

Considered a strategic priority for the sustainable growth of the company

I Iberdrola Diversity and Inclusion Report: equal pay, accessibility, STEM vocations and diversity in the value chain

- Iberdrola chairman, Ignacio Galán, states “the main differentiating factor in companies’ success in the 21st century is talent. A diverse and inclusive company is better at attracting and retaining talent and is more innovative, thereby becoming more productive and more open to the society it serves”
- The company — with a workforce encompassing 64 nationalities and including more than 4 generations — achieved equal pay between men and women in 2019
- It achieved over 4 times the ratio of training hours received per employee compared to comparable companies, mainly in the energy sector
- By 2022, at least 70 % of its main suppliers will be subject to sustainable development policies and standards, including diversity and inclusion criteria.

Iberdrola is working to create a professional environment where its employees are a true reflection of society and where opportunities are generated so that everyone can develop to their full potential. This is reflected in its first Diversity and Inclusion Report 2019, which compiles the initiatives developed by the company in these matters, considered a strategic priority for the company’s sustainable growth, with its teams, its customers, its suppliers and with the communities in which it operates.

In the report, Iberdrola chairman Ignacio Galán, explains that “the great differentiating factor for companies’ success in the 21st century is talent. For this reason, having a diverse team and a culture that encourages inclusion is essential for any group that aspires to face the challenges of a changing reality” And he adds: “A diverse and inclusive company is better at attracting and retaining talent and is more innovative, thereby becoming more productive and more open to the society it serves”.

Diversity and inclusion are considered a strategic priority for the sustainable growth of the company. In fact, the company has included the Sustainable Development Goals in its variable remuneration: thus, for example, its 2020-2022 Strategic Bonus is based on a financial and business objective, but also on a contribution to the SDGs.

100 % equal pay between men and women

In 2019, Iberdrola’s workforce was made up of more than 35,000 workers of 64 nationalities, in which more than 4 generations coexist. Within the group, women in managerial positions made up 20 % of the total; a number that the company wants to steadily increase to 30 % by 2025. Over the past five years, significant progress has been made in this field — despite fewer women being attracted to the sector — with the number of women in management positions increasing by 31.3 %. In terms of the Board of Directors, as of 2019, 43 % are women, exceeding that established in the CNMV Code of Good Governance for Listed Companies, and furthermore its members are from five different nationalities.

In recent years, Iberdrola has continued to promote equal pay between men and women, within its Equal Opportunities and Conciliation Policy, seeking to achieve equal pay for the same work, and also salary reviews using criteria common for both genders. Currently, the average total annual remuneration of women is higher than that of men: 50,086 euros compared to 47,614 euros in the case of men, in 2019.

The company is committed to creating a culture that promotes diversity and inclusion and has developed processes and systems that promote practices and behaviours that align with this strategy. To this end, it has a complaints box — 33 were received in 2019, 6 of which resulted in a written warning — and it has created a commission to promote and monitor progress on diversity and inclusion.

The group's best inclusion practices in Spain include the continuous working day, since 2007, and other measures that go beyond those established in law on maternity and paternity leave and leave of absence. In the UK, Scottish Power runs the *Breaking Barriers* programme, which offers young people with learning difficulties the opportunity to gain recognised qualifications and work experience. In Brazil, the Electrician School for women launched by Neoenergía offers specific training to promote women's participation in the workforce in the electricity sector. Another example is found in Mexico with its Impulso STEM programme to promote the study of engineering among Oaxacan youth, especially among women. In the United States, Avangrid encourages the inclusion of war veterans with a range of programmes.

Similarly, the principles of Iberdrola's corporate culture also include the pursuit of a multinational culture, through a mobility programme, together with the creation of teams containing diverse cultures and backgrounds. Iberdrola also works for functional diversity, undertaking actions to raise awareness, and it is committed to promoting diversity in all its forms through a multinational and inclusive workforce, including aspects relating to identity and sexual orientation (LGBTIQ+ community).

Protection for vulnerable customers and electricity for all

At the customer level, its General Sustainable Development Policy undertakes to pay special attention to economically disadvantaged customers or customers in any other vulnerable situation by establishing specific protection procedures and collaborating to facilitate continued access to energy supply. It also offers exclusive services for customers with disabilities. For example, ComunicA offers a pioneering sign language video-interpreting service in its customer service and, in other markets such as the United Kingdom and the United States, it facilitates translation and customer service programmes targeting those customers who find it difficult to express themselves in English or Spanish.

With the Electricity for All programme, Iberdrola seeks to bring electricity to more than 16 million people from vulnerable groups by 2030, who currently lack access. Since the launch of this initiative in 2014, 7 million people in numerous countries around the world have benefited from this programme. In Mexico, with the Luces de Esperanza project, the company will bring electricity to 30 rural communities in Huasteca Potosina (Mexico), with the installation of solar panels in homes, schools, health centres and community spaces.

Suppliers subject to sustainable development policies and standards

Iberdrola believes that a strategic supplier must be aligned with its sustainable development standards, in terms of human rights, codes of conduct, health and safety standards, and environmental strategy.



In 2019, the company launched a new supplier evaluation model in relation to sustainability, and it reviewed the diversity and inclusion performance levels of collaborating companies accounting for more than 5 billion euros of purchases made in the year. Among the aspects analysed were the percentage of women hired, the existence of policies to promote equality and diversity and inclusion, the promotion and development of measures aimed at facilitating the work-life balance and the wage gap.

In this context, the company has set an ambitious goal to ensure that, by 2022, at least 70 % of its main suppliers are subject to sustainable development policies and standards.

Iberdrola has also encouraged purchases from companies that have been in operation for less than 5 years, showing its support for entrepreneurship. Likewise, it is committed to increasing purchases from companies with diverse groups and to help small companies that may be at a disadvantage when competing in international markets. In Spain and the United States, the volume of purchases from different collectives groups rose to 95.3 million euros in 2019.

Talent and diversity in STEM

For years, Iberdrola has developed numerous initiatives to support the professional development of women, promoting equal opportunities through women's sport and supporting groups at risk of social exclusion, among other initiatives.

In Brazil, Neoenergia launched the Electricians School to offer specific training for women, to increase their participation in the labour market in the electricity sector.

Through its subsidiary in Mexico, the group developed the first Women with Energy forum in 2019, in which 40 female team leaders with high development potential were given the opportunity to share their experiences and ideas. ScottishPower, for its part, is a member of POWERful Women, an initiative to advance gender diversity within the energy sector.

The promotion of women's sport has become a key lever for Iberdrola, and the promotion of real equality between men and women, one of its essential values. In 2016, Iberdrola became the first company to make a firm and global commitment to equality and the empowerment of women through sport. Currently, the company supports 16 leagues. It also sponsors 22 leagues, all of them high-level, along with 35 other competitions.

In 2019, a total of 7,489 Iberdrola volunteers participated in social projects aimed at integrating vulnerable groups and sustainable development. Thus, for example, in Spain, with the Luces y Acción initiative — carried out in collaboration with the Tomillo Foundation — it promotes training in energy efficiency and encourages the employability of young people from disadvantaged backgrounds. In Brazil and Mexico, its volunteers participate in the global INVOLVE programme, training young people at risk of exclusion in new technologies.

About Iberdrola

[Iberdrola](#) is a global energy leader, the largest wind producer and one of the largest electricity companies by market capital in the world. The group supplies energy to nearly 100 million people in dozens of countries such as, Spain, the United Kingdom (ScottishPower), the United States (AVANGRID), Brazil (Neoenergia), Mexico, Australia (Infogen), Germany, Portugal, Italy, and France. With a workforce exceeding 35,000 people and assets of more than 122 billion euros, it obtained a turnover of over 36.4 billion euros and a net profit of 3.4 billion euros in 2019.

Iberdrola is leading the energy transition towards a sustainable model through its investments in renewable energies, smart grids, large-scale energy storage and digital transformation to offer its customer the most advanced products and services. Thanks to its commitment to clean energy, it has one of the lowest emissions of any company and sets an international benchmark for its contribution to the fight against climate change and sustainability.

