Knowledge Management Policy

24 April 2019

The Board of Directors of IBERDROLA, S.A. (the “Company”), aware that intellectual capital is the basic foundation for the creation and protection of the Company’s value, has established as a strategic objective the need to implement an appropriate Knowledge Management Policy that fosters initiatives, procedures and tools that allow the Company to truly and effectively exploit such intellectual capital.

1. Purpose

In further developing the provisions of the Purpose and Values of the Iberdrola group, the goal of this Knowledge Management Policy is to establish guidelines for the dissemination and sharing of the Company’s existing knowledge and promote continuous learning and cultural exchange, so as to enhance operational efficiency through the proper use of intellectual capital, always furthering the interests of the Company and of the companies belonging to the Group and of the controlling entity, within the meaning established by law (the “Group”), without prejudice to specific policies that may be established at particular companies of the Group.

In a world in which traditional production assets are ever more accessible, intellectual capital is what marks the differences between companies that are competitive and those that are not, and between those that sustainably create value and those that gradually lose their capacity to generate wealth.

The intellectual capital of the Company depends to a large extent on all of its people, but also depends on its operational and organisational structures and on internal and external relations with all stakeholders. Organisational and personal training must therefore be permanent and ongoing, and must be in line with the strategy of the Group.

The markedly strategic nature of knowledge management requires constant work in order to improve initiatives and the application thereof at all of its business units.

2. Main Principles of Conduct

To achieve these goals, the Group accepts and promotes the following main principles that must inform all of its knowledge management activities:

a. Think of the Group as a system made up of connections among people and working groups as a key lever for talent development. The knowledge of each person or group must be identified and accessible to the whole, generating a multiplier effect, so as to produce knowledge-based operational leverage. For this reason, it is especially important to identify where critical knowledge resides within the organisation.

b. Recognise the value of the knowledge existing at the Group and strengthen its development as a key value-creation tool, promoting a business culture that encourages the dissemination of this knowledge.

c. Promote working methods and environments that favour the sharing of ideas and knowledge.

d. Structure an intelligent organisation, with a capacity for ongoing learning and innovation.

e. Align knowledge management with the skills and requirements set out in the Group’s strategy.

f. Define the required models of management, measurement, processes, systems and documentation by integrating the vision of the various business units in order to understand and develop mechanisms to ease the flow of knowledge within the existing organisational structure, within a secure environment. This allows for the sharing of experiences and ensures that constant attention is given to the operation of the organisation as a whole, thus contributing to meeting goal eight of the Sustainable Development Goals (SDGs) approved by the United Nations.

g. Foster the sharing of the knowledge existing at the Group to the greatest extent possible, putting in place the necessary resources to enable the development and internal dissemination thereof through communication, awareness-raising and training, and the efficient use thereof. This shared intelligence is creative and innovative, and greater than the mere sum of the individual intellectual capabilities involved, multiplying internal talent. Emphasis will be placed on the creation and enhancement of organisational connections (networks), as well as on team cohesiveness, in line with the values of the Group.

h. Evaluate the intellectual capital existing at the Group in a consistent and sustained manner over time, in order to be able to assess the effectiveness of the initiatives implemented under this Knowledge Management Policy, correct defects and develop new activities.

i. Implement actions for improvement to bring the Group ever closer to excellence in knowledge management.

j. Respect the intellectual and industrial property rights of third parties in the knowledge management of the Group.


The provisions of this Knowledge Management Policy shall in any case be deemed to be without prejudice to the strengthened autonomy enjoyed by the listed country subholding companies of the Group to determine their own knowledge management strategy, which must be consistent with the principles set forth in this Knowledge Management Policy.

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This Knowledge Management Policy was initially approved by the Board of Directors on 16 December 2008 and was last amended on 24 April 2019.

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