



**Scottish
Water**

Trusted to serve Scotland



Supplier Code of Conduct

September 2025

Welcome

Scottish Water spends circa £1.4 billion annually on goods and services and as an industry in Scotland, we support approximately 21,000 jobs either directly or indirectly. Around two thirds of those jobs work for, or with, our supply chain, which ranges from local suppliers in Scotland to across the UK, Europe, the USA, India and China. Around 70% of those suppliers are small medium enterprises and around 90% of our spend is with organisations with locations in Scotland.

Our business and procurement strategies are aligned with the Scottish Government’s ambition to create a greener and stronger economy, and our supply chain contributes to boosting Scotland’s economy.

We pride ourselves on being a business that is transparent and fair, supporting Scotland’s economy – and trusted to serve Scotland.

Scottish Water is committed to an ethical supply chain. We want to work with suppliers who ‘do the right thing’ – who take issues of sustainability, human rights and ethical practices seriously. As we continue to evolve, we will strive to make a positive contribution throughout our supply chain. Collectively we can work together to ensure we meet the requirements of the Ethical Trading Initiative Base Code and the legal requirements of all countries our supply chain does business in. Our aim is to support our suppliers to take a stand for workers’ rights and safety, to promote and encourage diversity and inclusion, to consider the sustainability of sourcing practices and requirements and to ensure business is conducted in a fair, transparent and honest manner

The organisations in our supply chain are an extension of our own team and we expect the same standards of conduct from our suppliers as we do our own colleagues. Often, our suppliers are the people delivering a first-class service on the ground, they are the face of Scottish Water in some communities, and their work shapes the experiences of our customers. So, it’s important that we work with suppliers who hold similar values to us.

If you are a supplier of Scottish Water, or, hope to do business with us in the future, it is imperative that you read this document and ensure you comply with our requirements. This code of conduct, and subsequent revisions, are available to view online at

[Procurement and Supply - Scottish Water](#)
Suppliers are responsible for familiarising themselves with the Code of Conduct and ensuring they are aware of, and comply with, the latest version.

If you have any concerns regarding compliance to the standards outlined within, you should report this to our independently operated whistleblowing line ‘**Safecall**’ on **0800 915 1571**.

Thank you, to all our suppliers, and everyone who works with us, for following this code of conduct. Together, we are trusted to serve Scotland.

Joe Rowan
General Manager,
Procurement and Supply Chain

1 Introduction

In Scottish Water, we always strive to do better in all we do. We are committed to being open, transparent and upholding the highest ethical and professional standards. We do our business with integrity and transparency, not only to comply with legal and regulatory requirements, but to do things right and to do the right thing.

Our reputation as an ethically responsible business is crucial. We expect all employees, Directors and Board members to act in a way that protects the interests of Scottish Water, our customers and the environment. We want our people to work safely, grow responsibly and treat each other with respect.

Our suppliers are an essential partner in delivering our standards. We cannot do it alone. To support us, we expect all of our suppliers to incorporate the same high standards of business ethics. We expect our suppliers to be mindful that the way they conduct their business reflects on Scottish Water and its relationship with its employees and customers.

The Supplier Code of Conduct (our “Supplier Code”) sets out the standards our suppliers are expected to adopt. It is designed to build a relationship of trust and constructive dialogue with our suppliers to drive improved performance.

Who the Supplier Code applies to:
The Supplier Code applies to providers of goods and services. Where we refer to “suppliers”, this includes suppliers, contractors, subcontractors, service providers, professional service providers, consultants, intermediaries and agents.

The Supplier Code is intended to be reciprocal: it sets the behaviours we expect of our own; in turn suppliers are expected to cascade these principles to their own supply chain.

The Supplier Code is not intended to conflict with or modify any existing terms and contracts between Scottish Water (or any subsidiary company) and its suppliers. Should any conflict arise, suppliers are expected to comply with any existing contractual terms.

2 Business Ethics

Scottish Water conducts its business ethically and in accordance with legal and regulatory requirements. We require our suppliers to conduct their business in the same way. Suppliers are required to comply with all applicable laws and with the Supplier Code, including where the Supplier Code sets a higher standard than, but does not conflict with, legal requirements. Local practices should never take precedence over legal and regulatory requirements.

2.1 Financial Integrity
Financial integrity is of paramount importance to Scottish Water. We have a zero-tolerance approach to fraud, bribery, corruption and other forms of financial impropriety such as tax evasion. We expect the same of our suppliers.

What does this mean for you?
Suppliers must comply with any law that prohibits corruption, bribery or any offence similar to the offences contained in the Bribery Act 2010, in any part of the world where a supplier carries out its business.

- Suppliers must never request, accept, pay, offer or authorise bribes or other form of inducement, either directly or indirectly, under any circumstances, with the intention or appearance of improperly influencing a business decision or securing an improper business advantage (including by the offering of services, gifts, facilitation payments or benefits to a Scottish Water employee, customer, public official, or any other individual or entity).
- Suppliers must implement appropriate and adequate procedures for employees to comply with all applicable anti-corruption laws and the standards of the Supplier Code.
- Suppliers should not engage in any fraudulent or unethical activities.
- Suppliers must not engage in any form of facilitating tax evasion, nor aid, abet, counsel or procure the commission of a tax evasion offence by another person.
- Suppliers must not engage in the practice of money laundering and must not launder the proceeds of any corrupt practices. This includes concealing or disguising the illegitimate origin, source, location, disposition, movement or ownership of property and/or money, knowing that such is the proceeds of crime.

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- Suppliers should ensure all reports, records and invoices are complete, accurate and not misleading. Scottish Water participates in the National Fraud Initiative. This has highlighted a requirement for Suppliers to ensure all invoices and applications for payment have a description of the goods/services being charged and to refrain from submitting duplicate copies of invoices.
- Suppliers must report all instances or suspicions of financial impropriety to Scottish Water.

2.2 Avoiding Conflicts of Interest

We strive to operate in a way in which conflicts of interest are avoided, and we require our suppliers to do the same.

What does this mean for you?

Suppliers should avoid situations which may be a conflict of interest or have the appearance of a conflict of interest.

Suppliers should declare to their Scottish Water Procurement Representative, via e-mail, any personal or professional activity, relationships or pursuit which impairs (or may be perceived as impairing) the ability to make objective decisions or has the appearance of impropriety. Potential and actual conflicts must be disclosed in advance of, and throughout, any relationship with Scottish Water.

Should suppliers be unable to contact a Scottish Water Procurement Representative, declaration should be sent to the Scottish Water Procurement Helpline via e-mail - ProcurementHelpline@scottishwater.co.uk.

2.3 Gifts and Hospitality

We value relationships established on trust and respect. We recognise that the offering of gifts and hospitality can be part and parcel of normal business practice designed to build goodwill. But gifts and hospitality may be (or appear to be) improper. We do not request, accept, or authorise any gift or hospitality that might (or have the appearance of) improperly influence our business. Scottish Water has an established gifts and hospitality policy which outlines acceptable circumstances and monetary limits.

What does this mean for you?

- Suppliers should not offer any gift or hospitality which may influence or be perceived by others to have influenced a business decision or to obtain an unfair competitive advantage.
- Under no circumstances should a gift or hospitality be offered by a supplier who is engaged in a tender or negotiation process.
- Suppliers must report any instances of a Scottish Water employee requesting (directly or by implication) a gift or hospitality service for free or less than market value.

2.4 Terms and Conditions

All suppliers engaged by Scottish Water are engaged under Scottish Water's Terms and Conditions for the Purchase of Goods and Services unless alternative T&Cs have been agreed with Scottish Water.

What does this mean for you?

- All services or goods provided to Scottish Water shall be supplied under Scottish Water's Terms and Conditions; the supplier is responsible for ensuring they are aware of the terms under which they are being engaged.

3 Protecting our Assets

The delivery of our services depends on Scottish Water's information, physical assets and resources. We expect our suppliers to respect and protect our assets from damage, theft, loss and misuse, whether tangible or intangible.

3.1 Confidential and Personal Information

We have a duty to protect personal information and ensure it is handled responsibly. We take protecting the personal data of our customers, our employees, and the third parties who interact with us, seriously. We will respect the confidentiality of information provided to us (insofar as we are able by law) and expect our suppliers to meet similar requirements.

What does this mean for you?

- Suppliers should appoint a Data Protection Officer, where appropriate.
- All uses of personal data, such as collection, registration, storage and deletion, should be carried out in accordance with applicable laws and regulations, including the General Data Protection Regulations.
- Suppliers should not process any personal data obtained from or regarding Scottish Water without our explicit written instructions.
- Suppliers should not process any of Scottish Water's personal data out with the UK or EEA without our written permission.
- Suppliers should not engage any sub-processors to process any personal data supplied by us; or collected by you for the purpose of a contract with Scottish Water without our consent.
- Suppliers should implement all technical and organisational measures which are reasonable in the circumstances.
- Suppliers should take all reasonable measures to prevent our confidential information, or that of our customers and business partners, from being disclosed to any person who does not need or have a right to that information. You should protect any intellectual property rights belonging to Scottish Water.
- Suppliers should not share, create or endorse any social media content that could be deemed derogatory, offensive or discriminatory, or speak on behalf of Scottish Water without prior authorisation.

3.2 Cyber Security

Failing to protect sensitive and classified information can have a catastrophic reputational impact. We take steps to reduce the risk of a cyber security breach and expect our Suppliers to have systems with appropriate protections.

What does this mean for you?

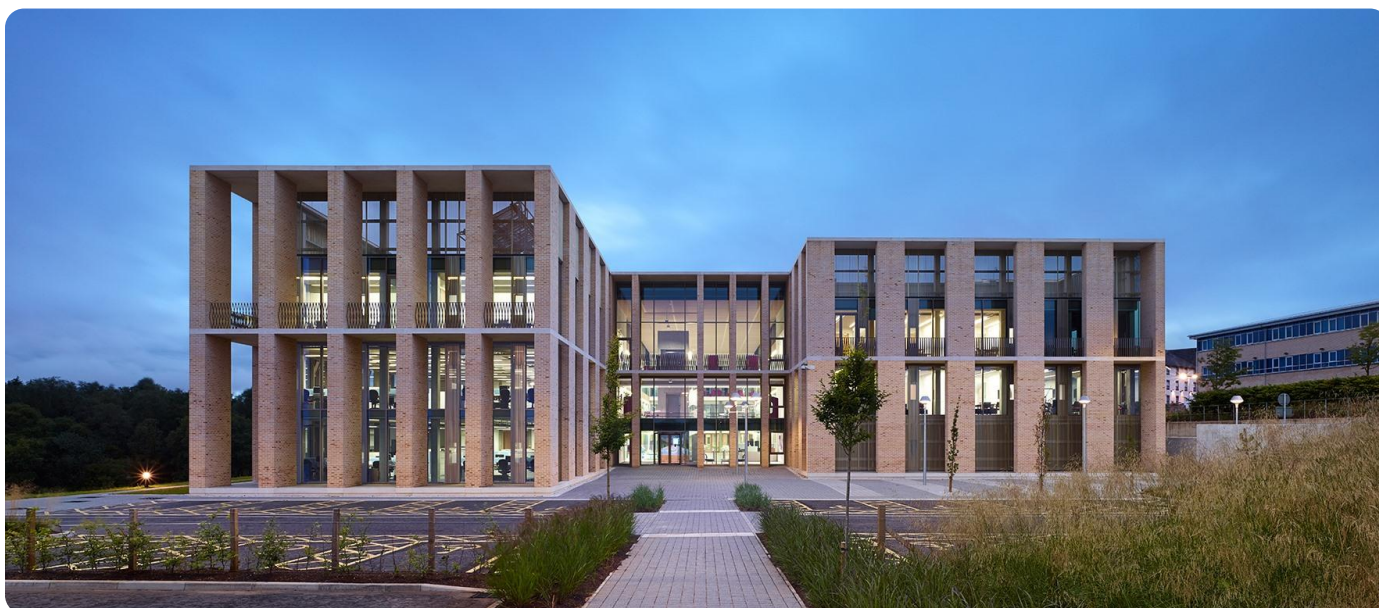
- Suppliers should protect Scottish Water's sensitive and classified information, acting in compliance with all UK data security laws and guidance from the likes of the Centre for the Protection of National Infrastructure and the National Cyber Security Centre. This includes the effect and maintenance of technical and organisational measures designed to prevent the accidental loss, destruction or damage to Scottish Water's systems or data.
- Access to sensitive and classified information should be limited and on a 'need to know' basis.
- Suppliers must notify Scottish Water in advance of any replacement or substantial change to the systems and/or technology in place which we have been informed of
- Suppliers must notify Scottish Water in the event of a cyber security breach.

3.3 Protecting Scottish Water's Reputation

Scottish Water has a long-standing reputation as a trusted and customer-focused utilities provider and it's crucial that we maintain public confidence in us. All people engaged on Scottish Water activity, be they our own employees or suppliers, are responsible for safeguarding our reputation.

What does this mean for you?

- Suppliers should be mindful that they are representing Scottish Water when they undertake works on our behalf and ensure that their employees behave accordingly.
- Suppliers should not use any Scottish Water branding (either physical or electronic), and ensure likewise for their staff and sub-contractors, without written Scottish Water permission - usage of any Scottish Water branding must be approved by the Scottish Water Brand & Marketing Team, in line with the Use of Scottish Water Brand by Supply Chain Policy
- Any breach resulting in Scottish Water's reputation or brand being brought into disrepute may result in Scottish Water suspending the business trading relationships between the parties at no fault or cost to Scottish Water.



4 People

We care for our people and the people affected by our activities. We support human rights and fair working conditions. We expect our suppliers to respect the rights and dignity of all their employees and those of their supply chain.

4.1 Modern Slavery and Child Labour

Scottish Water strongly opposes modern slavery and child labour, and we are committed to eradicating these within any element of our business and supply chain. We expect all those who work for us and with us to adopt the same stance and we have a zero-tolerance approach to inaction and cover up of these issues.

What does this mean for you?

- Suppliers are expected to treat people with dignity and respect and to promote and maintain an ethical and inclusive culture in the workplace.
- Suppliers are expected to adhere to all laws and regulations prohibiting human trafficking and forced or indentured labour, such as the Human Trafficking and Exploitation (Scotland) Act 2015 and the Modern Slavery Act 2015, and to ensure that no child labour is used in the performance of work. This includes the preparation and publishing of an annual statement where your turnover exceeds UK legislative thresholds. Framework suppliers whose turnover falls below a threshold are required to sign a modern slavery compliance declaration annually. Non-framework suppliers are required to confirm modern slavery compliance annually. Suppliers may be subject to audits on modern slavery compliance.
- Suppliers must comply with Scottish Water’s Anti-Slavery Policy
- Suppliers must implement measures to mitigate the risks of modern slavery, child labour and human trafficking taking place in their supply chain, or in any part of their business. Compliance audit trails must be retained.
- Suppliers must notify Scottish Water as soon as you become aware of any actual or suspected slavery or human trafficking either by you or your supply chain.

4.2 Fair Treatment

Scottish Water is a place of mutual trust and respect. We embrace diversity. Everyone is of value and has the right to freedom from harassment. We do not tolerate violence against an employee or any form of discrimination. Everyone should be fairly rewarded for their skill, contribution and performance.

Suppliers are expected to live by these standards and create a working environment free from physical, psychological and verbal harassment, or other abuse.

What does this mean for you?

- Suppliers should not engage in any type of individual or collective blacklisting.
- Suppliers are expected to comply with all legislation and guidelines which promote equality of treatment and opportunities regardless of sex, race, colour, age, disability, gender, gender identity or expression, sexual orientation, religion, political affiliation, marital status, pregnancy and maternal status, caring responsibilities, ethnic origin or union membership, and to promote and encourage diversity within their organisation and supply chain.
- Suppliers must comply with respective national laws and regulations regarding working hours, wages and benefits as a minimum.
- Suppliers are expected to support the Scottish Government’s requirements for Fair Work First to help ensure sustainable and inclusive growth within Scotland. These include providing appropriate channels for effective voice, such as trade union recognition; investment in workforce development; no inappropriate use of zero hours contracts; action to tackle the gender pay gap and create a more diverse and inclusive workplace; providing fair pay for workers (for example, payment of the real Living Wage); offering flexible and family friendly working practices for all workers from day one of employment; and opposing the use of fire and rehire practices.

4.3 Health, Safety & Wellbeing

Scottish Water is committed to ensuring the health and safety of our employees, customers, contractors and members of the public.

Scottish Water’s goal is Beyond Zero Harm, it is our commitment to creating safe, healthy, and productive environments where everyone can thrive.

We want to improve and align safety culture, within Scottish Water and the wider supply chain. Safety culture is the way in which safety is managed in the workplace, and often reflects “the attitudes, beliefs, perceptions and values that employees share in relation to safety”

Scottish Water wants to work with suppliers who share this goal and can demonstrate its importance through initiatives improving both safety and wellbeing.

Employee wellbeing is a ‘whole person’ concept that considers all the influences on an individual’s functioning at work, including those that come from outside workplace, in home lives and leisure activities.

It goes beyond compliance; fostering a culture where safety and wellbeing are shared values, integrated into everything we do, where every person on every project goes home safe and well each day.



What does this mean for you?

- Suppliers must comply with applicable occupational health and safety regulations and provide a working environment that is safe and conducive to good health in order to safeguard the health of employees and prevent incidents, injuries and work-related ill health.
- Suppliers should ensure that employees and others in your supply chain have the appropriate skills, knowledge and experience; and are provided with the suitable resources and equipment to carry out their work in a healthy and safe manner.
- Suppliers must report all health and safety incidents related to our projects, sites or workplaces, in accordance with agreed requirements.
- Scottish Water believes in Beyond Zero Harm, and we expect our suppliers to behave in a way that aligns with this goal, working together to create an industry leading approach to safety.
- Suppliers are expected to demonstrate a clear commitment to health, safety and wellbeing in all aspects of work.
- Suppliers will engage and join in with the Industry Collective, and Scottish Water, to adopt and share best practices.
- Suppliers are expected to embed Beyond Zero Harm principles within their organisation, influencing both employees and subcontractors
- Suppliers will proactively identify and mitigate risks, preventing their occurrence rather than just responding to incidents.
- Suppliers will be committed to continuous improvement and innovation in health and safety



5 The Environment

It is our vision to be admired for excellence, secure a sustainable future and inspire a Hydro Nation. Our purpose is to support a flourishing Scotland through being trusted to care for the water on which Scotland depends. Managing environmental matters is an integral part of our activities. We are committed to ensuring that we are compliant not only with environmental laws, regulations and standards, but our own environmental quality standards to protect the environment.

A core challenge for Scottish Water is the statutory obligation to support delivery of Scotland’s legally binding target to reduce greenhouse gas (carbon) emissions to net-zero by 2045. We have gone beyond that and set a target of Net Zero emissions by 2040. We can only carry this out with the active engagement and support of our supply chain.

We have a duty to take carbon emissions into account when making investment decisions, and this requires that we have access to reliable information about the carbon impact of various options throughout the

Plan-Prepare-Deliver process for capital projects. All these projects, moving forward, will have a suitable carbon assessment and we are committed to reducing both our capital and operational emissions.

We expect all suppliers to commit to reducing carbon.

We expect our framework suppliers to commit to measuring their scope 1,2 and 3 emissions and develop a carbon plan to reduce these emissions.

In these cases, we will work with suppliers to agree the scope and format of such information to ensure its consistency with our carbon management systems.

Increasing the visibility of carbon data throughout the supply chain is a key stage on our journey to reducing our collective carbon emissions, in line with our statutory obligations.

What does this mean for you?

- Suppliers are expected to consider the sustainability of the environment and the resources used.
- Suppliers may be required to actively support our climate change policies by providing reliable data on their carbon impacts, and all suppliers will be encouraged to reduce these impacts over time.
- Scottish Water is proud of its Net Zero Route map, and we expect our suppliers to behave in a way that aligns with our route-map, which can be found on our website
- Framework suppliers are expected to measure their scope 1,2 & 3 emissions and develop a carbon plan

6 Monitoring and Compliance

We take pride in our supply chain and in selecting suppliers, take steps to ensure we are contracting with reputable organisations. All checks are carried out in accordance with procurement law and best practice guidance. We expect supplier performance to be in the spirit of collaboration. We expect our suppliers, wherever they operate, to act in a responsible and ethical way.

Accordingly, suppliers must ensure that all your workers, agents, and permitted subcontractors are aware of the requirements of the Supplier Code.

Please ask us if you have any questions about the Supplier Code.

We reserve the right to monitor and audit each supplier’s compliance with the Supplier Code. In the event that the expectations of the Supplier Code are not met, the business relationship may be reviewed and corrective actions pursued subject to the terms of the particular contract and Scottish Water’s policy on the suspension of suppliers. Potential consequences may include but are not limited to contract termination and/or suspension for a period of up to 12 months.

7 How to Report a Concern

You can report a concern to the relevant Scottish Water manager.

Alternatively, if you have any concerns regarding compliance to these standards, you can report these confidentially and anonymously to our independently operated whistleblowing line:

“Safecall” on **0800 915 1571**.



Keeping up to date and getting in touch

Find out more about Scottish Water, our charges, our customer charter and keep up to date with what we are doing in your area:

Visit

 www.scottishwater.co.uk

Follow us

 facebook.com/scottishwater

 [@scottish_water](https://twitter.com/scottish_water)

Email

 help@scottishwater.co.uk

Call

Customer Helpline free 24/7

 **0800 0778778**

Alternative formats of this leaflet can be made available free of charge. For information on Braille, large print, audio and a variety of languages, please call our Customer Helpline.

If you have a disability, medical condition or other reason where you may need additional assistance from Scottish Water then please contact us and we can add your name, address and requirements to our confidential Priority Services Register.

We record all calls for quality and training purposes.