



ELEXON BUSINESS ETHICS POLICY

The ELEXON Business Ethics Policy sets out ELEXON's charter for ethical business conduct. The Policy is supported by a range of internal policies which are contained in the ELEXON Staff Handbook and/ or published in the Company Information/Policies and Procedures section of the intranet. The Staff Handbook is distributed to all ELEXON personnel in hard copy and is published on the ELEXON Intranet. The standards outlined in the Policy apply to all directors, staff and contractors working on behalf of ELEXON.

ELEXON is committed to acting in strict compliance with the law, and according to the highest standards of ethics, professionalism and business conduct. In all of its relationships, the company will display courtesy, honesty, integrity and above all, impartiality. All decisions will be fair and based on transparent processes.

All ELEXON personnel are expected to comply with the ELEXON corporate values:

- Excellence in meeting the needs of our stakeholders
- Commercial in thought and deed
- Continuous innovation and improvement
- Individual ability and team productivity
- Fairness and respect between staff

Independence and Objectivity

ELEXON exists solely to implement the provisions of the BSC and to do so in a just and efficient manner. Independence and objectivity are fundamental to this role. ELEXON is committed to being fair, transparent and impartial in all of its dealings. The ELEXON Staff Handbook contains explicit rules governing the behaviour of ELEXON personnel in this respect.

- All staff are required to act in a way that is unbiased, and they must not be subject to any influence which may lead them to act in a way which favours any particular person or stakeholder group.
- No person providing services on behalf of ELEXON should permit his or her personal interest to conflict, or appear to conflict, with the interests of the company.
- Other than the remuneration from ELEXON, employees may not directly or indirectly accept any form of payment or material benefit from third parties for services they perform on behalf of ELEXON.
- ELEXON personnel are bound by the ELEXON Share Dealing Policy which prohibits dealing in the securities of BSC Parties, BSC Agents and Related Companies, except in specifically defined circumstances described in the Share Dealing Policy.

Transparency of ELEXON's Business

- ELEXON will be transparent in all of its operations except where it is constrained by issues of confidentiality.
- The company will strive to communicate clearly and succinctly in order to minimise complexity.

Stakeholder Relations

- ELEXON recognises its responsibilities to BSC Parties and other stakeholders and will strive to serve their interests where it is possible to do so, within the provisions of the BSC.
- The company will actively seek feedback from stakeholders in order to better understand their requirements as they relate to the BSC.
- ELEXON recognises the complexity of the BSC arrangements and will strive to communicate with clarity and simplicity in all of its dealings with stakeholders.

Safeguarding Corporate Assets

- ELEXON is committed to delivering value for money to BSC Parties. All personnel are required to avoid waste and extravagance and are encouraged to identify improvements to systems and procedures to achieve optimal effectiveness, efficiency and responsiveness.
- ELEXON personnel are expected to follow agreed procurement procedures when commissioning third party services. They are also bound by the ELEXON Business Expenses Policy when incurring business expenses which will be paid or reimbursed by ELEXON.
- Business opportunities relating to ELEXON's activities can only be utilised by ELEXON and not by ELEXON personnel acting in a private manner.
- ELEXON's assets and funds may only be used for the legitimate business purposes of ELEXON.

Confidentiality

- Information provided by stakeholders to ELEXON in confidence will not, unless otherwise required by the BSC, be disclosed without the express permission of the owner.
- ELEXON will comply with the provisions of the Data Protection Act and personnel will act in accordance with the Data Protection Guidance contained in the Staff Handbook.

Governance and Financial Matters

- ELEXON will comply with all laws, rules, BSC provisions and government regulations that are applicable to it.
- ELEXON has a policy of compliance with the Combined Code on Corporate Governance, except where the terms of the BSC take precedence, or the Combined Code is inapplicable.
- ELEXON will maintain accurate business records and will follow best practice in this respect.
- All financial statements and accounts will be maintained in a manner that is accurate and auditable.
- ELEXON will ensure that all funds held by the company on behalf of BSC Parties will be managed in a secure and responsible way, and in the best interests of BSC Parties.

Contractual Arrangements

- ELEXON is committed to honouring its contractual commitments and will build relationships with its suppliers, agents and contracted service providers based on mutual trust.
- All ELEXON personnel are expected to understand and comply with the terms of the contracts for which they have a responsibility.

Employment Principles

- ELEXON supports the principle of equal opportunities in employment and strives to create an environment where all personnel are treated fairly and without fear of harassment or victimisation for any reason.

- The company is committed to providing a healthy, safe and secure working environment for staff and for all others affected by its activities.
- The ELEXON Staff Handbook sets out ELEXON's employment and workplace policies and practices and is provided to all members of staff and contractors working on behalf of ELEXON.

Whistle Blowing

- ELEXON encourages staff to identify any unethical behaviour or wrongdoing through its Whistleblowing Policy which sets out a framework for staff to report malpractice without fear of reprisal or victimisation.

Ends