4.4 Human Capital

Principal activities 2019 Management approach

Global human resources management

- · Achieve the goals of competitiveness and business efficiency in a climate of social peace, fostering stable, high-quality employment.
- · Harmonise human resources processes and make inroads with implementing the Iberdrola culture in all countries, respecting specific local conditions.
- · Management of an appropriate labour relations framework that can be adapted to suit business and social requirements.
- Review of the human resources processes, conforming them to the purpose and values.
- · Improvement in the digitisation of the goals, selection and onboarding process
- Strengthening of new forms of collaborative internal communication.
- · Inclusion of Neoenergia within OneHR, extending and unifying practices and processes.

Goal of "accident reduction"

- · 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.
- · 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.
- · Attainment and/or maintenance of the OHSAS 18001 certification, and implementation of the global prevention system and standards in accordance with the group's policy. Conformance of global standards to the new ISO 45001 standard.
- · Monitoring of proactive and reactive indicators among the group's companies.
- · Creation of improvement groups (GPGs) for improving Indicators, Safety Culture and Digitisation in order to promote innovation, safe behaviour, best practices and lessons learned.
- Implementation of the Zero Accident Plan at Neoenergia to reduce the accident rate.

Talent management

- · Drive staff qualifications, preparing employees to work in a multicultural environment and making continual efforts to improve their employability.
- Develop alternatives to compensate for factors stemming from the ageing of the workforce.
- · Maintain a team of competent, committed and motivated professionals, which is key for the sustained success of the business.
- · Manage talent on an integrated basis in order to train future leaders, preparing them now to assume larger responsibilities.

- · Strengthen and measure the impact of leadership development programmes for team leaders in all countries.
- · Review and simplification of the skills and leadership model towards principles of values-based behaviours.
- · Implementation of self-assessment and career recommendation tools
- Launch of new international mobility portal.
- Launch of skills development programmes for specialists (technical career).
- · Alignment of high potentials identification process with the remunerative cycle.
- · New edition of the "Early Career" international mobility programme.

Diversity, equal opportunity and reconciliation

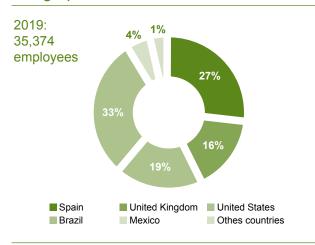
- Diversity, equal opportunity and reconciliation
- · Guarantee a social model committed to professional excellence and the quality of life of our employees.
- · Develop labour relations based on equal opportunity, non-discrimination and the promotion of diversity.
- · Create a high-quality labour environment by committing to reconciliation.
- · Contribute to achieving the SDGs for the 2015-2030 horizon through the Corporate Volunteering Programme.

- · Inclusion of Iberdrola in the 2020 Bloomberg Gender-Equality Index for the second consecutive year.
- · Launch of awareness-raising, training and communication initiatives that contribute to improving gender diversity within the group.
- · International cultural exchanges.
- · Corporate Volunteerism Activities to improve the quality of life and the integration of vulnerable groups (International Volunteering Day, the INVOLVE international volunteering programme, Lights and Action and Operation Kilo).
- · Volunteerism for environmental protection, including climate change workshops, reforestation, cleaning and recovery of natural environments.
- · Volunteering to disseminate the SDGs.

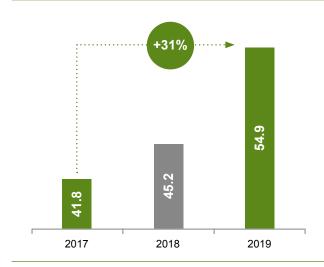


Ensure the availability of a committed, qualified and diverse workforce in a safe and stable environment

Geographic diversification of the workforce



Hours of training per employee trained:



Iberdrola committed to leadership



Graduation of 3rd MBA in the Global Energy Industry class.

Social commitment

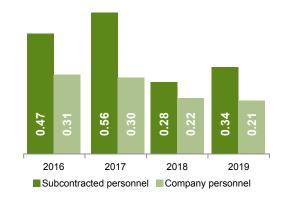






Various corporate volunteer activities by employees around the world (Photos: Brazil, Mexico and Portugal)

Improvement in accident ratios $(2016-2019)^{1}$:



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

