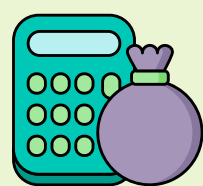


PURCHASES AND SUPPLIER MANAGEMENT

CONTRIBUTION TO GROUP SUSTAINABILITY IN 2020

The high volumes of purchases made by the Iberdrola group drive growth in the countries where the company signs contracts, favouring business, industrial and social development in the regions by creating jobs along the entire supply chain.

— FIGURES —



€ **14,000 MN** yearly purchasing in equipment, materials, works and services. ⁽¹⁾



89% purchasing from local suppliers.



+ 22,000 suppliers.



25 days of average supplier payment. ⁽¹⁾

⁽¹⁾ The information has been prepared in accordance with Law 15/2010, of 5 July.

— AWARDS — JOINED BY OUR VALUES



We promote and reward excellence in our suppliers, celebrating the **Global Supplier of the Year Awards**. Due to the exceptional global situation generated by the COVID-19 pandemic, the presentation of the 2020 awards has been postponed to 2021.

— DIALOGUE AND SATISFACTION — Transparent and comprehensive behaviour



8.45 / 10 ^{*}

^(*) Supplier Satisfaction Survey.

— EXCELLENCE AND COMMITMENT — (sustainable management model for the supply chain)

WE ASSESS OUR SUPPLIERS' ESG CRITERIA

Our NEW assessment system is divided into the three main areas of sustainability: Environmental, Social and Governance (ESG) criteria.

Information assessed

ENVIRONMENTAL (40%)

- Existing policies
- Management Systems
- Greenhouse Gases
- Biodiversity
- Climate Change
- Water Management

SOCIAL (30%)

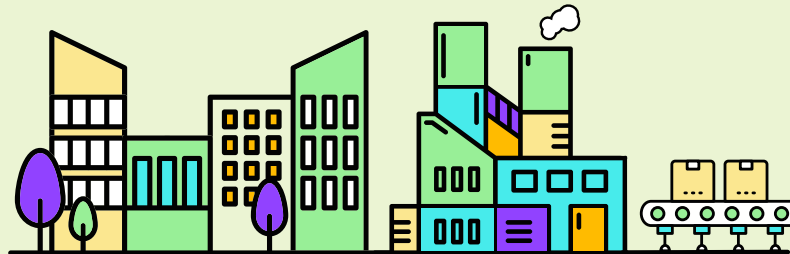
- Human rights
- Diversity
- Management Systems
- Contribution to Society
- Reporting and transparency

GOVERNANCE (30%)

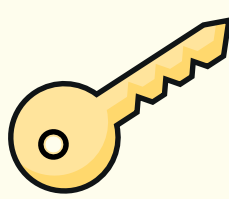
- Existing policies
- SDG
- Ethics and Compliance
- Sanctions
- Stakeholders
- Supply Chain

WE PROMOTE THE COMPLIANCE OF HUMAN RIGHTS FROM OUR SUPPLIERS

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



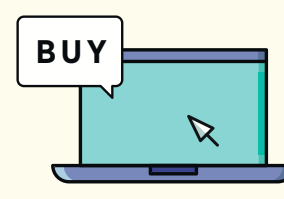
— INNOVATION — Innovation program with suppliers



Access financing



Spin-off program



Iberdrola innovative purchasing

€293 M in R&D activities in 2020

— CHALLENGES — (Short and medium term)

1. Continue the digital transformation and change of model begun in 2019.

2. Conduct the 8th Supplier Satisfaction Survey.

3. Draw up the action lines for the supply chain as part of the Iberdrola group 2020-2022 Sustainable Development Plan.

4. To see that by 2022 at least 70 % of our suppliers have sustainability policies, increasing to 75 % by 2025.