

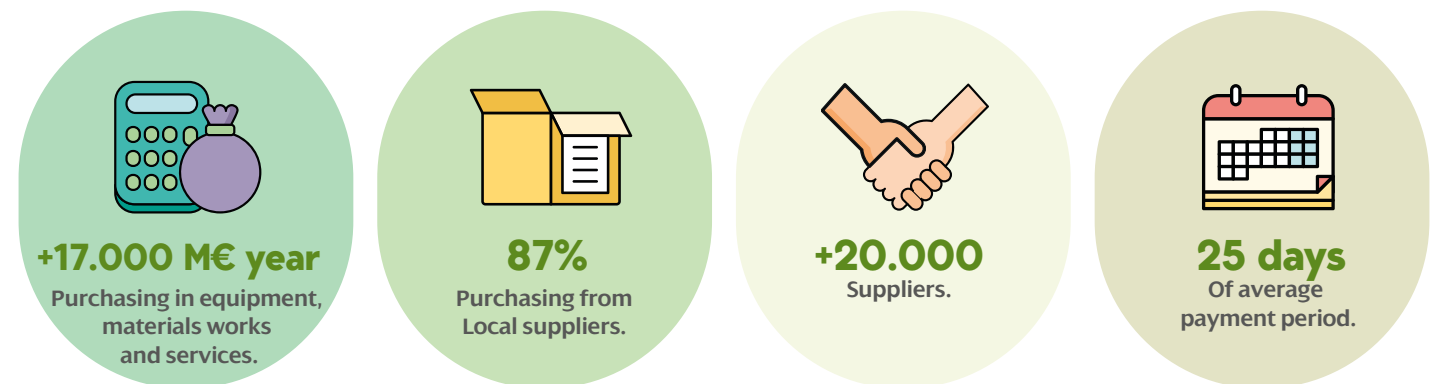
PURCHASING AND SUPPLIER MANAGEMENT

2022

Purchasing and supplier management 2022

The high volume of purchases made by the Iberdrola group drive growth in the countries where the company signs contracts, favoring business, industrial and social development in the regions by creating employment throughout the supply chain.

MAGNITUDES



AWARDS

Joined by our values



We promote and reward the excellence of our suppliers through celebrating a **Global Supplier of the Year Award**. The awards were given to eleven companies that stood out for their commitment to innovation, competitiveness, diversity and equality, prevention of occupational risks, quality, sustainability, employment generation and vocation of internationalization.

DIALOGUE AND SATISFACTION

Overall supplier satisfaction



8,36 /10*

+2.000 responses received
(* Supplier Satisfaction Survey).

EXCELLENCE AND COMMITMENT

(Sustainable supply chain management model)



We evaluate the **ESG criteria of our suppliers**

Our evaluation model is organized around three fundamental axis sustainability: **ASG (Environmental, Social and Corporate Governance) criteria.**

Information valued:

ENVIRONMENTAL (40%)

- Existing policies
- Management Systems
- Greenhouse effect gases
- Biodiversity
- Climate change
- Water Management

SOCIAL (30%)

- Human rights
- Diversity
- Management Systems
- Contribution to society
- Reporting and transparency

GOVERNMENT (30%)

- Existing policies
- SDGs
- Ethics and Compliance
- Sanctions
- Interest groups
- Supply Chain

96% of the total amount awarded has been assigned to suppliers evaluated in based on the ESG model.

91.5% of the total awarded corresponds to suppliers at the appropriate level (more of 51 points and at least 30% of the points on each of the ASC axis).

900+ improvement plans sent to group suppliers and 53% of them have managed to improve its level of sustainability.

42 social audits and from sustainability to main providers of the Group globally.

SUSTAINABLE PURCHASING STRATEGIES

First company to obtain the **AENOR ISO 20400** certificate for Sustainable Purchasing

SUSTAINABLE PROCUREMENT



Committed to:



HUMAN RIGHTS

We promote compliance with human rights by our suppliers.



Online awareness module 'Together for development sustainable' accessible to all suppliers, their employees and interest groups.

DIVERSITY AND INCLUSION

We promote diversity and inclusion in the value chain.



We advance hand in hand with our suppliers.

INNOVATION

Innovation program with suppliers.



363 M€ in R&D&I activities in 2022

7% more than in 2021

CHALLENGES ACHIEVED

- ✓ Increase the number of main suppliers subject to policies and standards of sustainable development.
- ✓ Realization of social audits at the first level of hiring.
- ✓ Certify the Purchasing process with the ISO 20400 Sustainable Purchasing.
- ✓ Carried out the 8th edition from the supplier satisfaction survey (year 2022)
- ✓ Greater integration with other risk measurement systems from third parties such as they are raising awareness of Risk and Compliance.

CHALLENGES (short and medium term)

- + 85% of purchases made from main suppliers subject to policies and standards of sustainable development
- Advance in the traceability of the value chain
- Celebration Global supplier of the year award
- Carrying out social audits at the first level of contracting

Purchasing model aligned with the energy transition and committed to value creation