplier** divisions. These leads report to a quarterly Responsible Business Steering Group whose purpose is to drive forward the responsible business agenda within SP Electricity North West. Progress against the overall framework is reported biannually to the executive team, but many indicators are reported on a monthly basis through other forums. Notably, the Company Safety and Environment Committee meets monthly and reviews progress against our carbon emission trajectory, enabling headline messaging on progress to be shared at Board level.

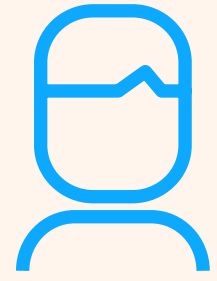
In March 2025, we officially became part of the global Iberdrola Group, after our acquisition was approved by the UK Competition and Markets Authority. We have now joined an international family of utility companies that are committed to pursuing the highest levels of sustainability and to reporting on their impacts in a robust, complete and transparent fashion.

Work is well underway to align our responsible business and non-financial reporting to the KPIs and targets of our parent company, while continuing to deliver against our responsible business priorities. This work will continue throughout 2025 with a view to SP Electricity North West data being included in the annual non-financial report of Iberdrola for 2025.



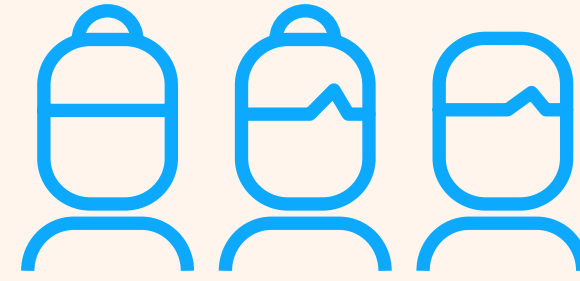
Stakeholder engagement

KEY STATS:



19,499

stakeholders engaged during 2024/25
(2023/24: 18,553)



43

stakeholder groups
identified



82%

stakeholders are satisfied with their
relationship with us



258

individuals participated in our
stakeholder panels during the year

Stakeholder engagement is at the centre of our responsible business approach. We are committed to engaging with our stakeholders on the issues that matter to them and working with them to co-create our plans. This engagement is essential to ensure that, when we move forward, we do so together; that we have the best and widest range of opinions and ideas shaping our approach; and that we are held accountable for our performance.

This year, we conducted a comprehensive review of our stakeholder mapping to ensure it remains practical, effective, and aligned with industry best practices. As a result, we developed a more streamlined framework comprising 43 stakeholder groups, organised into four overarching segments: national policy shapers, local place makers, customers and wider workforce, and supply chain.

Our stakeholder engagement [process](#) is based around the AA1000 principles of inclusivity, materiality, responsiveness and impact. Central to this are seven stakeholder panels, comprising representatives of NGOs, civil society and business, plus an extensive programme of bilateral engagement, events and webinars. Our [Independent Stakeholder Group](#), with the support of the panels, provides Ofgem with independent scrutiny of our business plan and its ongoing delivery.

In early 2025, we conducted our fifth annual Stakeholder Survey, to track stakeholders' satisfaction with their relationship with SP Electricity North West and identify areas where our engagement approach could be improved. 184 participated in this year's survey (2023/24: 176), 82% of whom are satisfied with the relationship they have with SP Electricity North West.

Satisfaction increases to 87% among those stakeholders who are members of Advisory Panels. Frequency of engagement is the strongest driver of overall satisfaction, with our support for customers in vulnerable situations and our stewardship of our environmental impacts also emerging as key drivers.

The survey generated a clear picture of stakeholder priorities for future engagement, including key takeaways around frequency (ideally increased), areas for greater future focus (eg, environment and sustainability) and organisation (eg, more internal coordination between departments to meet stakeholder needs). A number of asks are consistent with those raised in the last survey, demanding that we address these priorities at pace and show evidence of this.

A full account of our stakeholder engagement activity is published annually. You can read our latest Stakeholder Engagement report [here](#).

Business ethics

KEY STATS:



1,866

colleagues have completed
business ethics training

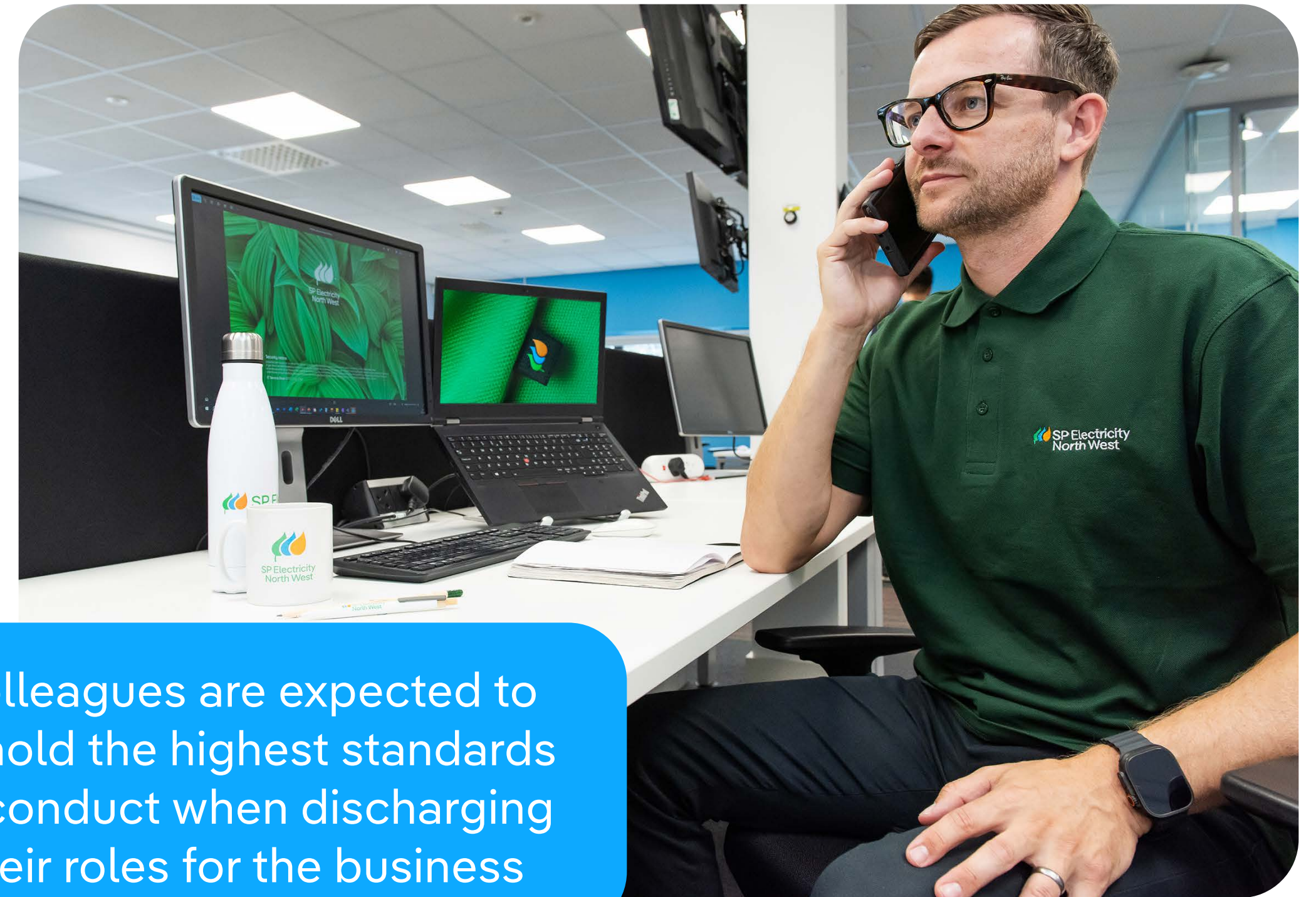


94%

of colleagues have completed
anti-bribery and corruption training

We expect the highest standards of conduct in our business. This extends beyond our Company and its people to all organisations who work with us. During the year, the Audit and Risk Committee oversaw the implementation of several new policies and monitored ongoing compliance with relevant legal and regulatory requirements to ensure that we maintain the highest standards of business ethics and our regulators and stakeholders have absolute confidence in the arrangements and integrity of the organisation.

Colleagues are expected to uphold the highest standards of conduct when discharging their roles for the business and are supported by a range of e-learning modules including: Business Ethics, Competition Law and Anti-Bribery and Corruption. Completion of training in these areas is mandatory for all new starters and completions are meticulously monitored to ensure that our colleagues remain fully aware of the latest legal requirements and adhere to the highest standards of compliance.



Colleagues are expected to uphold the highest standards of conduct when discharging their roles for the business

Our Speak Up (Whistleblowing) policy provides colleagues with a number of channels to raise and escalate any concerns they may have. The launch of Speak Up has been accompanied by an e-learning package made available for all colleagues during the year to increase understanding and awareness, with 89% of colleagues completing this to date. Our Speak Up policy is supported by the provision of a confidential independent reporting line, provided by Safecall.

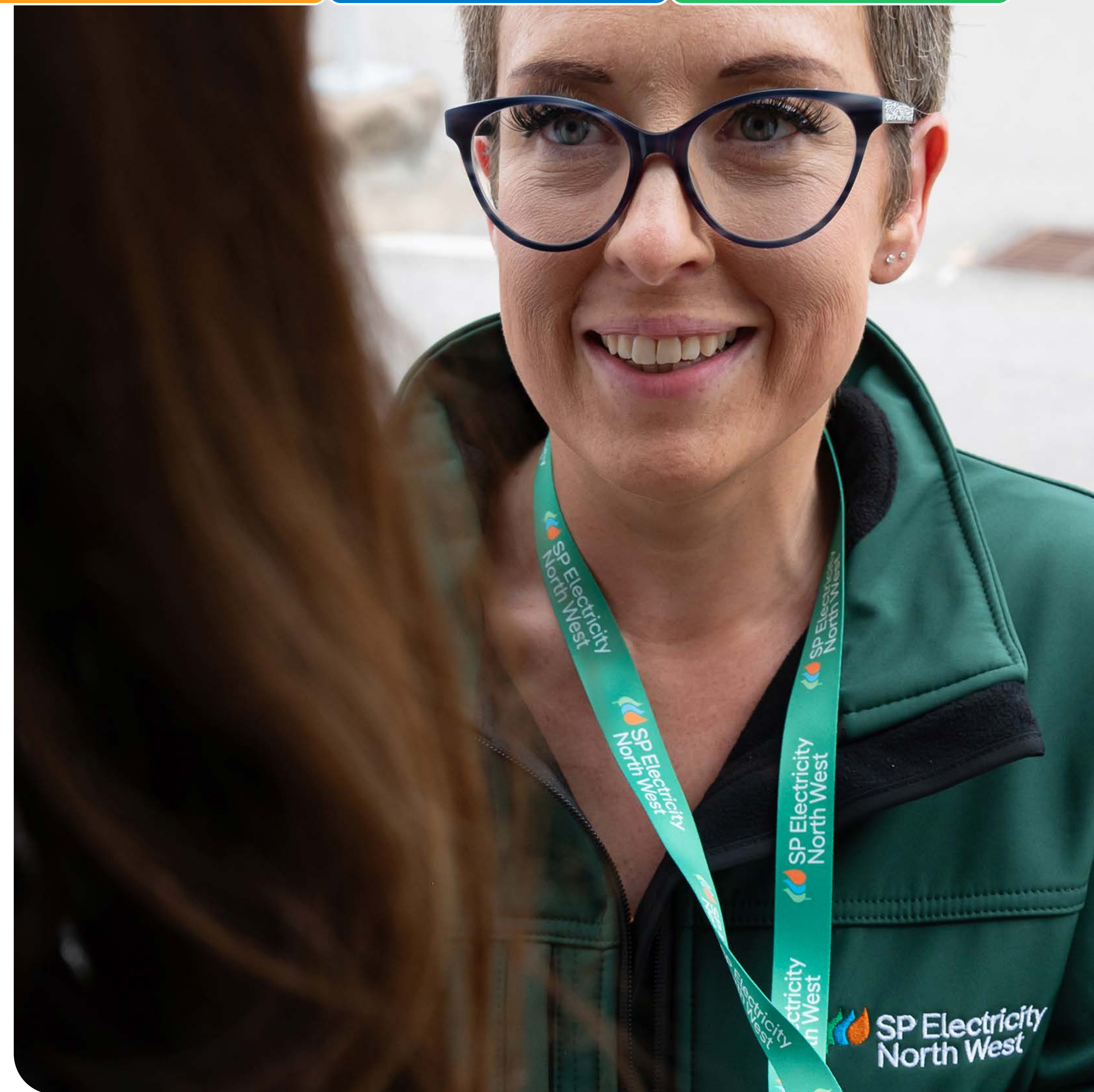
Trust and transparency

Trust is central to our licence to operate, and we work hard to build trust with those whose lives are impacted by SP Electricity North West – from our colleagues, customers and suppliers to our elected representatives and our regulator. Societal change and wider world events are leading to many people feeling more isolated, untrusting and vulnerable. Yet, the shift to more sustainable electricity generation, usage and management demands that we have the trust of our customers and other stakeholders - so that they feel educated, confident and inspired to join us in the net zero transition and support wider regional priorities for economic development. Our customer teams work hard to support customers before, during and after power disruptions and their efforts continue to attract outstanding levels of customer satisfaction (see page 31). Operating with honesty and transparency, consistently is key and we are especially attuned to how vital this approach is to building trust with customers who are in vulnerable circumstances (see page 29).

In 2024/25 we were again awarded the Fair Tax Mark. The Fair Tax Mark provides a standard for responsible tax conduct and certifies that a business seeks to follow the spirit, as well as the letter of the law and is transparent about profits made and taxes paid.



Our customer teams work hard to support customers before, during and after power disruptions and their efforts continue to attract outstanding levels of customer satisfaction



People



Our people make SP Electricity North West a truly special place. We are passionate about creating a great workplace where we can all be ourselves, reach our full potential and build long-lasting careers, while delivering exceptional service to our customers and the region and returning safely home each day. We're striving to increase diversity of thought and talent to reflect the communities in which we work and to ensure we have the people who are best placed to meet their needs, now and in the future.

Our commitments

➤ Being a responsible employer

➤ Having a workforce that represents our communities

➤ Supporting the wellbeing of our colleagues

➤ Embedding a safety-first culture

Responsible employer

KEY STATS:



9 in 10

colleagues are proud to work
for SP Electricity North West



84%

average positivity across 27 colleague
Climate Survey metrics



Delivered

sexual harassment e-learning
to all employees



Launched

alcohol and drugs campaign

Our responsibilities as an employer are wide and varied, extending from the workplace environment and culture we create for our colleagues and our expectations of their behaviour, to the benefits we provide and our commitments to diversity and inclusion, wellbeing and health and safety.

Every year, we undertake a Climate Survey among colleagues to understand their experience of working at SP Electricity North West, with the aim of driving continuous improvement. 90% of colleagues responded to the survey in 2024 – the highest response received to date – enabling us to build a comprehensive picture of the colleague experience. Positivity remains exceptionally high against most metrics, led by confidence in health and safety practices. Colleagues continue to be least positive about the implementation and communication of change, though notable improvement on these metrics was seen this year. We continue to work internally to produce tailored action plans to target improvements in priority areas. Overall, survey results are informing our continued progress towards our ambition of achieving Investors in People Gold by 2028.

In September 2024, we were awarded Investors in People Silver. The accreditation recognises our long-term commitment to improving workplace culture through a focus on employee engagement, communication, organisational culture, and work practices. Assessors highlighted notable strengths in performance management, leadership, wellbeing and diversity, equality and inclusion. The accreditation is a strong testament to the direction of our People Strategy and we intend to make further progress during the remainder of RIIO-ED2 with a view to securing gold status by the end of the period.

**INVESTORS
IN PEOPLE®**



EMPLOYER RECOGNITION SCHEME

GOLD AWARD 2023

Proudly supporting those who serve.



Responsible employer (continued)

Our first Powerful People Awards were held in November 2024, celebrating the extraordinary contributions made by SP Electricity North West colleagues throughout the year. Winning teams and colleagues were selected from over 500 nominations for going that extra mile for the business, our customers and communities. Our Spotlight and Local Hero Awards also continued to support a strong recognition culture in the business throughout the year.

For the sixth year, we maintained our commitment to being a Real Living Wage Employer and continued to encourage suppliers to ensure that their employees are similarly rewarded fairly for their work.

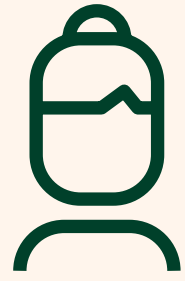
We're proud to offer a competitive rewards and benefits package that we know, through participation in reward working groups, benchmarks well against others in the sector. This helps us to attract, retain and develop great people, which is the key to our continued success, and is reflected in our low attrition rate of just 8%. Employees can access an employee benefits portal and a range of additional benefits, including a contributory pension, a cycle to work scheme and public transport season pass loans.



For the sixth year, we maintained our commitment to being a Real Living Wage Employer

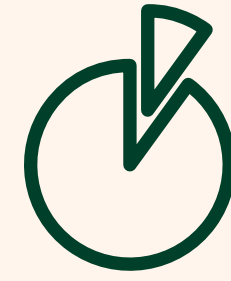
Representative workforce

KEY STATS:



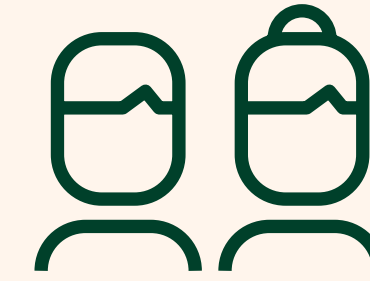
33%

leaders and 9% engineers are women
(2023/24: 33% and 9% respectively)



7%

colleagues and 3% leaders are from ethnic minority
groups (2023/24: 6% and 3% respectively)



11.9%

gender pay gap
(vs. 13.1% UK average)



40

new apprentices, a quarter of whom
are female

Improving the diversity of our business is a key priority that will ensure that we are best placed to support the customers and communities we serve. We take a holistic approach to promoting diversity – from attraction and recruitment of talent, through to leadership and the inclusive culture we foster.

Our workforce grew notably over the past year, with **30% of job offers made to women and 13% to candidates from ethnic minority groups**—a positive trajectory aligned with our RIIO-ED2 targets of 30% female representation and 12% ethnic minority representation by 2028. We are tracking well against our ethnicity target, with representation increasing from 4% when our new Diversity and Inclusion Strategy was launched in 2021, to 7% this year. However, we have yet to see a significant shift in the overall percentage of women in our workforce, despite the encouraging hiring trends.

During the year, our **eight colleague-led resource groups (CRGs)**, which connect colleagues with shared lived experiences, continued to provide a safe space for colleagues to discuss issues and to support the business in its consideration of work policies, health and wellbeing

and other improvements. Our CRG leaders were recognised as the ‘best project team’ at our annual Powerful People awards (see page 12), recognising the value these networks add to our workplace.

In 2024, we collaborated with our Working Parents and Carers colleague resource group and conducted an external benchmark exercise to review our family policies. As a result, we have further enhanced our Family-Friendly policy to include 24 weeks of full-pay maternity leave, neonatal leave, support during IVF/fertility treatments, and improved paternity leave. These enhancements reinforce our commitment to being an employer of choice. Our Neurodiversity Colleague Resource Group also developed and launched a neurodiversity awareness e-training module which was rolled out across the business in early 2025.

We continue to strive for a better gender balance within our workforce and are keenly focused on **inspiring school-aged girls to join the energy workforce of tomorrow**. Alongside our offer of work experience placements for students of all genders, we’ve been offering opportunities exclusively for groups of girls, with the aim of providing a space in which they feel more comfortable and confident.

Representative workforce (continued)



CASE STUDY: INSPIRING YOUNG WOMEN

After successfully trialling the concept of ‘workplace safaris’ in early 2025, we began to roll out these high value, half day sessions to girls attending schools around our Blackburn Academy. In the run up to Women in Engineering Day, we welcomed 45 female students from three schools to sample what a career with SP Electricity North West as an engineer could look like and talked to them about our award-winning apprenticeship programme. Colleagues from our cybersecurity and innovation teams also talked to the girls about their cutting-edge work and its importance to the future energy network.



Our latest gender pay gap report, published in April 2025, reveals a gap of 11.9% between the salaries of male and female colleagues. This benchmarks well against other companies in the energy sector and last year’s average UK gender pay gap of 13.1%. We do not have a gender pay gap for employees aged under 25, and we have a much smaller pay gap (approx. 6%) for those between the ages of 25 to 35, which reflects our efforts to target change through recruitment.

Our award-winning apprenticeship scheme

continued to attract both the best young talent and several more accolades in 2024, including ‘Best Apprenticeship Programme in Energy and Utilities’ at the national Apprenticeship Guide Awards. 40 new apprentices joined our Academy to begin their training as jointers, fitters and design engineers and will emerge from the programme after two or three years with industry-recognised qualifications. 25% of our 2024 cohort are female (2023/24: 22%) – the highest proportion to date and 10% are from ethnic minority groups (2023/24: 10%). Since the start of RIIO-ED2, 86 apprentices have joined the programme. 100% of those who have successfully completed the programme to date have been offered full time employment with us.



We are also proud to be a **Disability Confident Employer**, which means that we



will offer a guaranteed interview for people who have a disability and meet the minimum criteria of the role.

Throughout the year, we ensured that our internal communications supported wider campaigns, such as Pride Week in June and showcased our attendance at events such as Manchester and Preston Pride, attended by LGBTQ+ colleagues and allies.



Colleague wellbeing

KEY STATS:



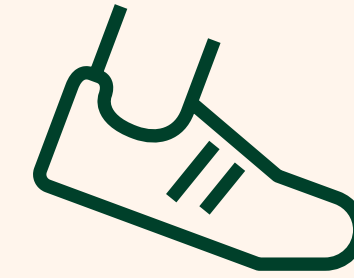
Wellbeing

strategy refreshed



5%

reduction in days lost due to mental ill health



Over 3 million

steps taken by our colleagues during Mental Health Awareness week in 2024



182

colleagues made use of the Employee Assistance Programme

Our vision is for each colleague to leave work as happy and healthy as when they arrived – if not better. We are seeking to achieve this by reducing stigma and tackling discrimination, empowering colleagues to maintain and improve their wellbeing and educating our people to spot signs of mental health in their peers and to provide support when they can.

In early 2024, we refreshed our **wellbeing strategy**, introducing four key pillars: mental wellbeing; physical health and self-care; equity and belonging; and financial wellbeing, upon which future activities and interventions will be built. Supporting this refresh, we launched our 'Let's Talk' wellbeing brand and established a wellbeing leadership committee, bringing together 15 leaders to drive forward the wellbeing agenda. Wellbeing content was incorporated into both corporate induction and our future leaders 'Into the Blue' training programmes in January 2025. And throughout the year, a concerted focus on providing regular wellbeing communications saw topics as diverse as work life balance, mortgage wellness and building resilience included in company-wide monthly team briefs.

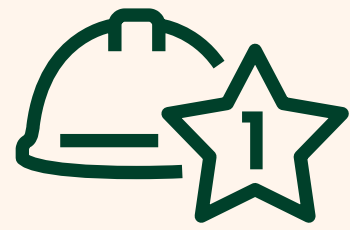
Colleagues continue to be supported by our Employee Assistance Programme (EAP) which provides free access to a comprehensive suite of counselling and support services, many of which support wellbeing. 182 colleagues made calls to the EAP during the year, of which 56% related to mental health and 14% to legal advice.

We will continue to seek a 3% reduction year-on-year on the number of days lost to mental ill health and aim to achieve 'We Invest in Wellbeing' accreditation in early 2026.

Wellbeing content was incorporated into both corporate induction and our future leaders 'Into the Blue' training programmes in January 2025

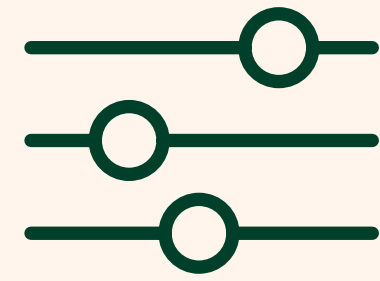
Safety-first culture

KEY STATS:



93%

of colleagues believe SP ENW puts safety first and foremost



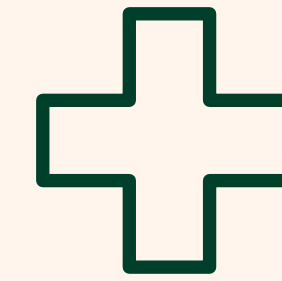
90%

average positivity among colleagues on all safety metrics



0

fatalities (No change on 2023/24)



1

lost time injuries (cf. 2 in 2023/24)



2

reportable incidents

Strong colleague positivity around SP Electricity North West's safety-first culture continues to reflect a workplace that has in place extensive policies and procedures to prioritise colleague safety. We operate in a high hazard industry, which makes health and safety a top priority. **We promote a safety-first culture, built around three Cs – concentrate, commit and comply,** embedding a practice, that prioritises vigilance to minimise distraction and reduce injury.

Health and safety training is a mandatory part of every colleague's induction, and ongoing training. Simple 'Golden Rules' ensure that a strong safety approach is adopted throughout the Company's operations, weekly safety briefings are cascaded to all colleagues and safety moments are incorporated into larger meetings and monthly team briefings. Colleagues are encouraged to positively challenge each other's behaviour if they think that due care is not being paid to safety, with 2,785 positive challenges (2023/24: 2,778) reports recorded during the year and discussed on the weekly safety call.

This year, we recorded 0 fatalities, 1 lost time injury, 2 RIDDOR (Reporting of Injuries, Diseases and Dangerous Occurrences Regulations) reportable incidents and 38 recorded near misses.

Our 3 Cs



Concentrate

We can't afford to be complacent in our approach to safety - complacency leads to consequences. Don't take shortcuts - it's not worth the risk.



Commit

A breach of our safety rules could have far-reaching consequences beyond injury or disciplinary action. Consider the long-term emotional and financial affects for you, your partner, children, wider family, friends and colleagues.



Comply

Our policies are there for a reason. No matter how challenging the circumstances - there's no excuse for not following the correct procedure or wearing correct PPE - safety must always be the priority.

Safety-first culture (continued)

For the second year, colleagues were invited to share their views on health and safety via a **safety culture survey**. 73% of colleagues responded, with results communicated across the business in September 2025. Following the first survey, conducted in 2023, SP ENW introduced our three C's (see above) in response to asks for simple, clearer communication around safety, and strengthened training and development commitments to ensure that every colleague has the tools and opportunity to enhance their skills, while boosting awareness and reinforcing our safety-first culture.

Our in-house training academy offers comprehensive health and safety training programmes for all colleagues. Colleagues (and contractors) in relevant roles are responsible for ensuring their accreditations and approvals to work safely on our network are regularly updated. Health and safety training is included in the company induction and ongoing training on health and safety is prioritised across the business for all colleagues and managers. The academy hosts a number of annual compulsory training sessions for managers and colleagues. This year the Academy delivered 33,558 training days, both online and in-person, with 100% attendance on safety training.

Health and safety training is included in the company induction and ongoing training on health and safety is prioritised across the business



Environment



As the electricity distribution network operator for the North West of England, we have a key role to play in enabling the transition of our region to zero carbon energy and supporting the UK in meeting its climate change targets. Our responsibilities also extend to actively managing the environmental impacts of our operations – from resource use, waste management, vehicles and biodiversity, to the gases and pollutants that are specifically associated with the operation of an electricity distribution network. A comprehensive view of our environmental performance is available in our [Environment Report](#).

Our commitments

➤ Reducing our negative environmental impacts

➤ Driving down our carbon emissions and becoming net zero

➤ Optimising resources and reducing waste

➤ Enhancing our natural environment

Environmental management

KEY STATS:



Achieved

ISO14001 and ISO50001
accreditation



100%

of Environment Action Plan goals on
track for 2028

We are committed to **achieving excellence in environmental and energy management performance**, minimising any adverse impacts our operations might have and fulfilling our obligation to improve the environment that we operate in by seeking to deliver net gain improvements in areas such as biodiversity. In 2025, we achieved the internationally-recognised ISO14001 accreditation for our environmental management system.

Our environmental ambitions are set out in our [Environmental Action Plan](#), which contains 21 goals we are seeking to hit by 2028, during our current ED2 operating period. Each year we report progress towards these goals to Ofgem, in our [Environment Report](#). We continued to make progress towards our 21 goals throughout the year, with 100% being on track for delivery by 2028.

Underpinning our 21 goals is an environment strategy that prioritises business-wide understanding and visibility of our environmental impacts and targeted investment in environmental control measures; underpinned by strong corporate governance and a culture of continuous learning and improvement.

We continue to work alongside our **Environment and Sustainability Stakeholder Advisory Panel** which provides constructive challenge around our environmental performance and expertise to help drive our progress. (see page 7).



CASE STUDY: LEADING THE WAY ON PCB TESTING

We helped to pioneer an on-site Polychlorinated Biphenyls (PCB) testing method to help eliminate environmental risk

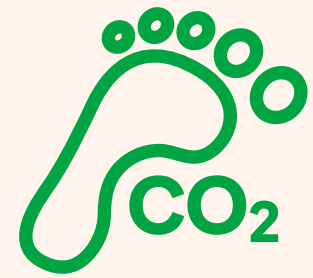
PCBs, or polychlorinated biphenyls, are recognised as persistent, organic pollutants that are harmful to both the environment and human and animal health. Historically, PCBs have been used in transformer oil, including some of those on our electricity network, and pose environmental risk if they leak. We have an industry-first programme underway that enables transformer oil to be tested on-site so that any equipment containing PCBs across the network can be identified and replaced. The approach minimises disruption to customers by enabling power to be quickly restored once testing is complete.

PCBs have been found in approximately 3% of the assets tested so far. We're now sharing our advancements with the industry to help more networks benefit from our technology and eliminate environmental risks. Additionally, we're contributing to a national industry database that records the age, make, and model of transformers added to the network over the years. This allows us to target our testing and replacements more efficiently, ensuring we don't waste time and money replacing transformers that are compliant.

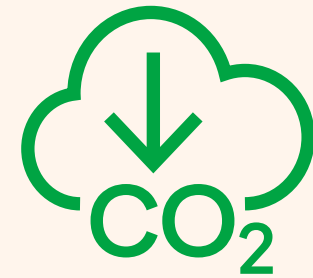


Net zero

KEY STATS:



17,882
tCO₂e



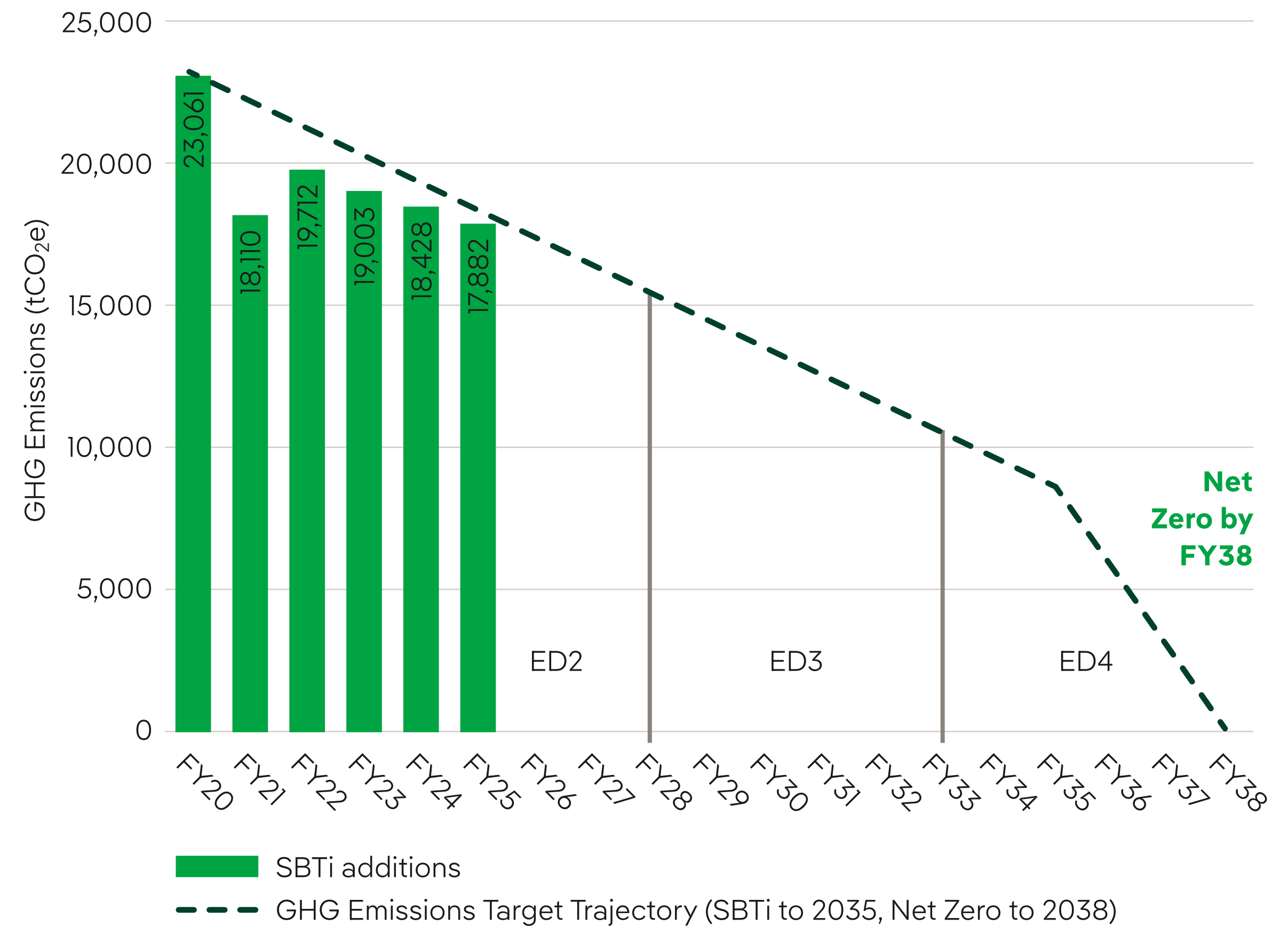
22.5%
reduction in Scope 1, 2 and 3 emissions
(exc. Losses) vs. 2020

We are committed to achieving net zero within our own operations by 2038 and have set Science Based Targets (SBTi) to reduce emissions in line with this commitment, that place only minimal reliance on offsetting up to 2035.

Our holistic approach to reducing our emissions includes addressing our direct emissions, which arise primarily from fugitive emissions and the burning of fossil fuels for our buildings and operational transport (Scope 1 emissions), the indirect emissions that arise from our purchase of generated electricity (Scope 2 emissions) and those that arise in our value chain as a result of our activities, such as from business transport and the burning of diesel in generators used during outages (Scope 3 emissions).

Together, these emissions totalled 17,882 tCO₂e in 2024/25, with our total carbon footprint, for the first time, being calculated and validated in accordance with the Science Based Targets initiative. This approach captured additional emissions not previously reported, resulting in a higher figure for 2024/25 than was reported in 2023/24. Recalculation of last year's footprint using the same methodology resulted in total emissions of 18,428 tCO₂e for 2023/24, with this year's emissions representing a 3% reduction on this restated figure and a 22.5% reduction compared to the baseline year (FY19/20).

Scope 1, 2 and 3 GHG Emissions exc Losses against SBTi Targets (tonnes carbon dioxide equivalent)



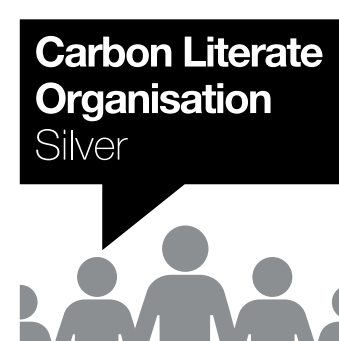
Net zero (continued)

We achieved a **6.3% reduction in depot energy consumption over the last financial year**, supported by a number of energy efficiency interventions, including:

- LED lighting installation at our Carlisle depot, including occupancy sensor, which is expected to reduce site energy consumption by 8%; and
- air source heat pump installations at our Penrith and Workington depots, replacing oil-filled electric radiators, which is expected to reduce site energy consumption by 32% and 5%, respectively.

We also benefitted from drying room heating control improvements. Most of our depots are equipped with drying rooms, which are used by our operational teams to dry wet overalls. We have installed drying cabinets and boost-heating control systems site-wide to improve drying capabilities, whilst minimising consumption. This has reduced drying room energy consumption by 65%.

Our footprint excludes electricity distribution losses, which are measured as the difference between energy entering our network (from generation) and energy exiting the network (for demand). Whilst it is impossible to eliminate these losses altogether, we do take steps to minimise them and we are taking measures to reduce losses by installing more efficient assets in our network, albeit against a picture of overall increasing demand for electricity.



Waste and resource use

KEY STATS:



97%

of our waste diverted from landfill



73%

of waste reused or recycled



724,500

litres of oil recycled at our own facility



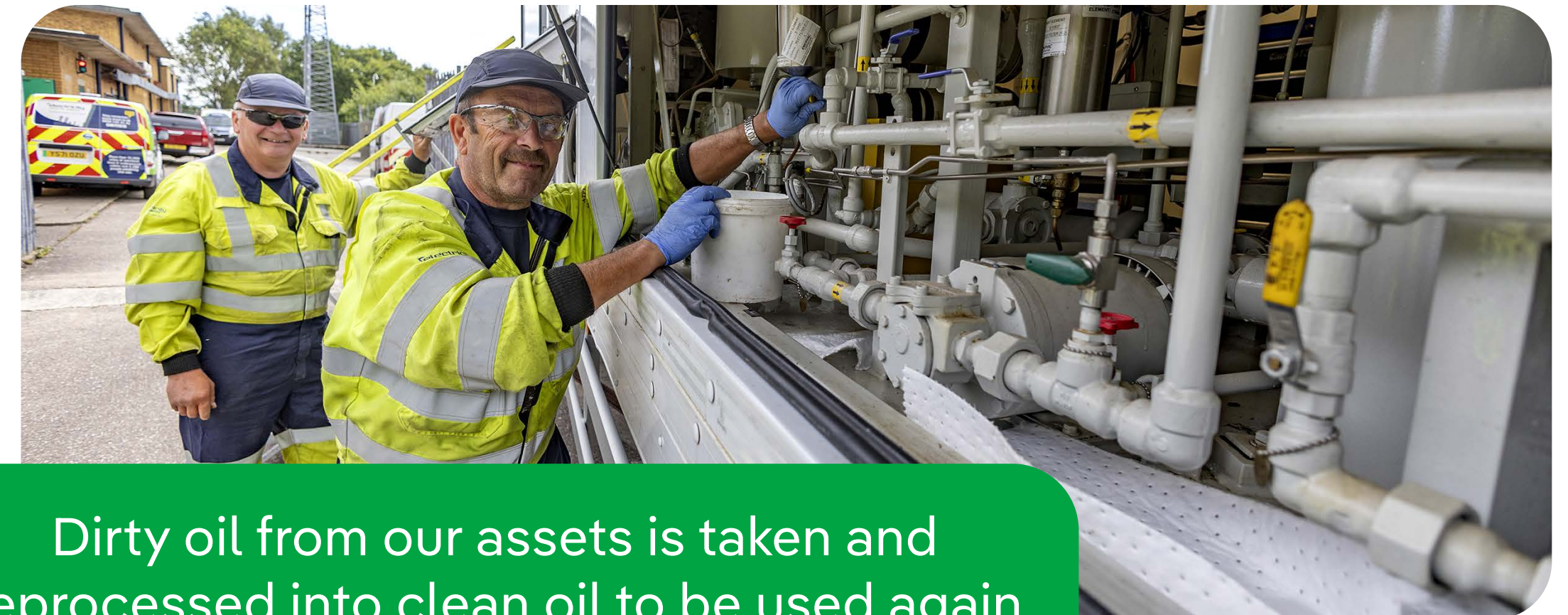
81%

of excavation waste reused or recycled

We are committed to minimising resource use and waste at every stage of our operations and have ambitious targets in place for reuse, recycling and landfill avoidance.

Waste from our operations includes anything from office paper, to plastic, metal, oil and hazardous materials. In 2024/25 we produced 2,920 tonnes of waste of which 97% was diverted from landfill, exceeding our Environmental Action Plan goal to divert 95% away from landfill by the end of 2025.

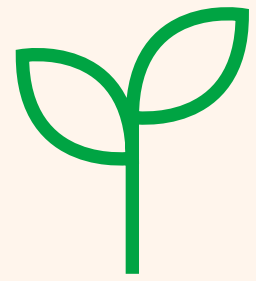
Our Central Oil Reprocessing Department (CORD) remains the only facility of its kind in the industry. Dirty oil from our assets is taken and reprocessed into clean oil to be used again within our network reducing the need to dispose of and source new oil. During the year, 97% of the oil we collected, was reused, delivering not only significant environmental benefits but economic benefits too – savings of approximately £0.97 per litre.



Dirty oil from our assets is taken and reprocessed into clean oil to be used again within our network reducing the need to dispose of and source new oil

Biodiversity

KEY STATS:



11,100

trees planted in 2024/2025



100

sites being actively managed for biodiversity net gain

Our commitment to protecting, managing and improving biodiversity across our sites is underpinned by two of the 21 goals in our Environmental Action Plan.

Our operations impact biodiversity in a number of ways – from tree-cutting around our overhead lines and our active management of the land around our substations to potential leaks of oil from our cables and equipment.

Using a natural capital baseline tool we have identified 100 sites – primarily woodland and grassland - where we can make significant biodiversity improvements. Our sites will boost the provision of ecosystem services in their surrounding area and provide Nature Based Solutions, such as carbon sequestration, pollination services, flood alleviation and landscape connectivity to other habitats.



CASE STUDY: TREE PLANTING

During the 2024/2025 season, volunteers from the business rolled up their sleeves to plant trees at Penwortham and Lower Darwen – on two of the small number of sites across our estate where we have large areas available for significant biodiversity enhancement. The site at Penwortham will eventually be home to over 3,500 trees and will deliver an enhanced habitat for wildlife, connecting to the adjacent Howick Hall Wood. Saplings were planted at very high densities to mimic natural ecological processes, allowing the strongest specimens to proliferate over time – a technique known as the Miyawaki method. The remaining grassland on the site will be regularly managed to promote wildflower growth to further boost overall biodiversity. A similar number of trees were planted at each site by our partners, The Ribble Rivers Trust, at our other biodiversity site and Peel near to Blackpool in the same period, bringing the total across the three sites to over 11,000 trees for the season and over 21,000 since the start of RIIO-ED2.



Customer



Electricity plays an ever-more vital role in our customers' lives as we transition to a low carbon economy. Ensuring supply is delivered in both a reliable and affordable way is increasingly essential to life as usual. Interruptions inconvenience customers greatly, but also unequally. While we seek to invest to deliver exceptional customer service and improve the reliability of our network to minimise disruption for all customers, we take pride in providing a package of wrap-around support to those customers who may need extra care if the power does go off.

Our commitments

➤ Delivering cost effective and reliable energy now and for the future

➤ Supporting customers in understanding future energy and the low carbon transition

➤ Treating all customers fairly and supporting customer inclusion

➤ Delivering responsible customer services

Cost effective and reliable energy

KEY STATS:



27.1

average customer minutes lost
(2023/24: 26.8)



£374m

invested in our networks



£10.2m

benefits to customers in fuel poverty



We make significant investments in our network to ensure that we can maintain services, improve reliability and customer service and meet the changing demands of the UK energy sector. As our lives become ever more reliant on electricity, ensuring cost effective and consistent supply to our personal, public sector and business customers is vital.

In 2024/25, we invested £374m (2023/24: £290.9m) in our network to maintain its reliability and resilience for future customers. The figure includes total additions to property, plant and equipment and software. Investment increased this year following the completion of several major investment programmes.

We have two key performance indicators covering service reliability that we, and all other DNOs, report to Ofgem – customer minutes lost and customer interruptions. The former captures time lost for all incidents (excluding exceptional events) per connected customer. Our full year performance for 2024/25 was 27.1 minutes, slightly behind our Ofgem target of 26.87 driven by more weather-related faults and the increase of planned supply interruption due to growth in our capital investment programme.

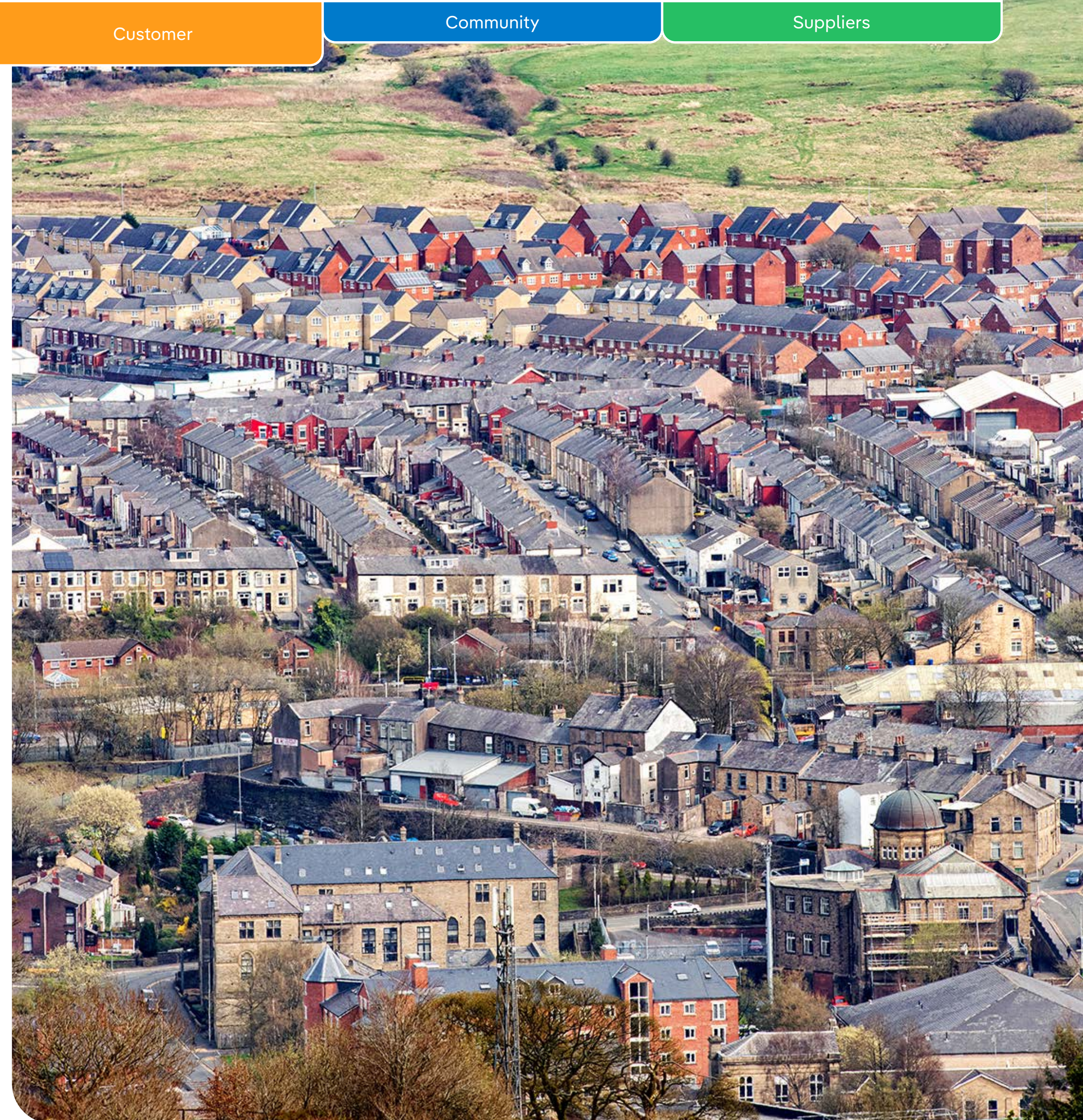
We also report on the number of customers affected by an interruption as a proportion of all customers. The result of 26.1 for the year outperforms the Ofgem target of 29.74 and represents our second-best ever performance.

Throughout the year, **we continued to promote our Take Charge offer of free, impartial energy and money advice** to all households across our region, delivered in collaboration with Energy Saving Trust and Citizens Advice Manchester. The campaign aims to help customers to reduce energy bills, provide support with debt, access benefits and financial support and secure funding for energy efficient home improvements. We are among the leading DNOs for fuel poverty support, delivering £10.2 million in realised benefits to 50,218 customers over two years, and achieved 94.8% satisfaction, surpassing our targets. This supports our Business Plan Commitment to reach 250,000 households and deliver comprehensive support to 125,000 by 2028. Our Customer Vulnerability Oversight panel agreed that the focus for the programme's second year should continue to be on supporting individuals in crisis and/or fuel poverty. Read more about our Take Charge campaign in our latest [Vulnerability Report](#).

Cost effective and reliable energy (continued)

Our innovation team continues to roll out projects that deliver tangible benefits to **customers** both directly; for example, through cheaper connections, improved fault response, energy consumption reduction, or indirectly; through better forecasting and investment planning. Projects include our award-winning Net Zero Terrace project – a partnership with several other companies, which focuses on providing affordable, low-carbon energy and healthy, warm homes with no upfront costs to participating households. Terrace streets typically have several characteristics which make the deployment of low carbon technologies more difficult. Working together, the partnership is exploring a shared ambient borehole cluster solution combined with an in-house heat pump for heating and hot water that utilises locally-sourced community-owned generation, rooftop solar, battery storage, energy efficiency retrofits, peer-to-peer trading, and participation in flexibility markets, to reduce overall household costs. The project scooped awards at the 2025 Energy Awards and 2025 Energy Times awards. Following on from SIF Discovery and Alpha projects the present NIA phase of the Net Zero Terrace project began in early 2025 and will conclude in summer 2026 with the aim of further developing and testing the overarching Net Zero Terrace solution and, ultimately, sharing learnings with the wider industry.

As our lives become ever more reliant on electricity, ensuring cost effective and consistent supply to our personal, public sector and business customers is vital



Low Carbon transition

KEY STATS:



90%

satisfaction with 'Take Charge'
low carbon advice



Social

DSO Strategy launched



£83,658

granted from Powering Our Communities
fund in 2024



We have a central role to play in **helping our customers understand and get on board with the region's journey to net zero** in order that they can play their part and benefit from the savings associated with low carbon technology. Our approach covers information services - increasing awareness, providing advice and building confidence; introducing innovation and flexibility into the way customers access our services; and providing support to community and local energy groups.

Following its launch in early 2024, our **Take Charge programme** continued throughout the year to offer free, impartial advice to customers to help them explore their low carbon energy options and make informed decisions. Following feedback from stakeholders the programme pivoted slightly to focus more on proactive engagement targeted at the most under-represented groups via community events, alongside its offer of a freephone number, email, online form and dedicated microsite. Our low carbon advisor attended community events across the year to promote the campaign and help customers to understand small changes they can make to reduce their electricity consumption and their energy bills. Read more about our Take Charge campaign in our latest [Vulnerability Report](#).

In early 2025, **we launched our Social DSO (Distribution System Operator) Strategy** in pursuit of our vision 'to be the leading Social DSO in Great Britain'. The strategy was co-created with customers and stakeholders during Autumn 2024 and provides a clear framework for ensuring a fair and inclusive energy transition; making sure the shift to clean energy benefits everyone and that no one is left behind. This is a pioneering, progressive approach for a DSO that ensures activities are delivered in a way that enhances the ability of individuals and organisations to contribute to net zero goals. Our Social DSO business model makes specific social commitments to tackle societal issues, enhance community well-being and fulfil our responsibilities to customers.

You can read more about Our Social DSO Strategy [DSO for Good here](#).

Low Carbon transition (continued)

Throughout 2024/25, our [Powering our Communities Fund](#) continued to provide grant funding for local projects; assisting community groups to play their role in the just energy transition. Over the last seven years, the Fund has supported 45 projects with a total of £576,000. In 2024, we awarded £83,658 to six projects that have all demonstrated widespread community engagement alongside activity which will deliver or have the potential to deliver carbon savings. These include Carlisle Home Energy Community Engagement and Support and Cumbria Action for Sustainability, whose project aims to support households in Carlisle to reduce their home energy usage and switch to renewable energy sources. A project being delivered in partnership with Groundwork Manchester in South Manchester to build low carbon knowledge and confidence among the Merseybank Community with a long-term view to developing a mutual organisation to explore community-owned energy options also received support from the Fund. The Fund has now been repurposed following engagement with key stakeholders to provide match funding to community energy groups who are seeking to buy assets, such as batteries, in order to access local flexibility markets. This shift aims to unlock social value, enhance local resilience, and contribute to flexibility targets and will now operate under a structured governance framework that ensures fair access, co-investment, and outcome-based support.



Fairness and inclusion

KEY STATS:



95.7%

eligible households
registered to the Extra
Care Register



29,875

highly vulnerable customers
contacted ahead of winter



ISO 22458

retained for a second year



143

trusted partners support
our offer to customers in
vulnerable circumstances

We are committed to **supporting our customers and ensuring that our services are available and accessible**, regardless of their personal circumstances and location, ensuring no one is left behind in the energy transition. In our activity, we are guided by two customer panels: the Consumer Vulnerability Oversight Panel, which monitors our progress toward RIIO-ED2 targets and acts as a critical friend, providing valuable insights for strategic decisions; and the Partnership Panel, comprising 30 representatives from funded and non-funded organisations, which works with us to deliver timely messaging and community support. Find out more about our Stakeholder Advisory Panels in our [Stakeholder Engagement Report](#).

In April, we received notification that we had, once again, successfully **achieved ISO 22458 with BSI Kitemark for inclusive service**. This prestigious standard highlights our dedication to supporting vulnerable customers and maintaining a business-wide commitment to providing excellent service and fostering a supportive culture within our organisation.

Our Extra Care Register is free to join and is open to anyone who thinks they may struggle to cope during a power cut. Typically, this could be elderly people, families with babies, individuals with disabilities or mental health issues, but also extends to those who may find themselves in temporary hardship or difficulties should they lose power, for example, after being discharged from hospital. Signing up to our Extra Care Register enables customers to receive proactive communications for planned and unplanned power cuts and a whole range of tailored support during a power cut, with resources prioritised for those who need it most, especially customers who are medically-dependent on electricity. We have over 935,000 households on our register. Our enhanced contact campaign has increased registration in the year from 82% to 95.7% of those eligible in the region.

We work with many other organisations to deliver our Extra Care programme to customers and continued to maximise our partnerships to deliver a wide range of support this year. We now have a network of 143 (2023/24: 87) trusted partners against an original target of 60.

Fairness and inclusion (continued)

This year, we embedded our support matrix, providing tailored support for different temperature scenarios (summer/winter) and times of day (day time/night time). This framework ensures consistent and fair treatment of customers while allowing our teams the discretion to address individual customer needs with services beyond standard guidelines.

We also began trialling 30 long-life lithium batteries in South Lakes and Lancashire. So far, 127 customers who are medically-dependant on electricity have been supported with 3kW battery pack during incidents, ensuring that their medical equipment that requires a power supply can continue to operate. Our focus has been on Planned Supply Interruptions (PSIs), where advance coordination enables timely delivery and tailored support.

Read more about our Extra Care programme and support for customers in our latest [Vulnerability Report](#) or on our website.



Responsible customer services

KEY STATS:



92.9%

customer satisfaction



87,000

pieces of customer communication
around Storm Eowyn



2.04

complaints performance metric
(vs. Ofgem target of 2.8)



100%

of colleagues trained in spotting
customers in vulnerable circumstances

We aim to offer exceptional customer service all the time and our satisfaction score of 92.9% for the year (2023/24: 92%) is testament to the incredible work done by our customer contact centres and operational teams to support customers through planned and unexpected outages.

Each month, a sample of our customers are asked about how satisfied they are with their interactions with us during a power cut, when they've requested a new connection or when they have contacted us with a general enquiry. Customer satisfaction is part of Ofgem's broad measure of customer service, which is designed to measure the effectiveness of customer service for each distribution network operator. To keep driving performance, we have introduced campaigns and monthly customer incentive awards for teams and individual colleagues that achieve the best customer satisfaction (CSAT) and for following our customer journeys, with winners receiving shopping vouchers.

Storms are unfortunately a reality across the region and can impact customers and cause unplanned powercuts. We recognise the impact that they have on our communities and have clear processes and procedures in place to deal with storms and other incidents. Many colleagues switch from their regular jobs into designated 'storm roles' to support our storm response – ensuring that customers and wider stakeholders are kept informed, that those that need Extra Care are supported and that power is restored as quickly as possible. We work alongside other regional agencies as required to deliver the best outcomes.

We have introduced campaigns and monthly customer incentive awards for teams and individual colleagues that achieve the best customer satisfaction (CSAT)

Responsible customer services (continued)

CASE STUDY: STORM ÉOWYN

In January 2025, Storm Éowyn brought winds of up to 83mph to the North West region, causing around 200 faults which impacted 110,000 customers. Over the five days of the incident, we sent out over 87,000 customer communications, handled over 50,000 customer calls, knocked on 1,500 doors and delivered over 4,000 hot meals and drinks to ensure that our customers were supported. Feedback, particularly from customers who were off power for longer periods of time, was overwhelmingly positive and showed how much they appreciated the genuine efforts of our teams – working in the field, door knocking, over the phones and covering other roles behind the scenes.



Storm Éowyn brought winds of up to 83mph to the North West region

The volume of complaints received has reduced in comparison to last year, with the top three reasons relating to faults, multiple interruptions, and notification of a planned supply interruption. At 2.04, the overall complaints performance metric is highly positive against Ofgem's target of 2.8. The complaint metric reflects the percentage of complaints resolved within 24 hours, combined with the percentage of complaints resolved within 31 days.



Community



Communities in the North West rely on us to power their lives. What we do and the way we do it impacts people throughout the region, placing considerable responsibility on us to act with integrity, fairness and transparency in all our operations. We continue to use our position to leverage positive change for communities, engaging and collaborating with them and with key partners across the North West to deliver the best outcomes for the region.

Our commitments

➤ Contributing to engagement and collaboration in the region

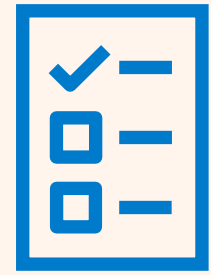
➤ Supporting community engagement

➤ Inspiring the next generation and building future skills

➤ Ensuring the safety of our communities and raising awareness

Collaborating in the North West

KEY STATS:



79%

of responders to a stakeholder survey
said it is important for us to prioritise
being a good corporate citizen



65

strategic meetings
with Local Authorities

Stakeholder engagement is at the centre of our responsible business approach (see page 7) and we work hard to ensure that we create strong, ongoing and mutually beneficial opportunities to listen, learn and respond with those whose lives, businesses and responsibilities are impacted by our activities.

Throughout 2024/25 **we continued to meet with Local Authorities throughout the region to better understand their priorities and communicate our plans.** Engagement centred on issues where we have shared interest, such as emergency planning, innovation, net zero and sustainability, DSO, economic growth and investment, customers in vulnerable circumstance and skills growth, with a view to identifying needs, gaps and opportunities for collaboration.

Across the year, this activity included 65 strategic local authority engagements including engagement with the 35 authorities in our region to enable Local Area Energy Plans and enable network planning and technical support sessions. For further information on our regional stakeholder engagement see page 7.

In May 2025, we attended the 2025 UK Real Estate Investment and Infrastructure Forum (UKREiIF) in Leeds. The event serves as a key platform for local and regional authorities to attract private investment and launch regeneration and economic growth strategies.

For SP Electricity North West, it provided a valuable opportunity to showcase our support for local authority partners and to reinforce our role in enabling a net zero future. We were proud to partner with Westmorland and Furness Council, Cumberland Council, and Enterprising Cumbria, Manchester City Council and Lancashire County Council to drive forward our shared ambitions for regional growth, support devolution, and deliver on the priorities set out in our ED2 business plan.

Strengthening relationships with national and local government partners remains a strategic priority, and we are committed to continuing this momentum as we work together toward a sustainable, net zero economy.

Our capital delivery programme delivers the investment needed in the North West to strengthen the electricity network, improve reliability, support low carbon technologies, and create a cleaner, greener, more resilient energy future to meet the needs of our communities.

As demand increases, we need to replace parts of our infrastructure with new, modern assets that provide more capacity and incorporate new, greener technologies.

We seek to minimise the impact on communities through careful planning and good communication in advance of any planned works. Each capital project has a bespoke communications plan to ensure technically complex information can be communicated in an accessible manner. Dedicated web pages have been developed this year to communicate scheme details, impacts and benefits, and contribute to a suite of communications materials and engagement activities that ensure communities, local authorities, councillors and MPs, contractors and suppliers are kept in the loop about work going on in their area.

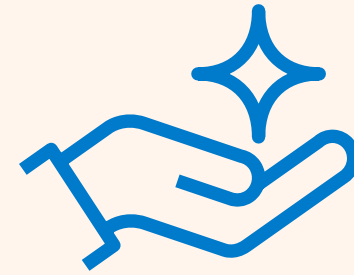
Colleague-led community engagement

KEY STATS:



90

colleagues registered
their volunteering



£22,400

invested in local
colleague-nominated causes

Our colleague-led donations fund is open to applications from colleagues who want to 'power-up' their fundraising and volunteering efforts for local charities and organisations. In 2024, donations totalling £22,400 were distributed from the fund to causes close to colleagues' hearts, while 90 colleagues took paid time to volunteer in their local community, as part of the two day's volunteering leave offered by the company. SP ENW additionally offers Armed Force Reservists 10 paid leave days per year to enable them to participate in their annual camp training and extends paid time off for colleagues with other civic duties.

In 2024, donations totalling £22,400
were distributed to causes close to
colleagues' hearts



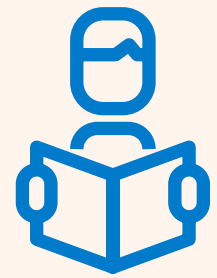
Our SP ENWS grounds maintenance team donated their time and skills in February to spruce up Hartington Hut, a community facility right on the doorstep of our Preston office.

Across the day, their efforts resulted in the sports courts becoming usable facilities once again and they cleared paths and vegetation to improve accessibility.

Our Preston depot has supported Hartington Hut from the off, with colleagues represented on the steering group and undertaking fundraising activities to ensure that it can continue to be a valuable local asset to the communities around Hartington Road.

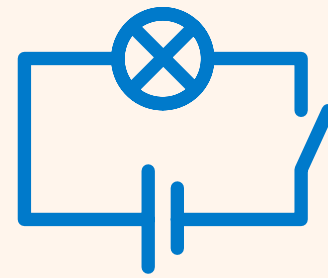
Inspiring the next generation

KEY STATS:



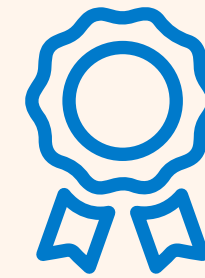
8,380

pupils reached through
our education programme



97%

pupils more confident about electrical circuits
after attending a Switched On! workshop



100%

teachers said that Switched On!
achieved its learning outcomes

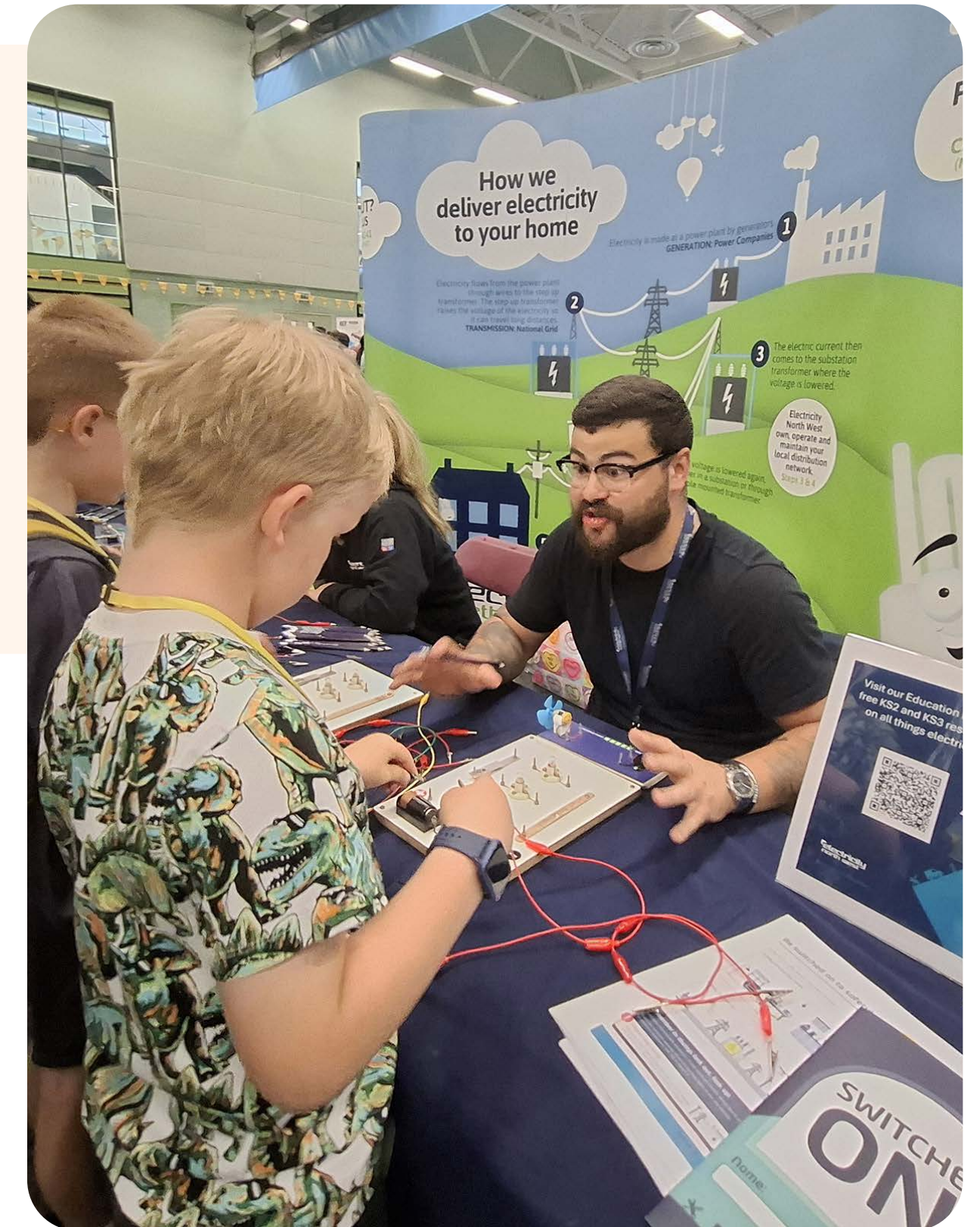
We recognise the important role we have as the network operator for the North West of England to **educate young people about staying safe around electricity and our infrastructure**, while sparking their curiosity in STEM subjects and in future careers with us.

Our partnership with STEMFirst to deliver our primary school education programme, 'Switched On!', was rolled out successfully throughout the year, following its relaunch in 2023/24. Around 2,170 students in 74 schools took part in hands-on classroom-based activity developed around KS2 lessons on electricity circuits and key safety messages. Throughout the year, we continued to work with Science Made Simple to deliver interactive science shows to secondary school pupils with the aim of helping them to understand key curriculum content around electricity while inspiring them to become confident, creative thinkers and problem-solvers. 39 workshops were delivered at 14 schools throughout the 2024/25 financial year, reaching around 6,210 pupils.

The programmes are a key part of our talent pipeline – ultimately supporting our focused recruitment and our apprenticeship programs (see page 14).

Our support for STEM education also provides an opportunity for colleagues to get involved in inspiring the next generation, through our STEM ambassadors programme. **STEM ambassadors support our activity at science festivals, tech events and careers fairs** and we aim to have at least 25 registered STEM ambassadors by 2028, with 15 presently registered.

20 colleagues supported SP ENW's presence at UCLan Science Festival 2025, which took place in Preston in May. Colleagues delivered nine classroom-based workshops over the three days, focusing on all things electricity – from how we get it into people's homes, to static electricity experiments, safety and circuits. The event attracted 10,000 visitors, many of whom came to our showfloor stand to have a go at completing basic circuits.



Promoting safety

We are **dedicated to ensuring safety in all our operations** – from street works to storm responses – in order to protect our communities. Our responsibility to our communities places a duty on us to ensure that people are educated about the dangers of electricity and about how to stay safe around our assets, street works and during power outages. This starts at school, through our education programme (see page 36) and continues into wider community engagement – particularly around storm events.

Throughout the year, we sought to reinforce core community safety messages - carrying them on barriers around street works, promoting communications before school holidays to reinforce the dangers of playing near or entering our equipment and running targeted campaigns around farming equipment and fishing.

In 2024/25, there were seven named storms in total (2023/24: 13). Through learnings from prior years, storm response improvements have been made to significantly bolster preparation protocols and responses. Our storm response includes proactive communications to ensure that those who may need Extra Care receive support, whilst reiterating the need to stay away from, and what to do if you see, fallen or damaged power cables. This has enabled SP Electricity North West to deliver some of its highest quality responses during these events.

We commenced our **Winter Readiness campaign** during summer 2024 to ensure proactive outreach in advance of adverse weather conditions, which have been occurring earlier in recent years. A total of 387 colleagues from across the business supported the contact centre in reaching our most vulnerable customers—27,669 by phone and 2,206 through doorstep visits—to ensure we have the most up-to-date information to provide the most appropriate support, which could be anything from deploying generators to customers with a medical need or coordinating with nominated carers, to moving customers to a safe location.

A total of 387 colleagues from across the business supported the contact centre in reaching our most vulnerable customers

Suppliers

12 RESPONSIBLE
CONSUMPTION
AND PRODUCTION

Our responsibility as a business extends beyond our own operations and across our value chain. Our suppliers are key to helping us deliver against our responsible business commitments, since their actions can impact our customers, communities, our people and the environment. By working in partnership, we seek to maximise the positive impacts of our collaboration. Our aim is to operate with openness and transparency to develop a first-class supply chain; one that is high performing, ethical and safe, and in which human rights and sustainability are protected.

Our commitments

[➤ Responsibility in our supply chain](#)[➤ Tackling modern slavery](#)[➤ Delivering value to our suppliers](#)

Responsibility in our supply chain

KEY STATS:



46%

of suppliers have a policy or process in place for carbon management



Sustainability

profile for 81% of suppliers by value



41%

of our big contract spend is with North West-based suppliers

Our [Supply Chain Charter](#) sets out **our commitment to the ethical procurement of goods, services and works and our promise to operate in a transparent and fair manner** throughout the supplier recruitment process. The charter prioritises high ethical standards, industry-leading health and safety and commitments around living wage, modern slavery and the environment.

Throughout the year, we have strengthened our due diligence measures through use of the analytics tool on our supplier database, Achilles. This has enabled us to manage supplier risk more effectively and also start to build a sustainability profile of our top suppliers.

Using data on the platform that captures suppliers' commitments we have begun to analyse which of our suppliers are meeting at least 'minimum' sustainability thresholds. 81% of our suppliers (by value) are registered on Achilles, of which 93% achieve an overall sustainability score above 50%. We are also able to use Achilles to provide a snapshot of our suppliers' commitments to carbon and energy management. Data held for our suppliers on the system show that almost half have a policy or process in place for carbon management.

Ongoing work with our new parent group, Iberdrola, will inform our future approach to reporting sustainability in our supply chain. During the year, we ramped up our commitment to working with our supplier network to champion diversity and inclusion.

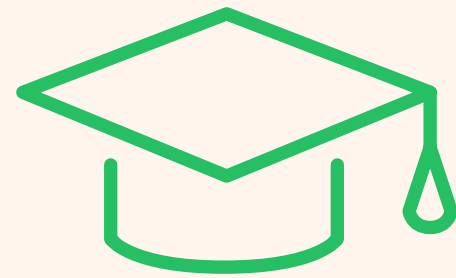
We piloted round table events with a small group of suppliers to help build their knowledge and capacity around DE&I issues, and are planning to deliver further round tables in the coming year.

As an accredited **Real Living Wage employer**, we're required to show that those working for our key framework contractors are already paid at a level at least equal to the real living wage or that these contractors are working to achieve these pay levels. To ensure we continue to adhere to the requirements of a Real Living Wage employer, we have included a Real Living Wage requirement in our tender documents.



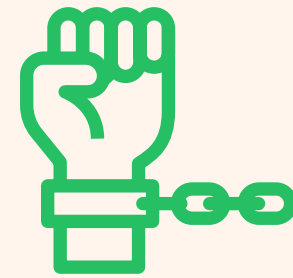
Tackling modern slavery

KEY STATS:



100%

of procurement colleagues have been trained on modern slavery during 2024/2025



50

top suppliers assessed for modern slavery risk

All new colleagues have received **modern slavery awareness training through** the corporate induction process. We continue to take a proactive role in raising awareness of modern slavery both within our operations and across our supply chain. We ask our key suppliers to demonstrate to us the measures they have in place to prevent modern slavery arising in their own supply chains and we will continue to monitor their effectiveness through periodic assessments, meetings and visits to our suppliers' premises.

In April, we wrote to our entire supplier base setting out our ethical expectations of our suppliers, specifically identifying modern slavery as a key risk and sharing our knowledge and expertise in this area. And we have held roundtable and briefing sessions with suppliers to raise the visibility and awareness of modern slavery risks, and impress on them the need for mitigation to be put in place.

During the year, **we worked with Slave Free Alliance (SFA) to conduct a risk assessment of our top 50 suppliers**. This exercise involved desk top research to gather information for those suppliers assessed as high risk and was followed up with periodic briefing sessions with key suppliers to raise the visibility and awareness of modern slavery risks.



SLAVE-FREE ALLIANCE

Working Towards a Slave-free Supply Chain



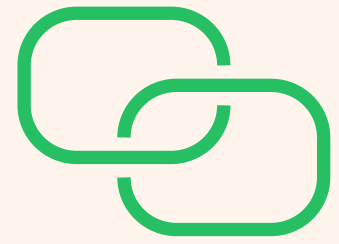
We continue to take an active role in the Utilities Against Slavery (UAS) group, co-ordinated by SFA. In 2024/25, we worked with the UAS Chair to produce supplier assessment guidance following a pilot assessment conducted on one of SP Electricity North West's key suppliers, sharing findings with other members of the UAS and suppliers within our supply chain to help drive best practice.

Bespoke training has been delivered to the Procurement team this year, with company-wide communication and training extended to all colleagues to ensure they are made aware of modern slavery risks and issues and how they can spot signs of modern slavery when they are working in our communities.



Delivering value

KEY STATS:



£390m

spent across
our supply chain



96%

of our spend was with
UK-based suppliers



79%

of invoices from suppliers
paid within 30 days



18%

of our suppliers are micro,
small or medium enterprises

Our Supply Chain Charter aims to set out our expectations of all who are, or wish to become, suppliers within our supply chain and, in return, what they can expect from us. It provides assurance to suppliers around performance feedback, the clarity of information provided so we achieve, together, a 'right first time' result, and the use of their data, and encourages the two-way sharing of knowledge to drive continuous improvement.

In 2024/25, we spent £390m across our supply chain. Of the top 80% of contract spend, 41% was spent with North West-based suppliers and 96% with UK-based suppliers. Almost one in five of our suppliers is an SME, meaning they have fewer than 250 employees and a turnover no greater than £36m.

We report our payment practices biannually to Government, detailing the proportion of invoices paid on time. Our report for the half year ending 31 March 2025 showed that four in five invoices are paid within 30 days and that the average time taken to pay was 22 days (cf. average 36 days for large firms in 2023).

Average time taken
to pay suppliers is
22 days



SP Electricity North West
Borron Street
Portwood
Stockport
SK1 2JD

www.enwl.co.uk

Please contact: transformingcommunities@enwl.co.uk if you have any comments on our Responsible Business approach.

