

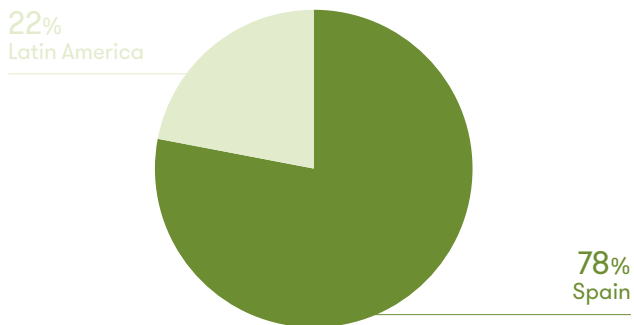
# 4.4 Human Capital

	Management approach	Principal activities 2017	Outlook
<b>Global human resources management</b>	<ul style="list-style-type: none"> <li>• Achieve the goals of competitiveness and business efficiency in a climate of social peace, fostering stable, high-quality employment.</li> <li>• Harmonise human resources processes and make inroads with implementing the Iberdrola culture in all countries, respecting specific local conditions.</li> </ul>	<ul style="list-style-type: none"> <li>• Management of an appropriate labour relations framework that can be adapted to suit business and social requirements.</li> <li>• Homogenise the variable remuneration process throughout the group.</li> </ul>	<ul style="list-style-type: none"> <li>• Consolidate the Human Resources function at Neoenergía, extending and unifying best practices.</li> <li>• Strengthen the commitment to social responsibility, fostering ethical and responsible behaviour.</li> </ul>
<b>Goal of “accident reduction”</b>	<ul style="list-style-type: none"> <li>• Prioritise the safety of individuals at the group’s facilities and within its sphere of influence, fostering a progressive reduction in incident rates and improving health and safety conditions.</li> <li>• Replicate throughout the group the best practices identified in the area of occupational health and safety, fostering a culture of excellence in management and coordinating global preventive activities.</li> </ul>	<ul style="list-style-type: none"> <li>• Attainment and/or maintenance of the OHSAS 18001 certification, and approval of a system of global prevention standards in accordance with the group’s policy. Assessment of level of conformance to global standards.</li> <li>• Monitoring of proactive and reactive indicators among the group’s companies for the global scorecard.</li> <li>• Establishment of goals for the management of occupational health and safety at subcontractors.</li> <li>• Identification and application of best safety practices. Exchange of lessons learnt. Creation of groups to promote safe behaviour.</li> </ul>	<ul style="list-style-type: none"> <li>• Continue the assessment of the level of level of conformance to global standards and the implementation of improvement groups to promote safe behaviour.</li> <li>• Expand the number of certifications within the group in accordance with OHSAS 18001.</li> <li>• Integrate Neoenergía into the culture and model of the Iberdrola group.</li> <li>• Improve the management of contractors from the viewpoint of occupational safety and health: qualification of contractors and evaluation of performance.</li> <li>• Engage in global campaigns to raise awareness on certain types of common accidents.</li> </ul>
<b>Talent management</b>	<ul style="list-style-type: none"> <li>• Drive staff qualifications, preparing employees to work in a multicultural environment and making continual efforts to improve their employability.</li> <li>• Develop alternatives to compensate for factors stemming from the ageing of the workforce.</li> <li>• Maintain a team of competent, committed and motivated professionals, which is key for the sustained success of the business.</li> </ul>	<ul style="list-style-type: none"> <li>• Revise the international mobility model.</li> <li>• Launch the leadership development programme for team leaders in Spain.</li> <li>• Implementation and monitoring of a plan for development of high-potential leaders.</li> <li>• Encouragement of mobility through a strengthening of the process for publishing internal vacancies at the global level and initiatives like job swaps.</li> <li>• Definition of the global recruitment and selection process.</li> <li>• Integrate Neoenergía into the talent management processes.</li> </ul>	<ul style="list-style-type: none"> <li>• Revise and/or launch leadership development programme for team leaders in Mexico, the United States, the United Kingdom and Brazil.</li> <li>• Attract the best talent, strengthening excellence in our selection processes and improving our presence on social media and at leading universities.</li> <li>• Integrated talent management in order to train future leaders, preparing them now to assume larger responsibilities.</li> <li>• Launch Climate Survey at the global level.</li> </ul>
<b>Diversity, equal opportunity and reconciliation</b>	<ul style="list-style-type: none"> <li>• Guarantee a social model committed to professional excellence and the quality of life of our employees.</li> <li>• Development of labour relations based on equal opportunity, non-discrimination and respect for diversity.</li> <li>• Create a high-quality labour environment by committing to reconciliation, and promote a position of leadership in these areas in the countries in which it does business similar to that enjoyed in Spain.</li> <li>• Align the <i>Corporate Volunteering Programme</i> with the Sustainable Development Goals defined by the United Nations.</li> </ul>	<ul style="list-style-type: none"> <li>• International cultural exchanges.</li> <li>• Corporate Volunteerism Activities to improve the quality of life and the integration of vulnerable groups, including <i>International Volunteering Day</i>, the <i>INVOLVE</i> international volunteering programme, the project for improving the electricity situation of refugee camps in Ethiopia, and the <i>Lights and Action</i> project to improve youth employability through energy efficiency.</li> <li>• Implementation and execution in Spain and Mexico of a volunteer project regarding the fight against climate change. Sustainable Development Goals.</li> <li>• Promotion of flexible workday for 75% of the workforce, together with the encouragement of stable and high-quality employment (98% of workforce with permanent contracts).</li> </ul>	<ul style="list-style-type: none"> <li>• New selection tool (based on equal opportunity) to homogenise the selection processes at the global level.</li> <li>• Continue to foster improvements in the quality of people’s lives through social-welfare activities in all of the countries in which the group has a presence.</li> <li>• Promote the internationalisation of social programmes and strengthen ties among the employees of the company at the global level. Strengthening of the global volunteer community.</li> <li>• Contribute to achieving the Sustainable Development Goals defined by the United Nations for the 2015-2030 horizon.</li> </ul>

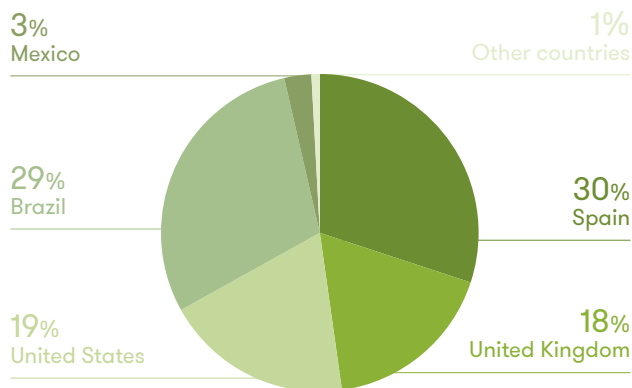
# Ensure the availability of a committed, qualified workforce in a safe and stable environment

## Growth and geographic diversification of the workforce

2006: 16,155 employees



2017: 34,255 employees



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## Social commitment



Various corporate volunteer activities by employees in Spain, the United States, Brazil, Mexico and the United Kingdom

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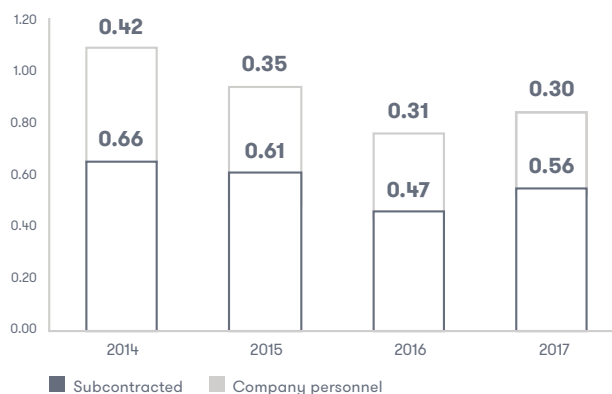
## Iberdrola strengthens its commitment to women's sport



Renewal in 2017 of agreements with the *Universo Mujer* programme.

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## Injury rate (2014-2017)<sup>(1)</sup>



(1) Neoenergia data has been 100% consolidated for all periods.