

Diversity and inclusion report Iberdrola / 2021

Our differences become
our strength





Introduction

At Iberdrola we know that we are all unique and we devote our energy to extolling our differences and create a common space where together we are better.



This report outlines our diversity and inclusion activity in 2021, in response to the expectations of our employees, partners and shareholders, suppliers, customers, public administrations, universities, society and all the communities we serve.

This is our third year publishing this report with the commitment to make visible the importance of diversity and inclusion within our business purpose and strategy; with the aim of showing all the progress made since 2007, when we pioneered the implementation of flexible working hours as a work-life balance measure in Spain. We have changed

a lot since then, but we remain firm in our ambition to learn and evolve towards real social and economic progress.

Our vision, actions and their contribution to the 2030 Agenda, as well as Sustainable Development Goals (SDGs) and specific goals are included herein, in response to our commitment to the principles of the United Nations Global Compact, of which we have been a member since 2002 and for which we have been recognised as the only Spanish company in the LEAD category for the fifth consecutive year.



Ignacio S. Galán
Chairman of Iberdrola

Message from the Chairman

At a time of technological and social transformation, diversity and inclusion have become essential for business projects to create sustainable value for the benefit of shareholders, employees and society as a whole.

For Iberdrola, this reality reaffirms our firm belief in values that we have been advocating for decades, and which have made us a group in which everyone feels represented and in which the characteristics of each individual strengthen the team as a whole.

More diverse groups are more conducive to creativity, exchange of ideas and continuous improvement, as they bring a greater wealth of experience and ways of working. And the most inclusive companies better identify and reward the specific skills and contribution of each employee, maximising employee satisfaction and fostering the attraction and retention of talent.

Iberdrola has an Equality, Diversity and Inclusion Policy that facilitates and promotes opportunities, non-discrimination, diversity and inclusion of all professionals, with a commitment to a personnel management model committed to professional excellence. This promotes a favourable environment for our employees, which we also extend to society as a whole.

The results of this commitment are being recognised by the most prestigious indices and analysis institutes. Also, in 2021 Iberdrola was selected for the fifth consecutive year to form part of the Bloomberg Gender Equality Index, and Forbes placed us among the ten best companies in the world in terms of integration of women as part of its World's Top Female Friendly Companies index.

Each and every one of the Iberdrola group's professionals is aware of the heterogeneous reality that surrounds us; we currently have 40,000 men and women of 79 nationalities providing services to 100 million people and generating activity and employment for 400,000 workers through 22,000 suppliers around the world. Therefore, we also promote the same values in our relationship with each of them, as well as with the rest of our stakeholders.

**We are different. We are unique.
We are Iberdrola.**



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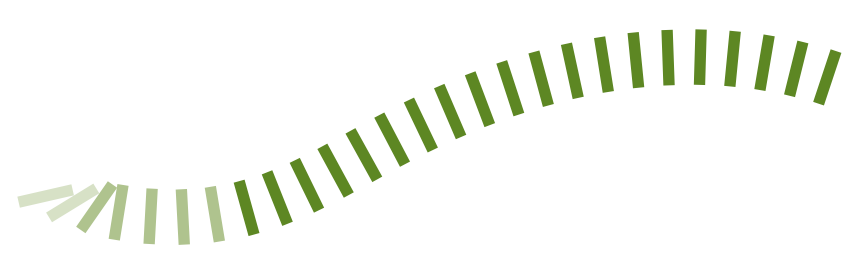


1. How do we think?

Let's embrace our differences



1.1 We work with everyone in mind



1.1 We work with everyone in mind



We can only contribute to diversity and inclusion (D&I) if we support each person so they feel good with who they are as well as confident and valued.

At Iberdrola, we promote diversity and inclusion in all of our activities, internally and externally, through various tools that include the management of talent, culture, the selection of suppliers, the provision of service to our customers, and social action.

Our purpose and values contribute to building a more inclusive and fair society, with a focus on all our Stakeholders:

In the workforce:

Attracting different talent and boosting their skills.



Attraction, selection and promotion processes that encourage diversity.



Work-life balance measures for different professional profiles.



Fair and equitable corporate policies that reflect best practices.



Criteria for equal opportunities, non-discrimination and respect for diversity in remuneration management.



Optica D&I integrated in the review of succession plans and scholarship programmes.



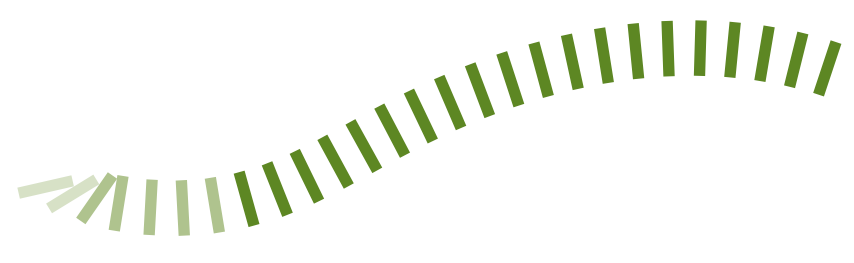
D&I leadership development.



Inclusive communication to promote dialogue within the company.



Awareness campaigns to strengthen staff engagement.



In society:

Creating opportunities to improve the lives of people and their environment.



Actions and projects aimed at people from the most vulnerable groups.



Support for training and research, and in particular, promoting interest in STEM careers. (*Science, Technology, Engineering and Mathematics*).



Encouraging suppliers to adopt inclusive behaviour.

In customers:

Taking into account new needs and innovating in accessibility.



Search for greater accessibility of products and services.



Facilitating the access to energy for people in vulnerable situations.



2. Our current context

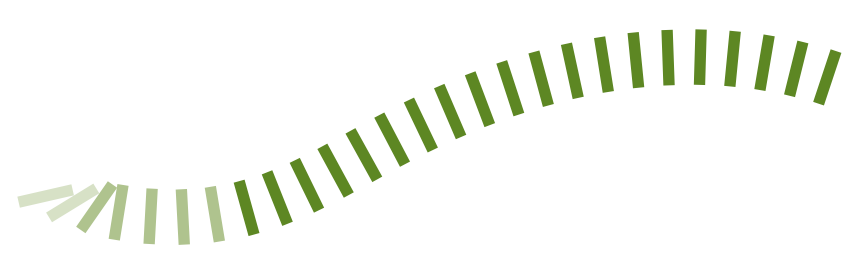
Building with others

2.1 Diversity in figures

2.2 Pursuing Sustainable Development Goals

2.3 Our priorities in 2021

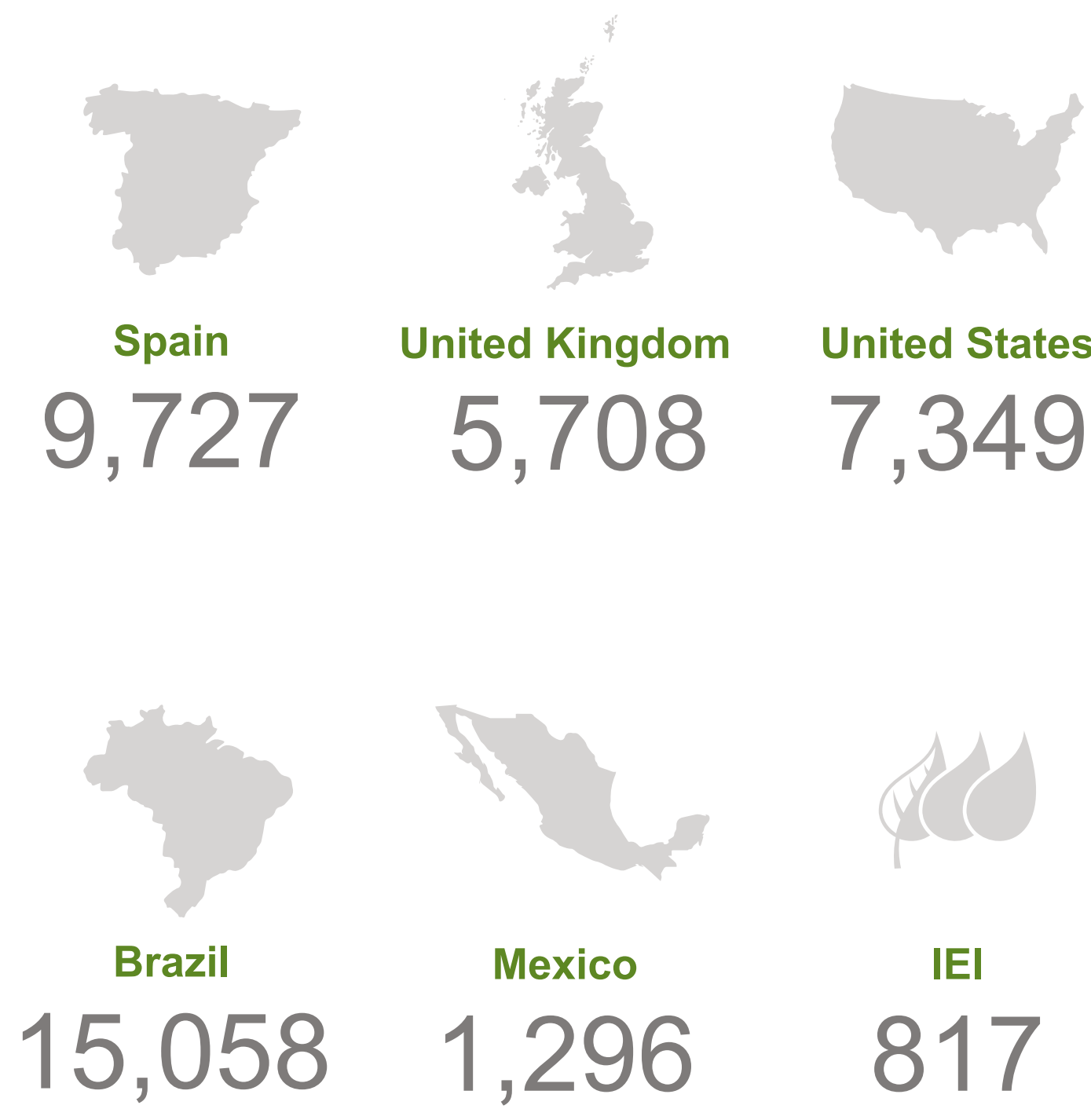




2.1 Diversity in figures

Total no. of employees:

39,955



Diversity on the Board of directors:

78.57% 42.86%

Independent directors Women on the Board

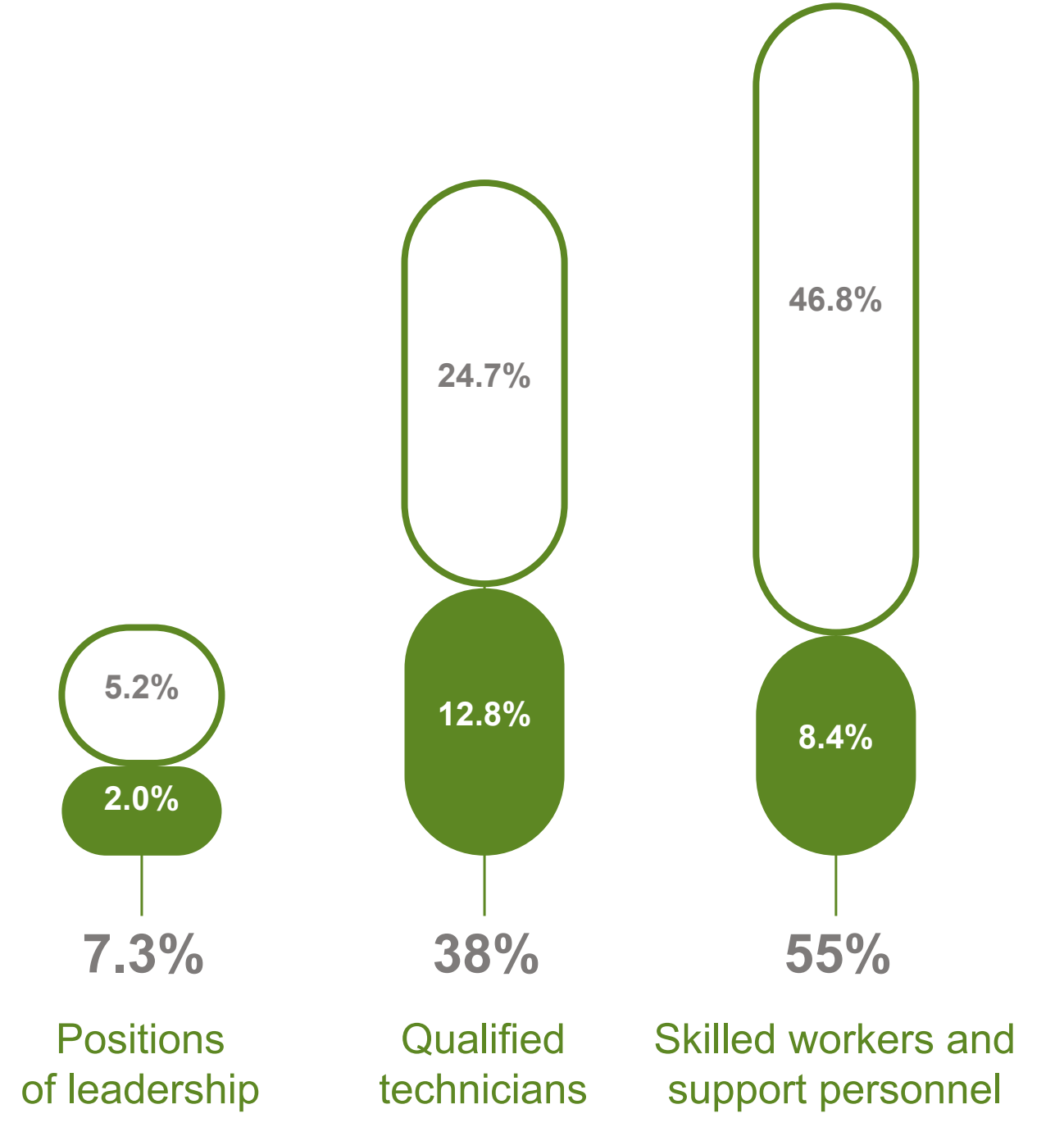
4

generations

(Baby boomers, Generation X, Millennials and Generation Z)



Distribution by professional category:



33.7% of women in senior positions (leadership positions + qualified technicians)

Men Women

79

nationalities on the staff



+23%

in the last 3 years

77%

Men

23%

Women

+9% in the leadership team
+18% qualified technicians
in the last 3 years*



687

People with disabilities integrated in the workforce

+64%

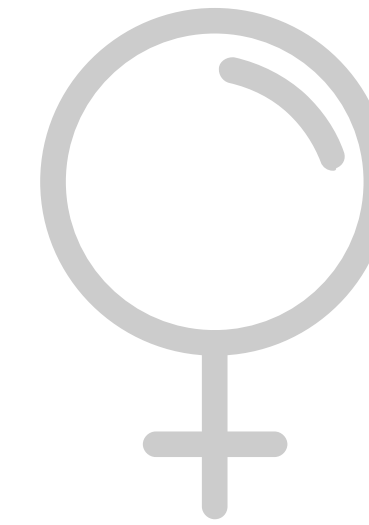
in the last 3 years

Among the

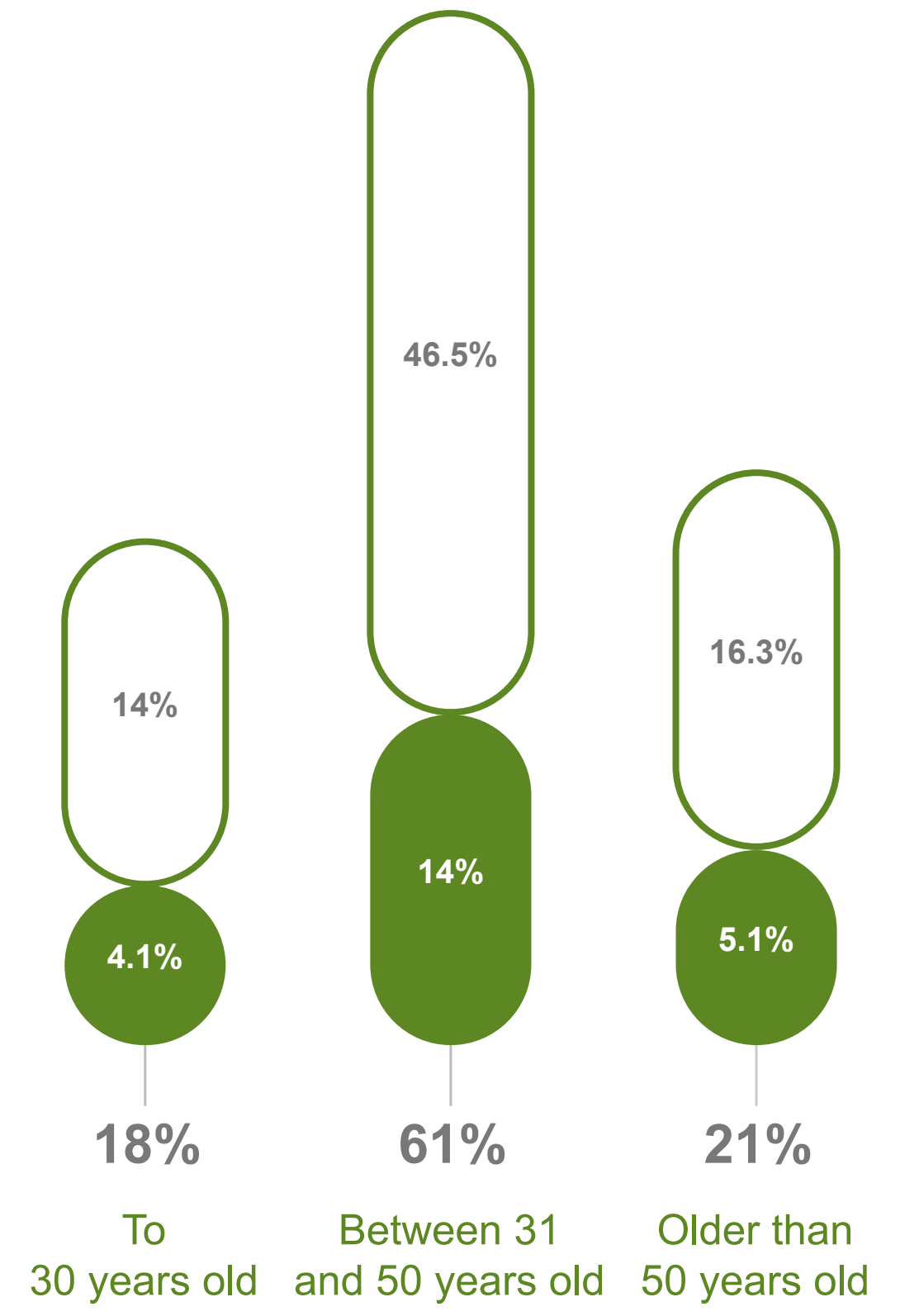
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best companies in the world for its integration of women

(World's Top Female Friendly Companies 2021). Forbes



Distribution by age:



Men Women



646

professionals located outside their home country

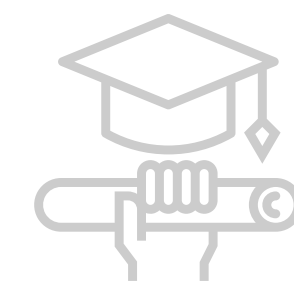
Volunteering:



+ than 12,200

volunteers have participated in the Corporate volunteer programme

Social contribution:



+ than 900

students on our Internship Programme

+ than 1,100

educational scholarships and incentives

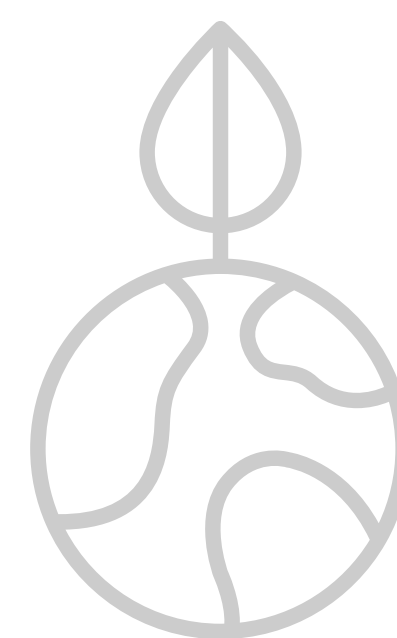
Foundations:

+ than 8,000

direct beneficiaries in the training and research area

+ than 20,000

beneficiaries of the social action area



Suppliers:

73.7%

of major suppliers have sustainability policies in place

Customers:



Programmes for vulnerable customers to ensure a constant and accessible supply of electricity and gas



Customised services that meet the different needs of our customers

*Increase in the absolute number of professionals.



2.2 Pursuing Sustainable Development Goals (SDGs)

We want to contribute to a more equal society and a future where people and the planet live together harmoniously and sustainably.

We have a Sustainable Development Policy that promotes the group's contribution to the United Nations 2030 Agenda and all of its Sustainable Development Goals, which is reported annually in our [Non Financial Information Statement](#). In the D&I area, our actions are primarily aimed at contributing to the following SDG:



SDG 4 Quality Education:

- **Goal 4.3** Grants for undergraduate studies, technical training or languages, aimed at promoting equal opportunities.
- **Goal 4.4** Exceed the ratio of training hours compared to comparable companies.



SDG 5 Gender Equality:

- **Goal 5.1 and 5.2** Projects to support women, promoting their integration into the labour market, especially in situations of gender-based violence.
- **Goal 5.a** Ensure equal pay for men and women throughout the group.



SDG 7 Affordable and Clean Energy:

- **Goal 7.1** Bring electricity to more than 16,000,000 people by 2030 through the "Electricity for All" programme".



SDG 10 Reduced Inequalities:

- **Goal 10.2** Improve the quality of life of vulnerable groups through the Group's Foundations and the Corporate Volunteering Programme.



SDG 12 Responsible Consumption and Production:

- **Goal 12.6** More than 70% of the main suppliers are subject to sustainable development policies.



SDG 17 Partnerships for achieving Goals:


- **Goal 17.17** Building effective partnerships in the areas of public, public-private and civil society, drawing on the experience and resourcing strategies of partnerships.





2.3 Our priorities in 2021


We have established a common framework for action in all the regions where we operate to reinforce diversity and inclusion as cross-cutting areas of our activity.

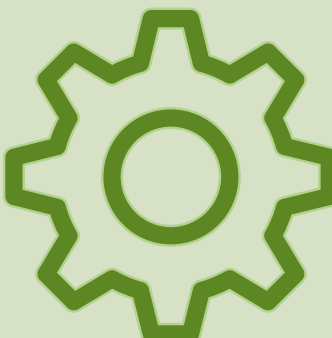
This is how we do it:


- 

Consistent communication through an umbrella brand and a common narrative across all our diversity and inclusion actions. Intensification of awareness-raising campaigns.
- 

Development of resources to support and guide employee behaviour such as: guidelines for inclusiveness and use of inclusive language. Specific training for communication teams.
- 

Commitment to train people with management responsibilities in unconscious bias.
- 

Recruitment and selection processes for gender-balanced pre-selection of senior positions and promotion of other under-represented groups.
- 

Development of regional plans for externally promoting STEM careers, under the lens of D&I.
- 

Review of strategic alliances. Identification of the best practices in the market, establishment of action plan and improvement of the metrics system.



3. A group made up by different people

What makes us the same is being different



3.1 Our culture includes us

3.2 Celebrating and promoting talent

3.3 The way we are



3.1 Our culture includes us



We are committed to a diverse and inclusive organisation where conversations flow naturally and contribute to creating a sense of belonging for everyone.

Our cornerstones are respect for and compliance with the principles of equality, diversity and inclusion, and based on these principles, we define policies and actions aligned with our purpose, values and commitment to sustainable development.

3.1.1 Policies and mechanisms to strengthen an inclusive culture



The General Sustainable Development Policy sets out the general principles and provides the basis for the group's sustainable development strategy to ensure that all its corporate activities and businesses are conducted in a way that promotes the creation of sustainable value for shareholders and other Stakeholders.



The Equality, Diversity and Inclusion Policy seeks to develop the structures, systems, processes and culture that engender respect for the particularities of all people within the organisation, fostering a sense of belonging.



The Respect for Human Rights Policy, formalises the group's commitment to human rights recognised by the UN Guiding Principles, and sets out the principles for action to promote a due diligence system with effective prevention, mitigation, redress and complaint mechanisms as well as a culture of respect for human rights.



The Resources and Human Capital Framework Policy defines, designs and disseminates a human resources management model to attract, promote, retain and develop talent. It also encourages the personal and professional growth of all people by involving them in our successful business project, guaranteeing them a dignified and secure job.



The Selection and Recruitment Policy promotes equal opportunities and ensures that selection is made exclusively on the basis of merit and ability.



The Knowledge Management Policy pursues the dissemination and sharing of knowledge, the promotion of lifelong learning and cultural exchange, recognising and enhancing the value of different forms of knowledge.



Channels of communication with the workforce: Whistleblowing mailboxes have been implemented to facilitate the early detection of inappropriate behaviour in the organisation. Employees can safely report behaviour that may be discriminatory in the workplace through the ethics mailbox, their immediate superiors or Human Resources department.

3.2 Celebrating and promoting talent



Our commitment to our people has led us to opt for a management model that is based on the professional excellence and quality of life of our staff.

For us to continue to evolve, it is important to highlight the current representation of each group in the workforce and compare it with the social context, as well as engage in the necessary conversations to understand that the talent that makes up the company is diverse and that all employees contribute to carrying out our strategy.

3.2.1 We want to attract and retain the best talent

The combination of bringing in new minds and enhancing internal expertise is key if we want to improve in all the geographic areas where we operate.



By 2021, 40% of the advertised vacancies have been filled with company staff.



Furthermore:



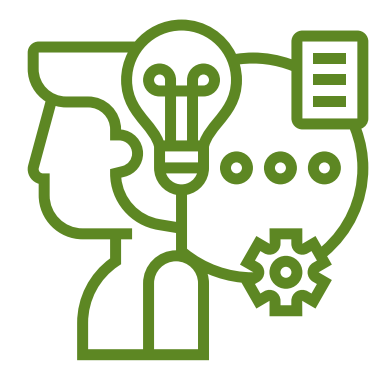
In Spain, we have launched the **Graduate Programme** to recruit talent and accelerate their growth, as potential human capital for management and specialist positions.



We have reached more than 14,000 students at **job fairs** to share Iberdrola's value and encourage their participation in selection processes.



We have reached **agreements with prestigious universities** such as Universidad Pontificia de Comillas and the University of Salamanca in Spain, Massachusetts Institute of Technology (MIT) and Yale University in the United States, University of Strathclyde in the United Kingdom, Technological Institute of Monterrey in Mexico, Federal University of Pernambuco in Brazil and Hamad Bin Khalifa University in Qatar.



More than 900 vocational training and university students have started their **on the job training at the company**, gaining practical experience related with their studies.

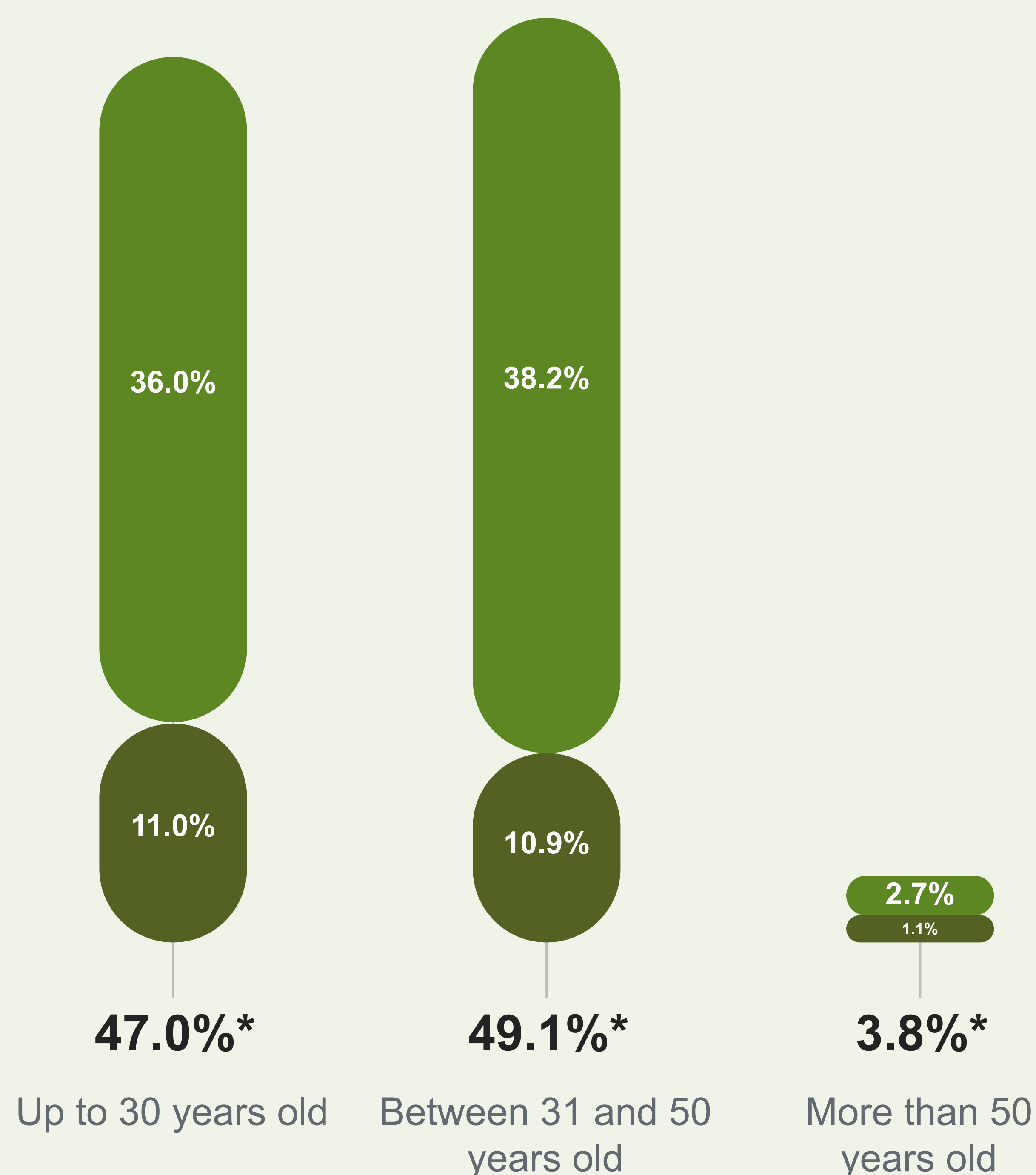


We have granted more than 1,100 **educational scholarships and incentives** for undergraduate and postgraduate studies in business-related disciplines.

Recruitment in 2021:

5,054 people

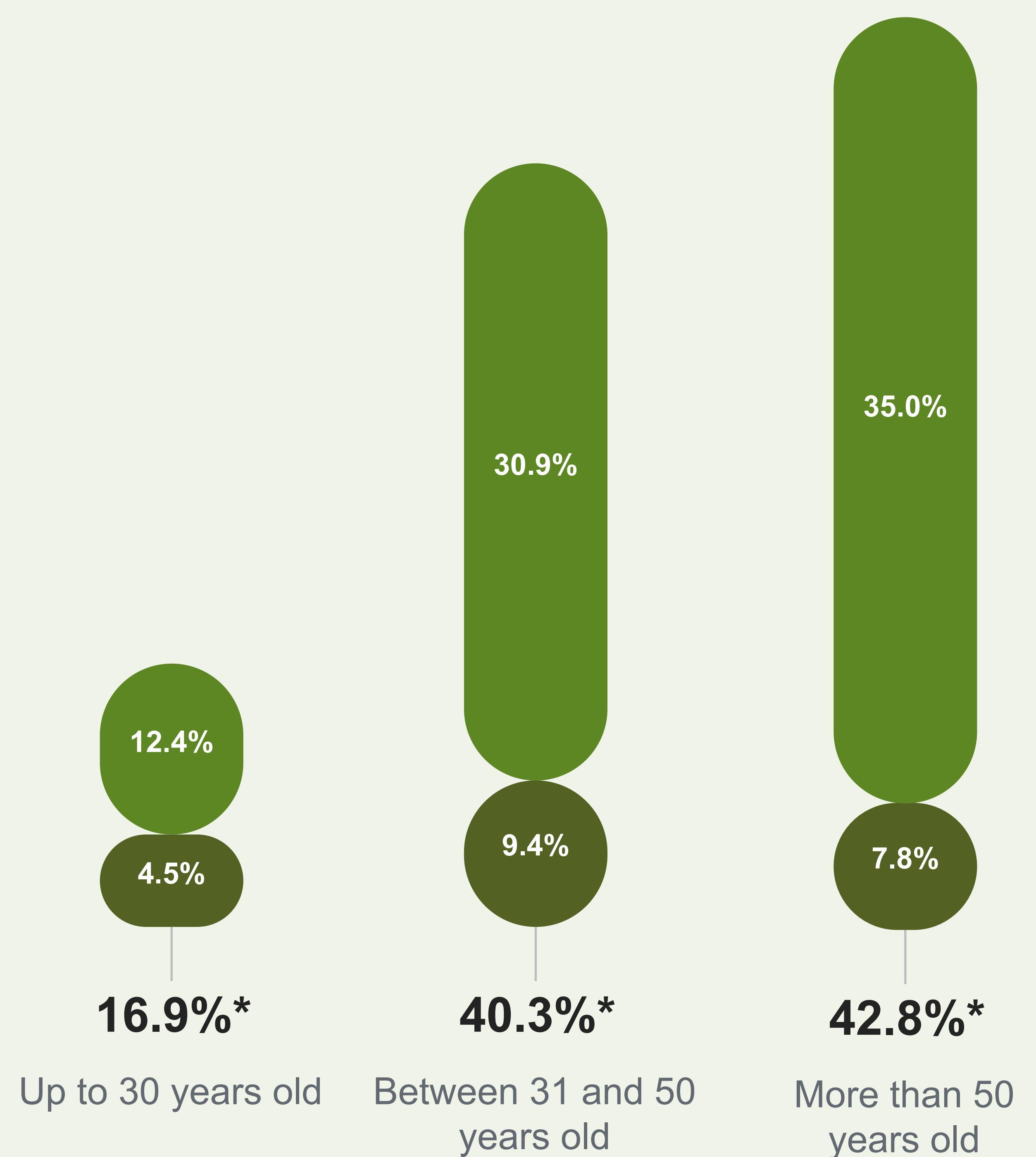
*Percentage of total recruitments.



Staff that left the company in 2021:

2,948 people

*Percentages of total departures.



● Men

● Women

● Men

● Women



3.2.2 We are a place to learn and grow

Providing the right tools and knowledge to our workforce helps them grow and drives innovation, competitiveness and professional development.

Our Code of Conduct defines the way personnel at Iberdrola do things. It stems from the our group's values and is fully aligned with our strategy. This model consists of six principles: Develop self & others, Empower to grow, Collaborate & Share, Be a role model, Focus to achieve results and Be Agile. Within this framework, we develop programmes for the personal development of talent:

High potential programme: 146 professionals have undergone a competence assessment process. This group is being developed to assume positions of relevance in the organisation and has been identified using diversity criteria.

Leadership programmes: Inclusion of content aimed at better managing diversity and inclusion.

3.2.3 Fair Wages

We have policies that guarantee equal pay for men and women for the same job, level of experience and professional profile.

In 2021, the ratio between the average pay of men and women is 93.32%. Fixed and variable salaries as well as salary supplements have been factored in this calculation. This result, favourable to women, is due to their relatively higher presence in higher skilled positions, a common situation in the energy sector.



The ratio between the average pay of men and women is 93.32%.

Average pay by age group and gender*

Includes fixed salary, variable salary and allowances.

Iberdrola (EUR)	Pay men / women			(Pay men - women) / Pay men		
	2021	2020	2019	2021	2020	2019
To 30 years old	95.8	92	92.8	-4.4	-8.7	-7.8
Between 31 and 50 years old	85.4	85.0	86.1	-17.1	-17.7	-16.2
More than 51 years old	110.9	111.7	112.1	9.8	10.5	10.8
	93.3	93.2	95.1	-7.2	-7.3	-5.2

*In 2021, the internalisation of core network services in Brazil (approximately 2,300 employees hired) has been completed, which is reflected in both the average pay of skilled workers and support personnel as well as in the total average pay.

3.2.4 A place for balancing work and personal life

We promote balancing work and personal lives as well as the co-responsibility in the exercising of family obligations, facilitating measures for the care of family and children and flexible working hours.

The Human Capital and Resources Framework Policy sets out the basic principles for action with regards to privacy and digital disconnection.

In fact, we were the first IBEX-35 company in Spain to establish a continuous work day all year round as general working hours to help employees better balance their jobs and personal lives. This practice is continually evolving with the implementation of new flexibility and work-life balance measures. In other countries we have also implemented flexitime measures, giving employees the freedom to choose the most appropriate place to work depending on their role, as long as the defined requirements are met, establishing measures to control overtime and extending maternity and breastfeeding benefits.

At a global level, there has been a 31.5% increase in the number of men that have exercised their right to paternity leave compared to 2020.

3.3 The way we are



3.3.1 Gender

We know that women's participation in the energy sector is lower than in the labour market in general.

2020 data from the International Energy Agency (IEA) tells us that, although women represent 48% of the workforce, the presence of women in our industry is only 22%, reaching 32% in the renewables sector.






"Gender diversity in energy". IEA 21/04/2022



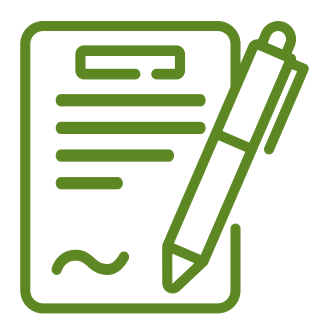
This is how we close the gap:

Aware of this fact, our strategy focuses on promoting equal opportunities by increasing the presence of women in all positions of the company.

Empowerment through five areas of action:

<p>1. </p> <p>Promoting equality inside and outside Iberdrola.</p>	<p>2. </p> <p>Implementing positive action measures to correct inequalities.</p>	<p>3. </p> <p>Women's participation in all areas of consultation and decision-making.</p>
<p>4. </p> <p>Removing barriers to women's careers.</p>	<p>5. </p> <p>Promote measures to help balance work and personal life as well as flexible working hours.</p>	

Some of the most important initiatives:



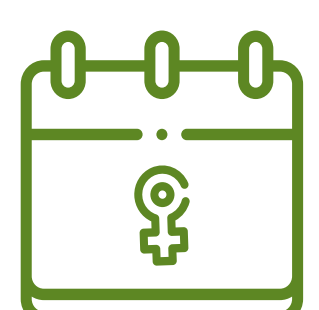
Iberdrola Spain: Signing of the collective agreement guaranteeing equality in labour relations. Implementation of the "Lights and Action" programme with the aim of awakening a technical vocation among young people at risk of social exclusion. Job training and promotion programmes for women who are victims of gender-based violence and at risk of severe exclusion, as well as programmes to facilitate the return to work of women who have taken a career break for reasons of maternity or to look after family members.



ScottishPower: Publication of the "Gender Pay Gap", undertaking *coaching* programmes for women on maternity leave, gender interviews and gender *de-coding* in all descriptions of employment offers, integration into associations such as the *Women's Engineering Society (WES)* and *POWERful Women (PFW)* to promote women in the sector.



AVANGRID: Collaboration with universities and local organisations under the *WomENERGY* programme to free-up and empower female talent, as well as highlighting the success stories of leading women within the company to inspire Women's History Month.



Neoenergia: Women-only training schools for electrician jobs. Events to make women's struggles more visible and empower women, such as *Empodere-se* and *Estrelas*, and the launching of two projects to promote female entrepreneurship: *Impactô Mulheres* and the *Inspirar Award*.



Iberdrola Mexico: Extension of work-life measures for maternity leave, participation for the first time in the PAR 2021 *Ranking* to measure the efforts of Latin American companies in terms of equality and joining the *Target Gender Equality programme promoted by the UN Global compact*.



Distribution by gender



● Men ● Women

We currently have 33.7% of women in positions of responsibility considering leadership positions and qualified technicians.

Our commitment:

Progressively increase the presence of women in the organisation.

3.3.2 Removing Disability Barriers

There are almost one billion people with disabilities in the world and 80% of them are of working age, but face significant barriers to equal access and development.

"Disability and work" OIT 20/04/2022

Although it is difficult for us to make comparisons between the countries in which we operate because of the different regulations, the whole group agrees that we are promoting efforts to increase the representation and inclusion of people with disabilities and to ensure a positive socio-economic impact on their careers.

What we have done:

We encourage inclusion through accessibility and innovation in our facilities, products and services. Together with our employees, we ensure that we provide barrier-free environments, both structural and social, and the number of employees with disabilities is increasing every year.



Some of the plans and actions carried out include:

a. □

Physical and digital accessibility:

At **Iberdrola Mexico** we completed the new corporate offices, designed under parameters of inclusion and elimination of barriers. In addition, we set out to improve digital accessibility at all corporate events through audio description, sign language, multi-language option and live broadcasting.



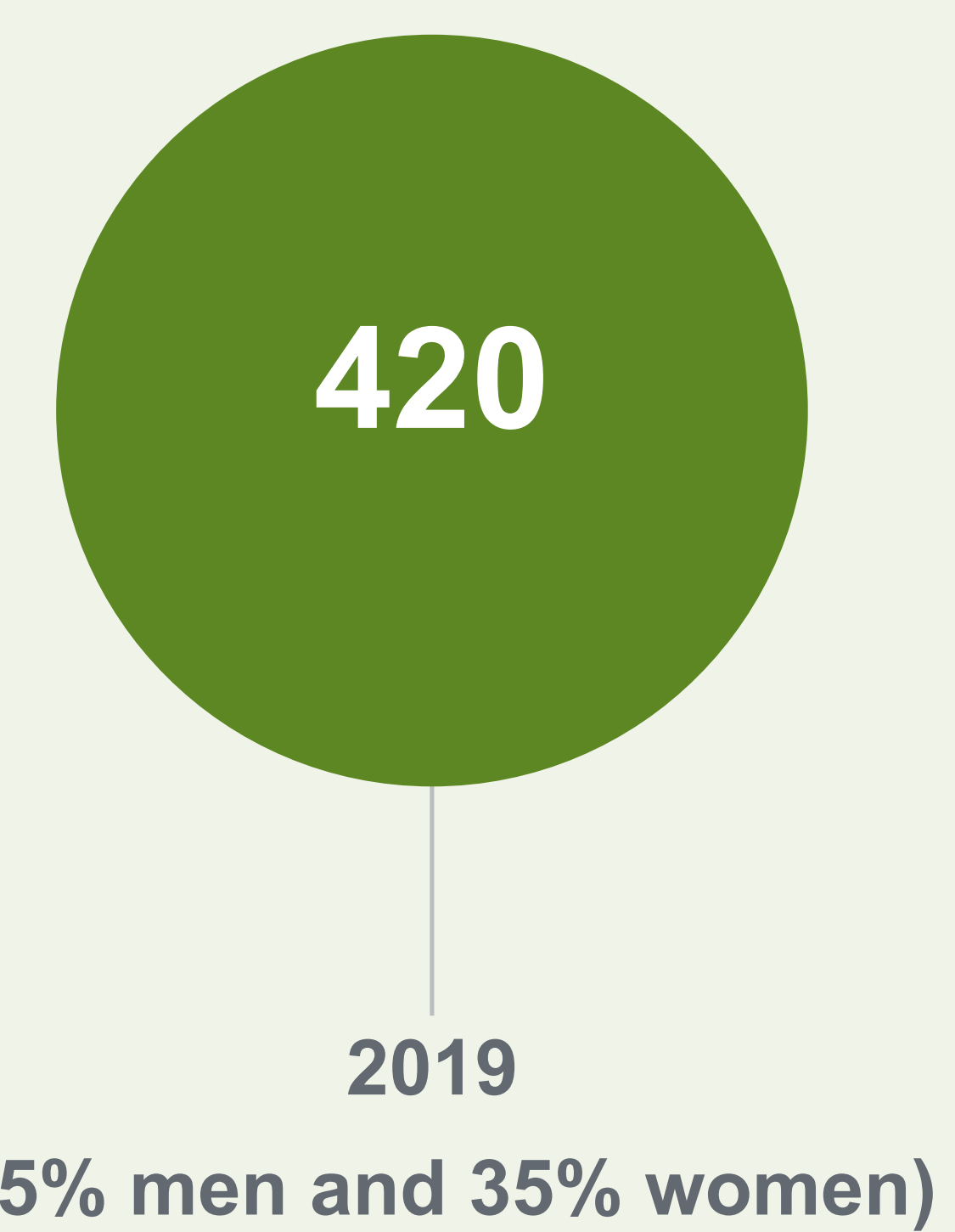
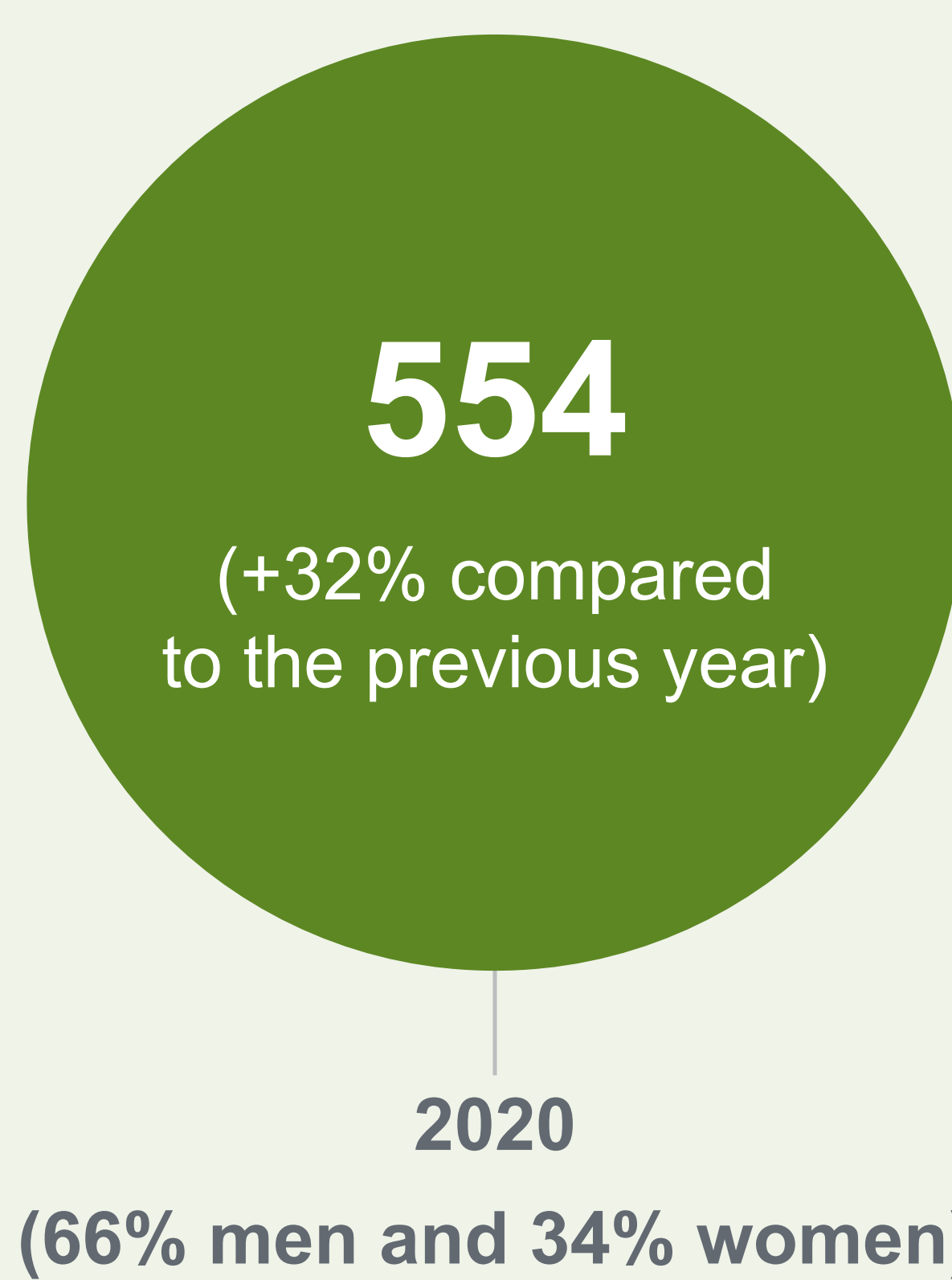
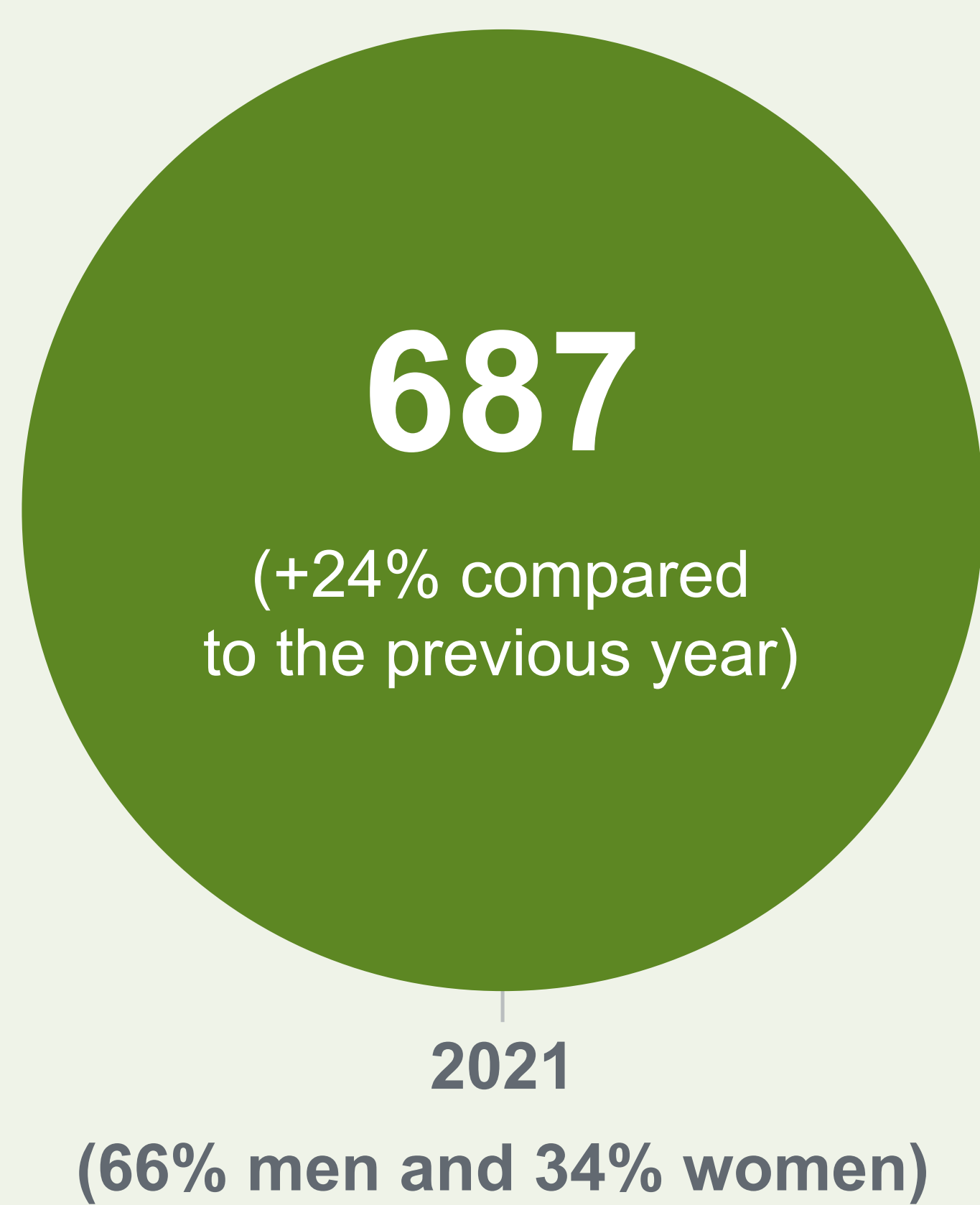
b. □

Inclusion of people with disabilities:

At **Iberdrola Spain**, we set up the "Aflora Plan" in collaboration with the Adecco Foundation, to make it easier to obtain the disability certificate for all those employees who require it. At **Neoenergia**, we carry out the *Novo Olhar Programme*, which provides professional and psychosocial support to people with intellectual disabilities. At **ScottishPower** for the fourth year we are supporting the *Breaking Barriers* programme to promote the aspirations of young people with intellectual disabilities seeking access to university courses. In the United States, in 2021 **AVANGRID's** *Community for all Abilities and Resource for Excellence (CARE)* was created; an affinity group formed by our employees, focused on promoting education and resources while fostering the creation of an inclusive environment for our customers, professionals with disabilities and those whose lives are impacted by them.



People with disabilities at Iberdrola*:



*For reasons of confidentiality, and in order to respect the requirements of the legislation in force in each country regarding the protection of personal data, this information does not reflect the entire workforce.

Our commitment:

Attracting and empowering talent across all forms of diversity.

Although our companies operate in countries with specific realities and regulations, we remain firm in terms of the social and labour inclusion of people with disabilities.

3.3.3 Representing society through its cultures and ethnicities

In an increasingly globalized environment, with an increase in migratory flows and transnational talent, we celebrate the opportunities that cultural diversity represents in the coexistence of people with different languages, religions, races and ethnicities, which define our global character and reflect the society we are a part of.

 **Our workforce is made up of 79 different nationalities and we are present in dozens of countries.**



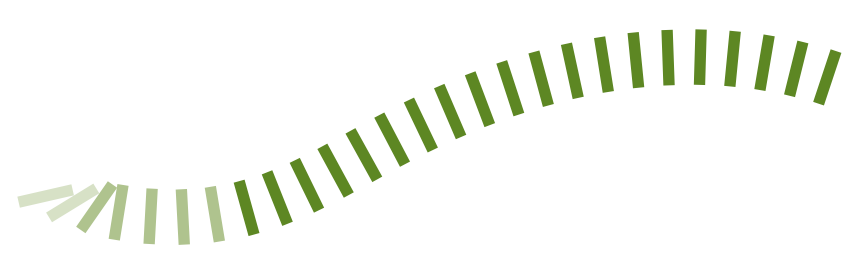
From reflection to action:

We recognise that we are a sum of many cultures, values and traditions that enrich us as a company and bring us value. To promote cultural diversity in our workforce we encourage international mobility and multi-cultural teamwork.

While following local legislation, countries are making progress in identifying the races and ethnicities that make up the workforce in order to understand and compare to the local context, guiding new actions that promote diversity and inclusion.

Promotion of mobility and international rotation:

Based on the value of "Integrating Force", the international mobility and rotation model aims to promote the joint work of a diverse team that works without geographical, cultural or operational barriers, shares talent, knowledge and information, promotes professional development and consolidates the culture.



We continue to promote and reinforce international mobility and rotation, highlighting a preferable local approach and integration, as well as the international programme for hiring young professionals.

With regards to our employees who are on mobility or rotation, at the close of 2021 more than 300 professionals were in this category.

Awareness-raising campaigns:



During *#BlackHistoryMonth*, at **ScottishPower** we presented the interactive training programme *Comfortable Being Uncomfortable on Race* with the participation of high-level leaders.



At **AVANGRID** we celebrated *#AAPIHeritageMonth* to highlight the achievements and personalities of the AAPI (*Asian American and Pacific Islanders*) community. And in October, coinciding with *#HispanicHeritageMonth*, we collaborated with our affinity group “¡Hola!” to recognise the economic and historical impact that Hispanics and Latinos have had on the United States.



On Black Awareness Day, at **Neoenergia** we meditated on the various existing racial prejudices and proposed behavioural changes to create a more egalitarian and respectful world.



Coinciding with the 3rd “Women with energy” forum, in **Iberdrola Mexico** we held a conference on racism in Mexico in collaboration with the organisation RacismoMx, and spoke to more than 180 people about racist behaviour and racial discrimination in the country.

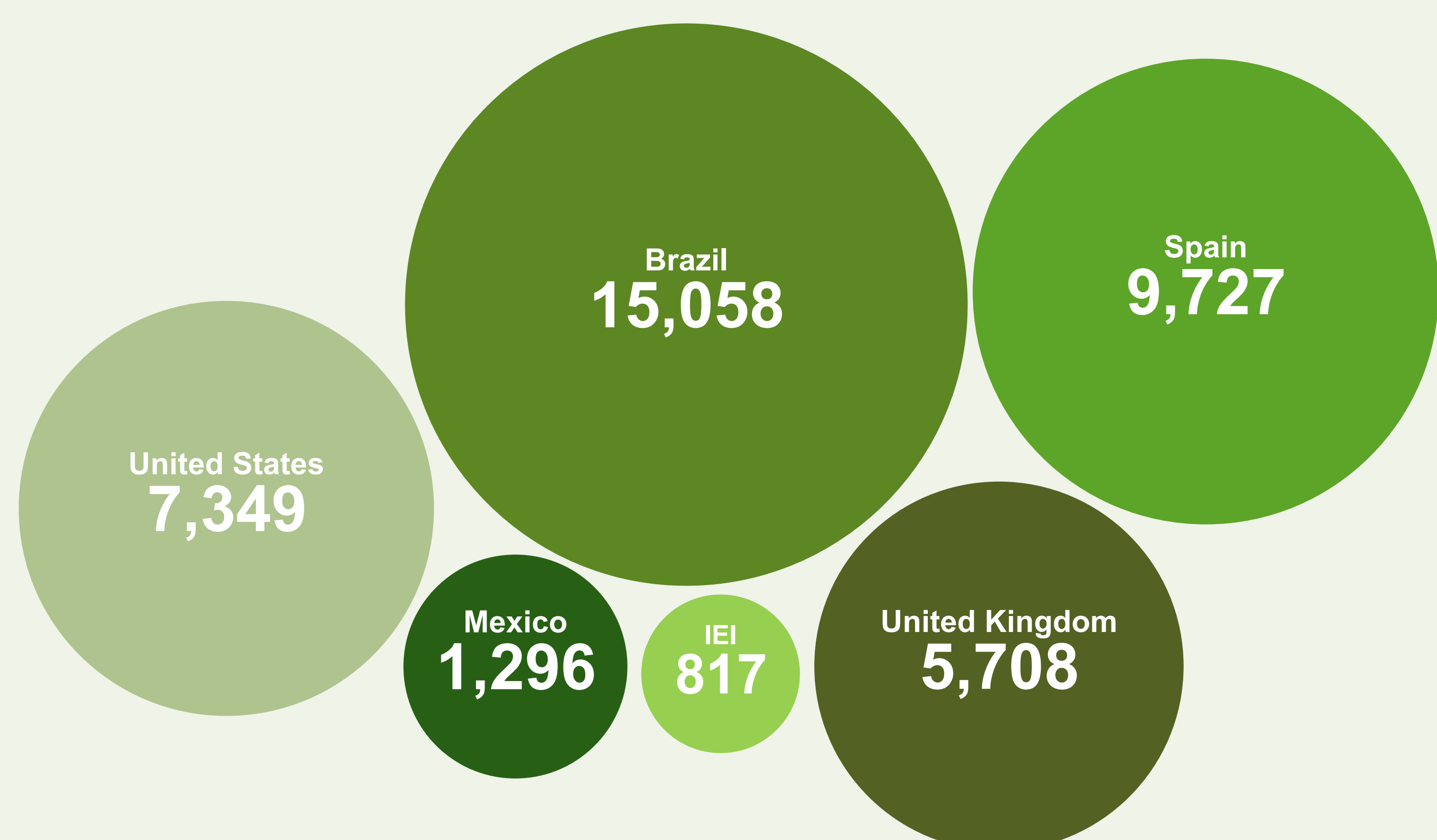
Language training:

This year we have allocated more than 116,000 hours of language training. Through different learning resources, our staff has been able to expand their knowledge in the main languages of the group: Spanish, Portuguese and English.

Total No.:

39,955 people

116,000 hours of language training in 2021.
79 nationalities in the overall workforce.
646 professionals located outside their home country.





3.3.4 Our talent is multi-generational

“ The extension of working life has resulted in **four different generations** working together in the same workplace.

All these generations have a genuine perspective on the world with particular needs with regard to, for instance: digitalisation, continuous development, recognition, balancing work and life, or an interest in mental health*. We work so that together, we can make a significant impact on each of their lives.

*“Overcoming Age Segregation”. Stanford Social Innovation Review 21/04/2022



Actions for all generations:

Focusing on intergenerational leadership and keeping our four generations in mind, we have knowledge-sharing programmes, initiatives aimed at developing local talent and training for people from vulnerable groups:

In this respect we highlight:

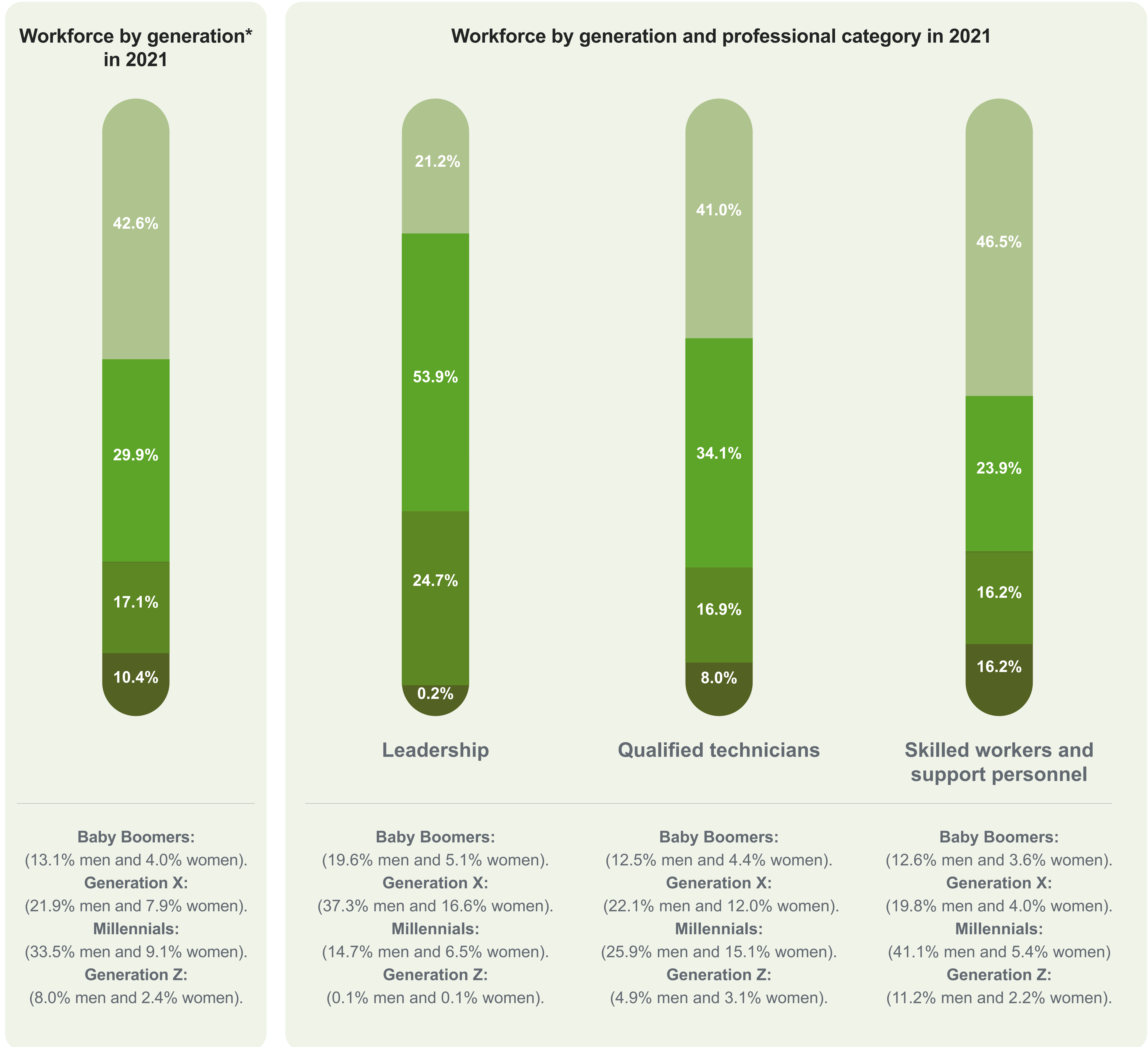
The global “**Digital mentoring**” programme, held in May and September, contributes to the inclusion strategy by connecting employees from different generations, genders and cultures.

“ In 2021, more than 270 couples took part in the programme (*mentee* and mentor), more than 30% were made up of employees from different countries and more than 50% of employees from different generations.



Four generations:

39,995 people



● Baby Boomers ● Generation X ● Millennials ● Generation Z

*Baby Boomers (born between 1946 and 1964), Generation X (born between 1965 and 1980), Millennials or Generation Y (born between 1981 and 1996) and Generation Z (born since 1997). Companies included: Iberdrola S.A., subsidiaries of: Iberdrola España, Iberdrola Energía Internacional (Spain), ScottishPower, AVANGRID, Neoenergía and Iberdrola México.

Committed to:

Fostering collective intelligence and enriching multi-generational thinking.

Our actions are focused on achieving a workplace that enables the transfer of knowledge and experience, optimising resources and skills between teams, and maintaining an open and transparent dialogue with each of our generations.



3.3.5 Other groups that enrich us: LGBTIQ+ and veterans

LGBTIQ+



LGBTIQ+ rights, such as equal marriage or adoption, continue to be recognised in more and more countries, but studies on labour market differences show that LGBTIQ+ people, despite being more educated on average, are 7% less likely to get a job, they get paid 4% less and are 11% less likely to be promoted to senior management position.

"Beyond the Rainbow". OCDE 20/04/2022.

This is how we support each other:

We create inclusive and respectful spaces, advocate for equal opportunities, update our policies to adapt to the rights of the LGBTIQ+ community and work to raise awareness among the workforce so that everyone can feel good within the company.



At **ScottishPower** we virtually participated in the Liverpool Pride March, we are a member of the *Stonewall Workplace Equality Index* as better employers for the LGBTIQ+ community and we continue to support LGBTIQ+ social organisations such as *Mind Out*, *Hidayah*, *Mermaids*, *The Terrance Higgins Trust* and *LGBT Youth Scotland*.



At **AVANGRID**, with the support of the *Pride@AVANGRID* group, we held *Pride Month* raising the LGBTIQ+ flag in all offices across the country and a social media campaign with testimonials from our LGBTIQ+ staff and their partners to celebrate and support the diversity of our communities.



At **Neoenergia** we reviewed our parental policies to include benefits for same-sex couples: this leave can be up to 120 days to accommodate the birth or arrival of adopted children. We also conducted internal awareness campaigns on the International Day against homophobia, transphobia and biphobia.



Veterans



The UK Ministry of Defence estimates that by 2021 the number of UK armed forces veterans will exceed two million and the US Department of Veterans Affairs puts this population at 19 million. At Iberdrola, we have set out to give this group a career opportunity and encourage hiring working age veterans.

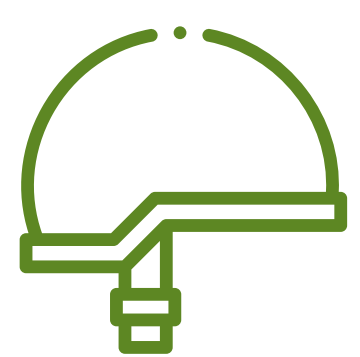
"Support for UK Veterans", House of Commons Library 24/04/2022.

"National Center for Veterans Analysis and Statistics", U.S. Department of Veterans Affairs 24/04/2022

What we have done:

Being aware of the difficulty encountered by veterans as they transition to civilian life, we support the military community. We know that veterans have skills and knowledge that are applicable and necessary in the energy sector; however, being out of the workforce for a period of time presents a great challenge.

We have implemented programmes to help these people prepare, update their knowledge and grow professionally within our company.



We have been a leading employer of this group in the UK for many years. At **ScottishPower** we have implemented policies to support defence personnel, including reservists, soldiers, veterans, cadet brigade volunteers and their spouses. This year we have extended paid training leave for reservists to 10 days and sponsored the "Cadet Adult Recognition Award (CARA)".



With **AVAN-Veterans**, the support group for **AVANGRID** veterans, we encourage their professional development, participate in trade fairs and events that provide professional opportunities and help them fill new positions within the company. In 2021 we focused on veteran retention and recruitment, networking and training local leaders to promote events in their localities.

3.3.6 A global strategy in the context of the different countries

In 2021 we launched numerous initiatives for each company in the group, adapted to the local strategy but led based on a global vision.

At the same time, we have carried out global actions established in the Global D&I Council with a strong focus on leadership, amongst which the following are worth mentioning: the preparation and presentation of a *business case* to the Management Committee in each country and the implementation of unconscious bias courses for team managers.



Iberdrola España:

- 1 We have renewed the **Equality, Diversity and Work & Life Balance Plan** and by creating an **Equal Opportunities Committee**, our aim is to guarantee equal opportunities and non-discrimination.
- 2 We maintain our collaboration with the **Diversity Charter**, to which we have been a signatory since 2009, as a member of its Business Council.
- 3 In May we sponsor **European Diversity Month**, which aims to celebrate and promote diversity in the workplace, a pioneering initiative launched by the European Commission and celebrated in all 26 countries of the European Union.
- 4 We are part of the **#CEOPorLaDiversidad Alliance**, where 75 executives from large companies have committed themselves to promoting D&I policies in their companies and to reducing inequality and exclusion in Spanish society.
- 5 We launched the **“Growing in Diversity”** training programme, that equips employees with the tools and resources necessary to promote the value of diversity and raise awareness of unconscious biases.



ScottishPower:

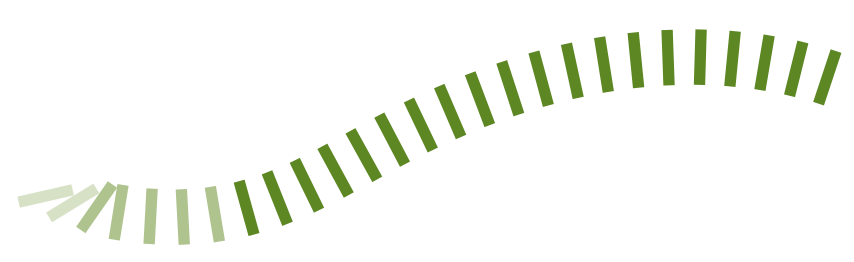
- 1 We have specific policies such as the **Equality and Diversity Policy, the Bullying and Harassment Policy, or policies that promote balancing work and family life**. In addition, since 2020 we have a transgender policy and transition guidelines.
- 2 We have created a **new affinity group** for parents and carers (SPACE), as well as the **communication guide** with the support of affinity groups, shared with internal and external communication teams.
- 3 We have implemented **new gender measures** such as paternity and adoption leave, a guide on menopause and menstrual health, and a guide on domestic abuse.
- 4 We have held **discussion sessions with leaders** to discuss equal pay, female representation in management roles and local diversity and inclusion plans.

AVANGRID:

- 1 We have created a structure and new guidelines to attract and develop diverse talent to achieve an **inclusive workplace**.
- 2 We have developed **two new affinity groups**: *Coalition for Asian Pacific Americans (ACAPA) and Community for all Abilities and Resource of Excellence (CARE)*.
- 3 We have organised **more than 25 events** to foster inclusive conversations, increase discussions about the importance of authenticity in the workplace and provide a safe environment.

Neoenergia:

- 1 We have given **continuity to specific groups** with a focus on gender, race, people with disabilities and LGBTIQ+ groups, creating communication plans to involve all teams.
- 2 We have launched the **Junt+s App** which brings together D&I content to educate staff on the subject.
- 3 We have generated an **annual calendar with initiatives** to promote reflection and raise awareness among the workforce, including Diversity Week.
- 4 We have defined **new policies for human resources**, more inclusive recruitment and selection, leave for same-sex couples and employment review for people with disabilities.

**Iberdrola Mexico:**

- 1 We have given **several conferences focused on strengthening inclusive leadership** to discuss and reflect on best practices.
- 2 We have carried out the **first internal diagnosis for diversity and inclusion** to identify the main areas of opportunity and design a 2030 comprehensive strategy.
- 3 We have participated **for the first time in the Ranking PAR 2021**, a tool used to measure and compare the equality efforts of companies in Latin America.

3.3.7 Putting the conversation in the hands of the groups**Our path to inclusion is enriched by all the perspectives, personal experiences and actions promoted by affinity groups.**

We have nearly twenty groups, made up of more than 2,300 people, which have been spontaneously set up to give a voice and visibility to all the people who make up our workforce, functioning as representative committees.



“ I joined Connected Women because, in my 30 years of professional experience in a male-dominated environment, I really appreciate how beneficial it is to have another woman to talk to, who shares your experience of juggling life and work.

JANE, MEMBER OF CONNECT WOMEN, SCOTTISHPOWER. ”



“ [...] I am very proud to be part of a company with this kind of vision, with diversity policies aimed at the LGBTIQ+ community. This is what makes Neoenergia different, it makes me feel part of the team as well as safe.

LÍVIA, MEMBER OF THE LGBTQ+ GROUP, NEOENERGIA. ”



Having an Asian-Muslim-British identity, I believe the network will help promote the cultures [...] Embodying the principle of inclusiveness is paramount to delivering an innovation and quality performance, and we all benefit from developing our careers as well as ourself as a person.

EHSAN, MEMBER OF VIBE, SCOTTISHPOWER ”



“ I cannot express how proud I am regarding the stance that AVANGRID has taken and the support it has provided me with. Every day when I walk into work, now as Amanda, I feel incredibly proud to work for a company that lives up to its word [...]

AMANDA, MEMBER OF PRIDE@AVANGRID ”



4. We are part of society and its communities

We contribute to society and the communities where we operate

4.1 We seek to have a local impact

4.2 Team energy for communities

4.3 The contribution of foundations

4.4 Closing the gap in STEM careers

4.5 Energising women's sports

4.6 Growing with our suppliers





4.1 We seek to have a local impact



We make our skills available to society in order to develop the communities in which we operate.

Local community development programmes:

Together with local authorities and other Stakeholders, we carry out actions focused on providing local services, job creation and training courses or sponsorships.

Actions to boost employment:

We operate several programmes to train the workers of tomorrow:

1.



European Re-skilling 4 Employment Programme:

Its aim is to empower people at risk of losing their jobs due to the impact of digitalisation by providing training to acquire new skills.

2.



Access of young people to the labour market:

Through our foundation in Spain and *Save the Children* we help young people to integrate into the labour market and society.

3.



Job training for women:

The "In the Key of Equality" project helps improve the employment prospects of socio-economically disadvantaged women.



4.2 Team energy for communities



In 2021, Iberdrola's International Corporate Volunteer Programme set a new record with more than 12,200 participants worldwide; 17.4% more than in 2020.

This global programme brings together our values and spirit of solidarity to contribute to social and environmental projects aimed at the integration of vulnerable groups, environmental improvement and sustainable development.

This year we participated in the first *pro bono* multi-company with several companies from Spain and Latin America. We collaborate to solve education and economic growth challenges. In addition, we held the 10th edition of **INVOLVE** (*International Volunteering Vacation for Education*) programme, offering training in new technologies to young people at risk of exclusion in Brazil and Mexico.

International Volunteer Week:

International Volunteer Week 2021 was held under the slogan "Together we continue to build the world we want", in which 17,500 hours were devoted and more than 64 actions were taken in 12 of the countries in which we operate: Spain, United Kingdom, Mexico, United States, Portugal, Brazil, Australia, Greece, France, Belgium, Germany and Italy, providing employment training for 5,243 people at risk of social exclusion, as well as educational material, food, basic products and toy donations.



4.3 The contribution of foundations



Our commitment to sustainable development is expressed through our foundations: Iberdrola Spain Foundation, ScottishPower Foundation, AVANGRID Foundation, Neoenergia Institute and Iberdrola Mexico Foundation.

The foundations share a common Master Plan based on 4 pillars of action: Training and Research, Social Action, Biodiversity and Climate Change, Art and Culture, with strategies aligned with the principles of contributing to Sustainable Development Goals (SDGS) and directly connected to the company's commitment to D&I:

Training and Research Area:



Programme to support young students with low income or disability, with undergraduate studies and technical training.



Calls for research support such as the launching of the *Energy for Future* programme, aimed at young researchers in the energy sector.



"Inspira Programme" aimed at young people at risk of exclusion between 16 and 30 years of age to get them back into the education system.

Social Action Area:



Alliances to promote social and humanitarian projects aimed at the most vulnerable people.



Collaboration with: *The Down Syndrome Foundation*, Proyecto Hombre, Ciudad Joven, Ayuda en Acción, *Save the Children* and Upacesur.



"Urological Brigades" programme, to contribute to the well-being of women with limited resources and urological problems by providing surgical support.



4.4 Closing the gap on STEM careers



Despite educational advances and the increase of women in higher education, there are still gender gaps in STEM careers:



Only 35% of female students enrolled at university choose careers related to engineering or technology.

One of the reasons given in the 2021 report [“Women Scientists in Figures”](#), is that young girls and women are not as interested in these professions due to a lack of female role models.

For this reason, one of our objectives is to promote and encourage women to choose these types of careers:

Iberdrola España:

- 1 The Iberdrola España Foundation launched the **“The Woman-STEM, Sustainability and Mobility Chair”**, to raise awareness of the scarce presence of women in these career fields. Among its objectives are to look into the reasons why there is a low participation of women in STEM studies, the degree in which the academic contents are adapted to the needs of the market, promoting the necessary cultural and social change and conduct a study on the employability, quality and successful profiles in STEM degrees, the results of which were presented at a round table.
- 2 We carried out actions aimed at children and young people to awaken a scientific vocation in them through workshops and conferences in collaboration with the Parents' School, we also carried out the **STEM Talent School** programme of Universidad Pontificia Comillas and the **“Youth Plan”** which has already reached nearly 50,000 young people since 2017.
- 3 We support the initiative of the Spanish Ministry of Education **Alianza STEAM for female talent “Niñas en Pie de Ciencia”**, to join forces, seek synergies and promote projects that contribute to shaping an education and training system that eliminates gender stereotypes.



- 4 The Iberdrola Spain Foundation, together with Empieza Por Educar (ExE), launched the **STEM Scholarship programme** to promote a more equitable education and professional development of women with a specialisation in science and technology.

ScottishPower:

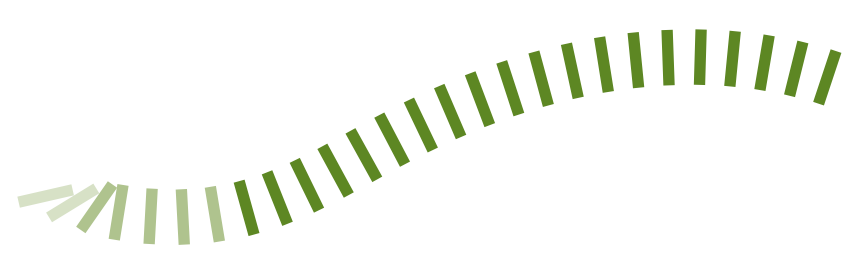
- 1 During the past 6 years ScottishPower has been undertaking **the Returner Programme** for all candidates who have taken a career break of two or more years, with opportunities to re-enter the STEM industry. This is particularly attractive for female candidates, occupying most of the positions.
- 2 In the United Kingdom the company has been responsible for delivering the **STEM message** to more than 45,000 school-aged children. The company collaborates with various organisations to communicate early career programmes to school children and their families.

AVANGRID:

- 1 We support a variety of local programmes aimed at providing students with the tools they need to succeed in the fields of science, technology, engineering and mathematics. We maintained **collaboration with organisations** such as the *Maine Blue Collar Scholarship Foundation*, *PSL Strive and St. Joseph's College* and established new collaborations with *Literacy Volunteers* and the *Wolfe's Neck Farm Foundation*.
- 2 We support the **Eureka! Project** in collaboration with Girls Inc. for women interested in STEM careers and aimed at young people with limited resources.
- 3 We collaborate with different local institutions to promote **studying STEM careers** and creating **opportunities for women and other minority groups**: *Electrical Line worker Technology Program (Kennebec Valley Community College)*, *Wind Technician Scholarships*, *District Arts & Education (Holberton School)*, *Electrical Engineering Scholarships (Central Maine Power University of Maine)*, among others.

Neoenergia:

- 1 We work to promote the training and entry of women into our historically male-dominated sector. Since 2019, we have the **"School of electricians for women"**, a pioneering programme that has been recognised by the *WeEmpower* (United Nations programme that promotes gender equality), as a good business practice for the empowerment of women. In 2021, 258 women were certified, totalling more than 148,000 hours of training. Of the women trained throughout the year, nearly 70% have already joined the workforce.



Iberdrola Mexico:

- 1 We have organised three editions of the **“Women with Energy” forum**, a space for dialogue and training on diversity, equity and inclusion to promote initiatives aimed at closing the gender gap.
- 2 **STEM Promotion.** Programme that has been active since 2019 **collaborating with local institutions to promote the study of engineering** in Oaxacan youth, especially women. The aim of the programme is to impact public schools by providing university scholarships, training for teachers and vocational counsellors, develop STEM courses, as well as carry out communication campaigns to encourage studying engineering.

4.5 Energising women's sports



We are globally committed to the inclusion of women in sports and are the official sponsors of women athletes.

We currently support 16 federations and sponsor 22 high level leagues as well as 35 other competitions. From the start of our drive in 2016 to the end of 2021, we helped increase the number of female federations by 39%, until reaching more than 300,000, thus improving the level of competition and attracting more talent to events.

From **Neoenergia** and **Iberdrola Spain**, we sponsor the Brazilian and Spanish women's football leagues and national teams with the aim of boosting their growth and attracting more women to the sport.

With **SottishPower Energy Networks** we also support the Welsh and Scottish Rugby Associations, doubling the number of players and renewing our commitment to sponsor the Scottish Women's Rugby team.



The Chairman of Iberdrola, Ignacio Galán, together with the Presidents of the Spanish Olympic Committee and the Spanish Paralympic Committee were present at the ceremony to recognise the Olympic and Paralympic athletes of Tokyo 2020, last September.



SuperA Prizes:

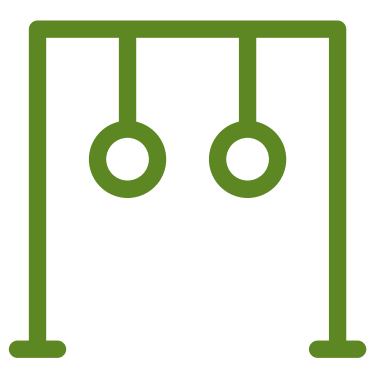
We received 690 nominations for the 2nd edition of the Iberdrola SuperA prizes, 69% more than in the first edition. The aim of these awards is to recognise and reward the best sporting initiatives that contribute to promoting equality in women's sport.

The following projects received awards:



SuperA Social:

Donosti CUP in the World foundation, organisers of the Donosti Cup Football Tournament.



SuperA Base:

The girls of the Baruca Acrobatic Gymnastics Club of Jaén, who will see improvements to their facilities.



SuperA Competition:

Women from the Bolaños sports club in Ciudad Real, who will have the sports equipment and training to help them make the leap to professional handball.



SuperA Diffusion:

Mariburruntzi Sinkro Taldea, a documentary that tells the story of ten women who started practicing artistic swimming at the age of 50.



SuperA Inclusion:

First cycling school adapted to women and girls in Valencia, a project promoted by Paralympic athlete Ruth Aguilar.



SuperA Sustainability:

The Royal Spanish Canoe Federation, which may establish a national Clean Water Day in order to improve the environment in which the sport is practised.





4.6 Growing with our suppliers



We have the responsibility and ability to motivate our suppliers to improve their environmental, ethical and social performance through actions that drive excellence in sustainability management.

We are proud to have a diverse supplier base that allows us to generate benefits for both business and society in the development of products and services.

Suppliers subject to sustainable development standards:

OO In 2021, **73.7% of our main suppliers had sustainability or ESG (Environmental, Social and Governance) policies and practices in place.**

We have gone a step further in our compliance with ESG criteria by involving our suppliers around the world. New purchasing decisions involve suppliers that exceed the level established within the ESG model, amounting to €10.014 billion (82.5% of the total) and of all orders issued, €7.449 billion (75.1% of the total) have gone to suppliers that are considered sustainable. In addition, we have created a digital platform where the company's suppliers themselves can self-assess their performance in meeting environmental, social and governance criteria.

Purchases from suppliers of diverse groups:

At **Iberdrola Spain**, the volume contracted to Special Employment Centres, whose main goal is to provide people with disabilities with productive and remunerated work, has reached €1.27 million. At **AVANGRID**, we have the *Supplier Diversity Program* aimed at promoting diversity among our suppliers and increasing purchases from suppliers that are made up of diverse groups. Under this programme we awarded €141 million to suppliers belonging to various groups.

RETO Supplier of the Year Awards:

With the RETO awards (Recovery, Clean Energy, Energy Transition and SDGS) we recognise the key role of the value chain in achieving our strategic projects and focus on the relevance of creating an ecosystem of suppliers working towards the same goals. With these awards we emphasise our commitment to encourage business management in aspects such as sustainable development, safety and quality, innovation, internationalisation, job creation and involvement with COVID19.





5. Adding our customers

Different responses for different needs



5.1 On our customers' side

5.1 On our customers' side



Our purpose is focused on customer service, providing healthy and affordable energy. As a people-focused company, we want to develop solutions that meet the needs of an increasingly diverse and changing society.

For this reason, we constantly seek to innovate and offer greater accessibility to our products, services and information, guaranteeing fair treatment according to the different needs and situations of each person.

Initiatives for vulnerable customers:

We have protection procedures for customers at risk of exclusion or in vulnerable situations to facilitate access to energy. We offer to lengthen the collection process and relax payment conditions to avoid the suspension of electricity and/or gas supply due to non-payment of bills to economically disadvantaged citizens or those who have been declared vulnerable for reasons of age, health, disability or other serious reason. In some countries such as Spain (with the Bono Social de Electricidad) or Brazil, we have a special differentiated tariff for low-income customers offering them advantageous prices and special conditions.

ScottishPower became one of the first to receive the *Gold Star Rating de Vulnerability Commitment de Energy UK*, for its commitment to addressing vulnerability by developing a set of principles and commitments for energy suppliers to provide additional support to customers in vulnerable circumstances.



“ Supporting our customers in vulnerable circumstances is one of our priorities, and this award is a positive sign of the work we are doing in this area, although there is always more to do”. That is why, it says, “we will continue to build on our efforts to continue to provide the support and services that our vulnerable customers need every day.

ANDREW WARD, CEO OF SCOTTISHPOWER RETAIL





Commitments to disabled customers:

We are committed to ensuring an inclusive design in the creation of facilities that meets the needs of all our customers. The group's companies are developing initiatives to improve the way we communicate with customers with specific sensory or language needs, guaranteeing accessibility, equal treatment and non-discrimination.

- 1 In 2012, we were the first energy company to offer accessible customer service to our hearing-impaired customers through sign language video-interpreting with the **“ComunicA” programme**.
- 2 Through the ***Customers Requiring Additional Support Programme***, we offer additional services to customers with different types of disabilities, chronic illnesses or people over seventy years of age.
- 3 Through the ***Next Generation Test Service (NGTS)*** initiative, we provide a range of tools and services to customers with hearing or speech impairments to enable them to communicate through text using electronic devices.

Customer service for people who do not speak the local language:

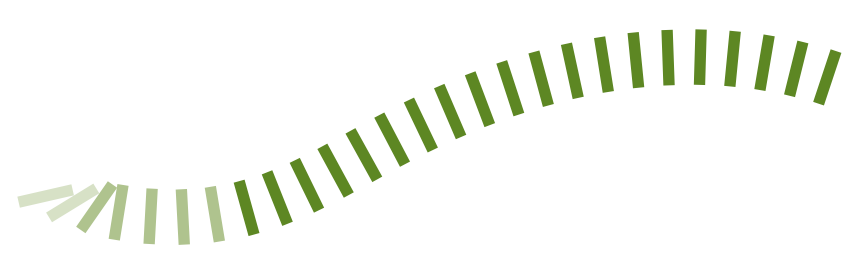
We ensure access to customer service by providing alternative means of communication for those who have difficulty expressing themselves in the local language.



6. Recognition of our actions

We do not say it ourselves





Iberdrola is among the top 10 companies in the world in terms of the integration of women - **World's Top Female Friendly Companies 2021** (Forbes).



Included for the fifth year in a row in the **Bloomberg Gender Equality Index** (GEI) as a benchmark for equal pay and improvement on the previous year. We are the only Spanish electricity company included in all editions.



Since 2019 **we have continued to support UN WOMEN**, the United Nations organisation that develops programmes to ensure gender equality.



ScottishPower has maintained the Disability Confident Employer standard, a UK government initiative that engages and recognises disability inclusion.



The WDi (Workforce Disclosure Initiative) has recognised Iberdrola for our initiatives in promoting a quality working environment among our employees.



Iberdrola has been included in the **Transforming Lives and Communities** report, published by IMPACT2030 in collaboration with the United Nations Office for Partnerships.



The Corporate Volunteer Programme has been awarded for its commitment to people in a situation of severe social exclusion at the **5th Corporate Volunteer Awards of the Integra Foundation**.



The Federation of Rural Women recognised Ignacio Galán for his work in implementing an equal opportunity and work-life balance policy in the **FEMUR Awards "Men supporting equality"**.



ScottishPower became one of the first to receive the **Gold Star Rating for Vulnerability Commitment from Energy UK**, for its commitment to address vulnerability.



The *Breaking Barriers* programme from ScottishPower received the **Inclusive Workplace Award**.



The Ministry of Defence, in recognition of support for the UK Armed Forces, presented the **Gold Employer Recognition Scheme** to ScottishPower.



The Digital Mentoring programme has been selected among the best "high impact" entrepreneurial initiatives within the framework of project '**JOBS 2030- Future of Work**' from Forética.



7. Annexes

7.1 Diversity on the Board of Directors (2019-2021)

7.2 Staffing by gender, age and professional category (2019-2021)

7.3 Staffing by country, gender and professional category (2019-2021)

7.4 Workforce by country, generation and occupational category (2019-2021)*

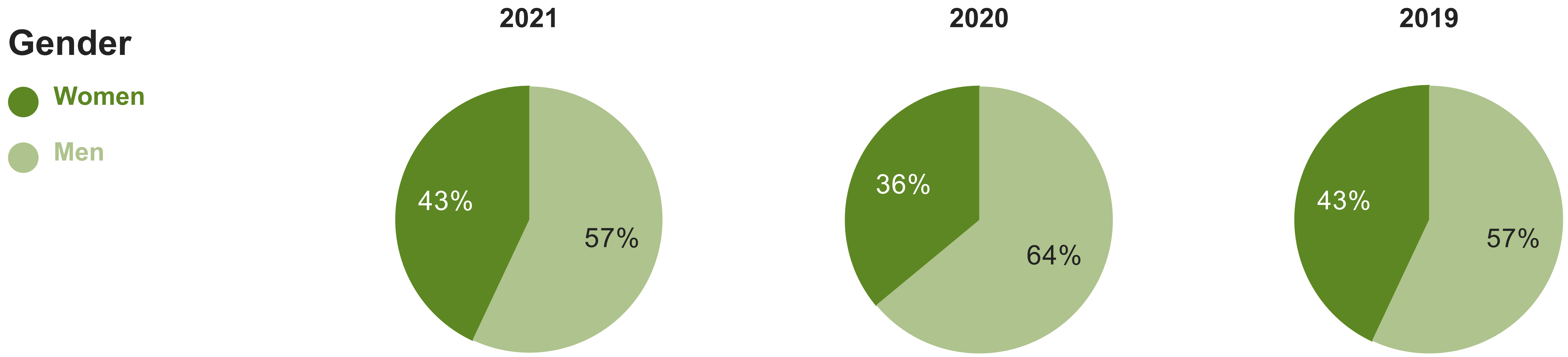
7.5 People with disabilities integrated in the workforce (2019-2021)

7.6 Ethnic and racial diversity (2021)

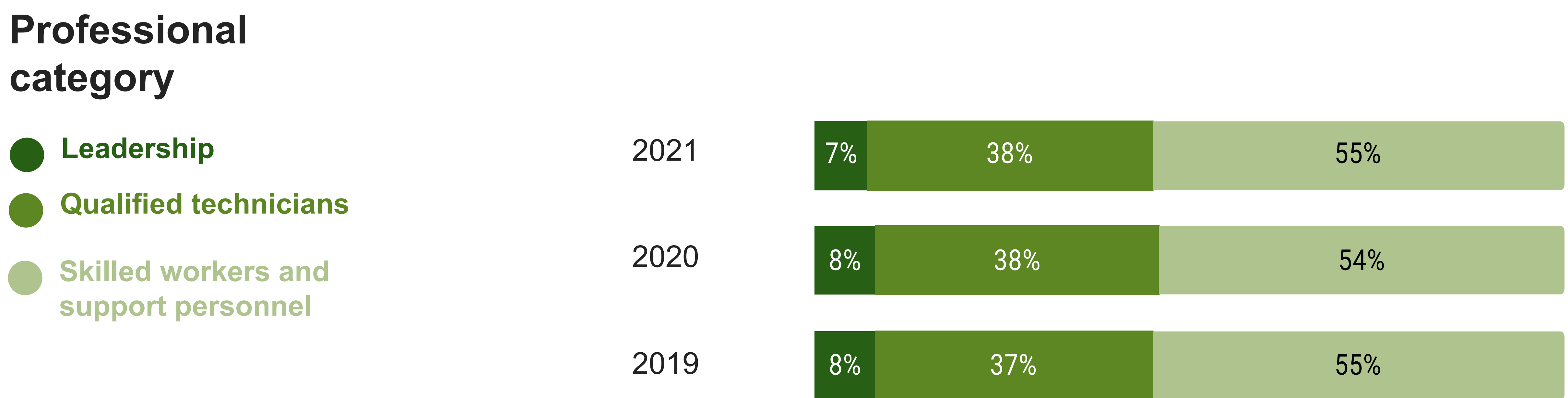
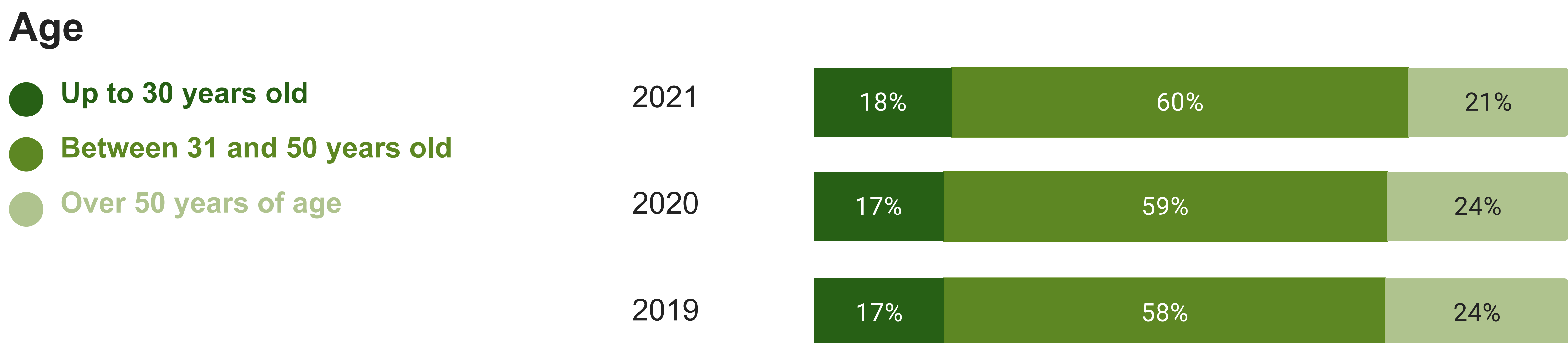
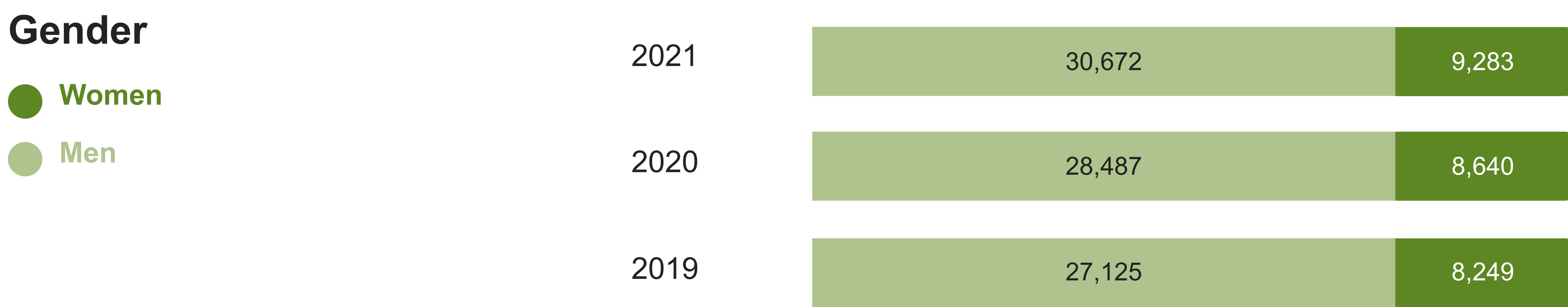




7.1 Diversity on the Board of Directors (2019-2021)

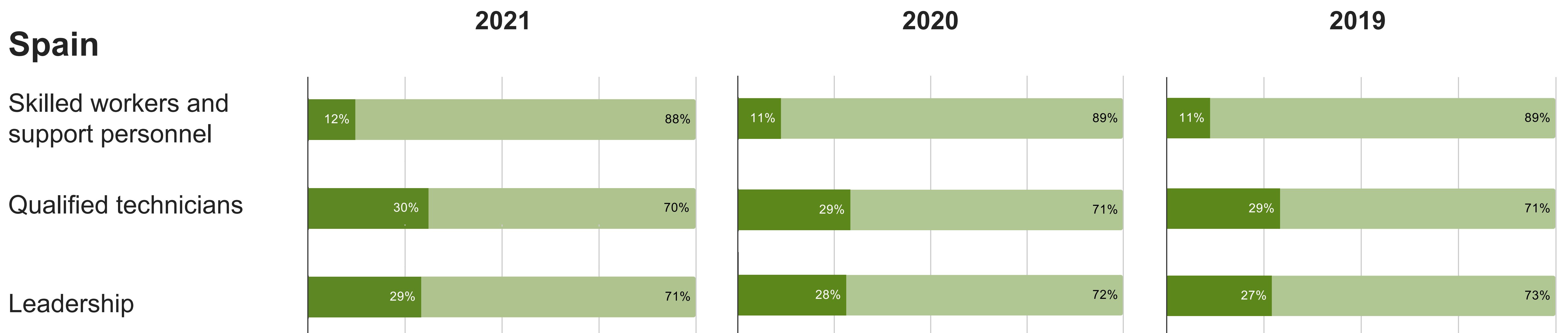


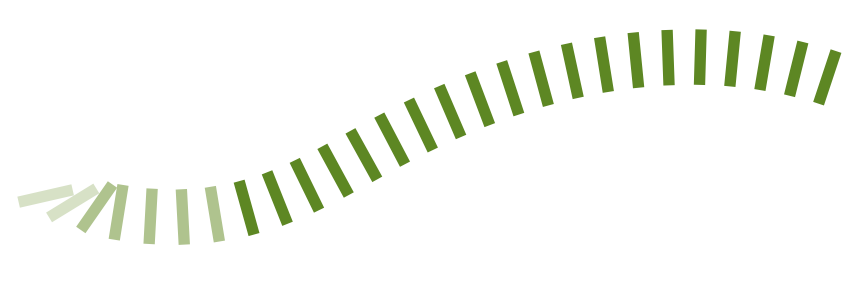
7.2 Workforce by gender, age and professional category (2019-2021)



7.3 Workforce by country, gender and professional category (2019-2021)

● Men ● Women



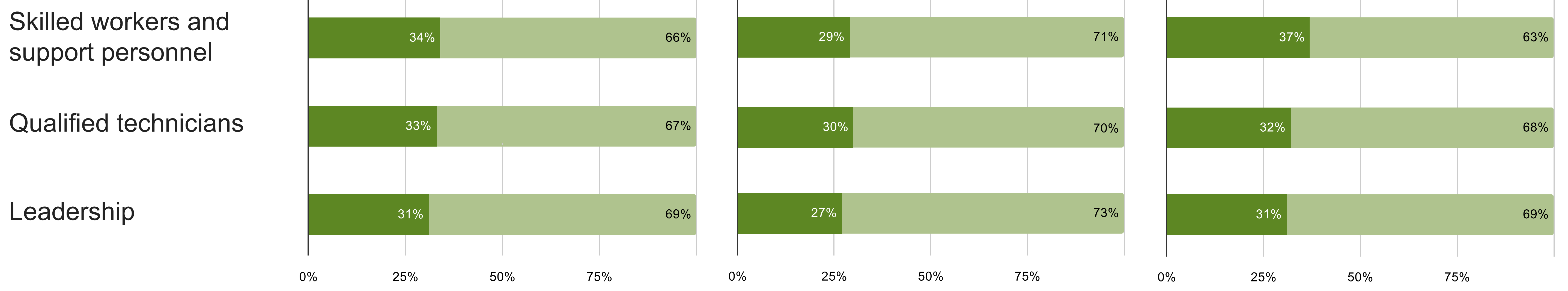


2021

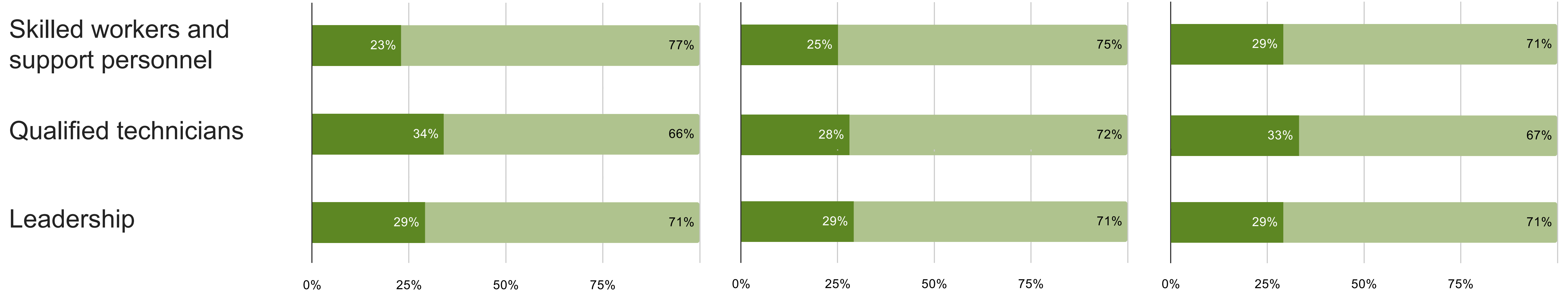
2020

2019

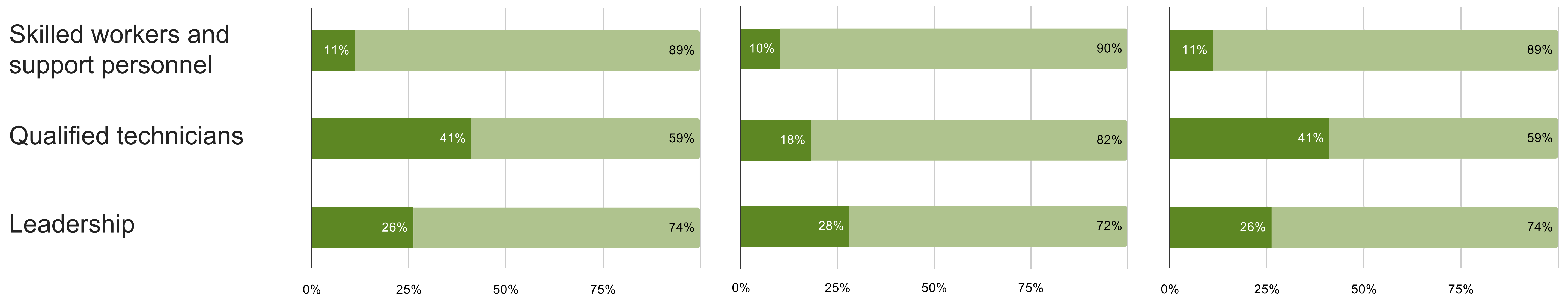
United Kingdom



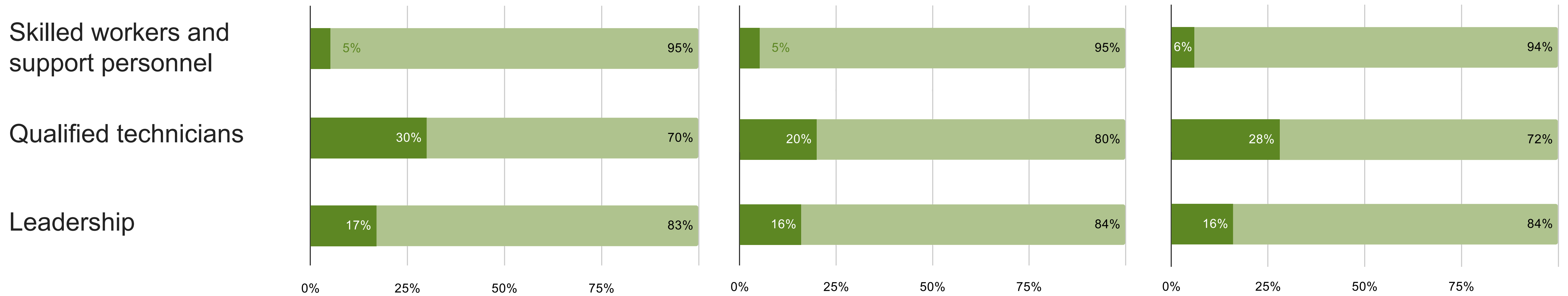
United States



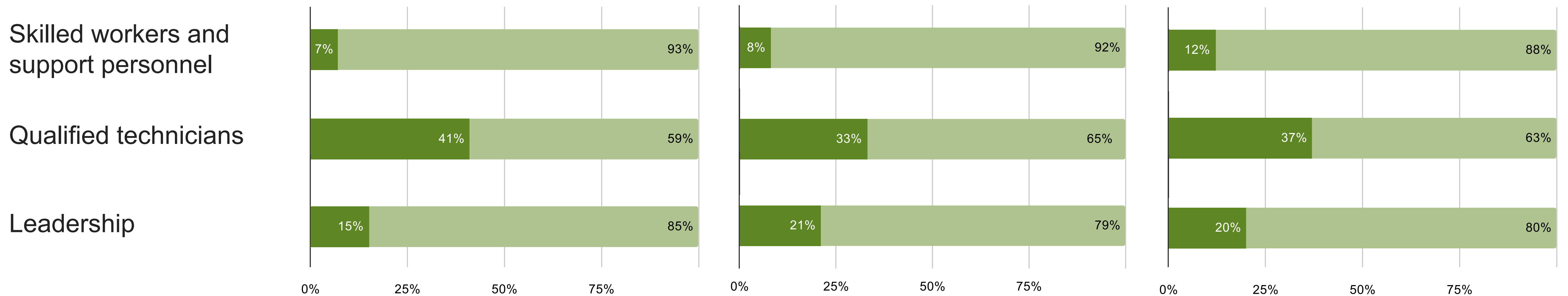
Brazil

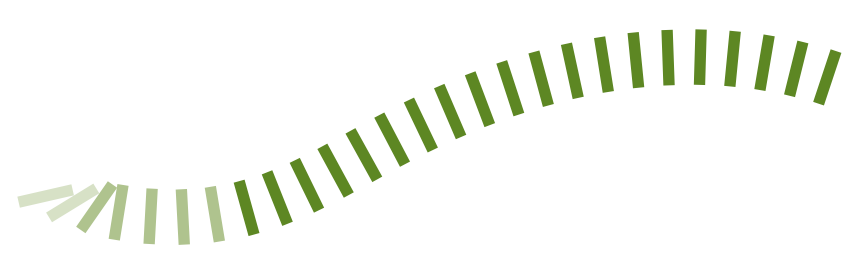


Mexico



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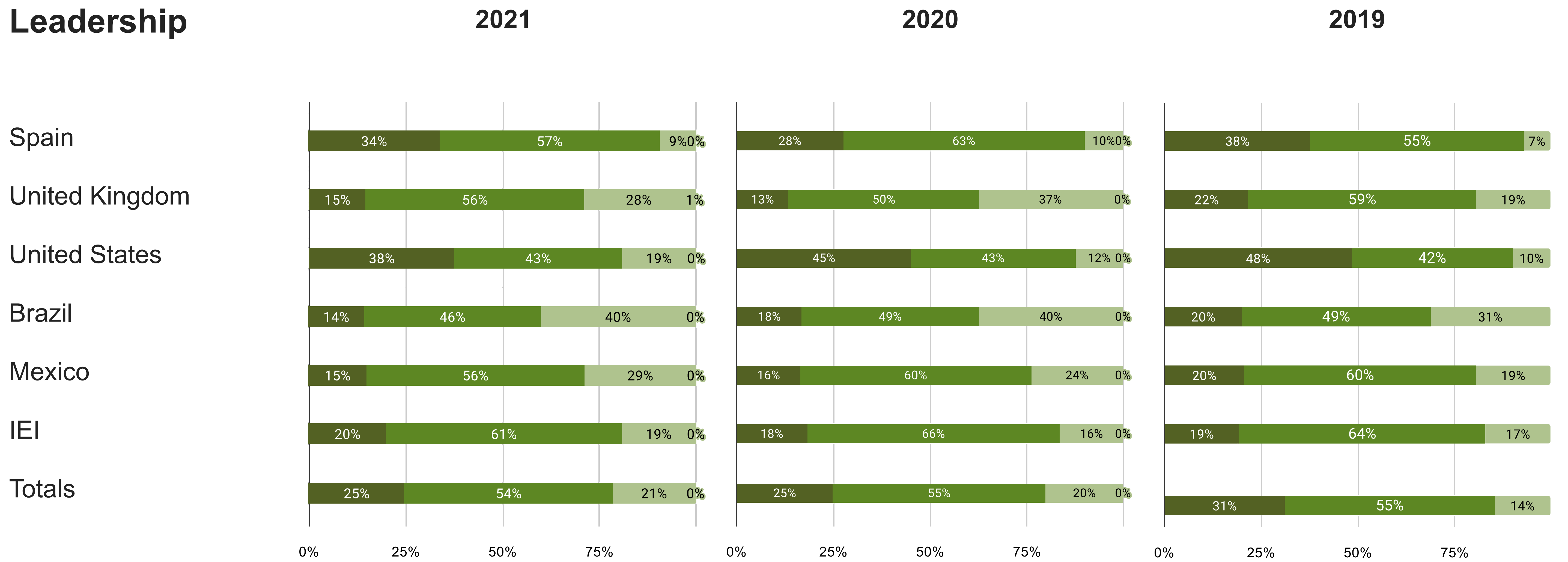




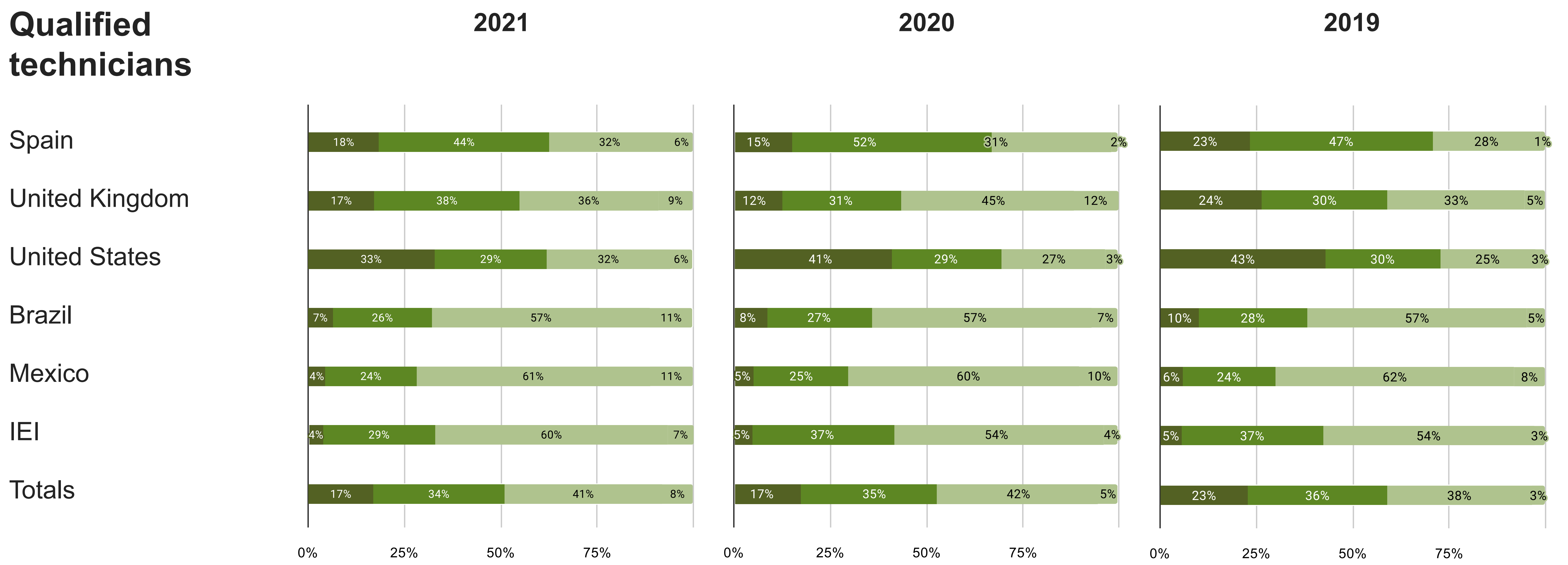
7.4 Workforce by country, generation and professional category (2019-2021)*

● Baby boomers ● Generation X ● Millennial ● Generation Z

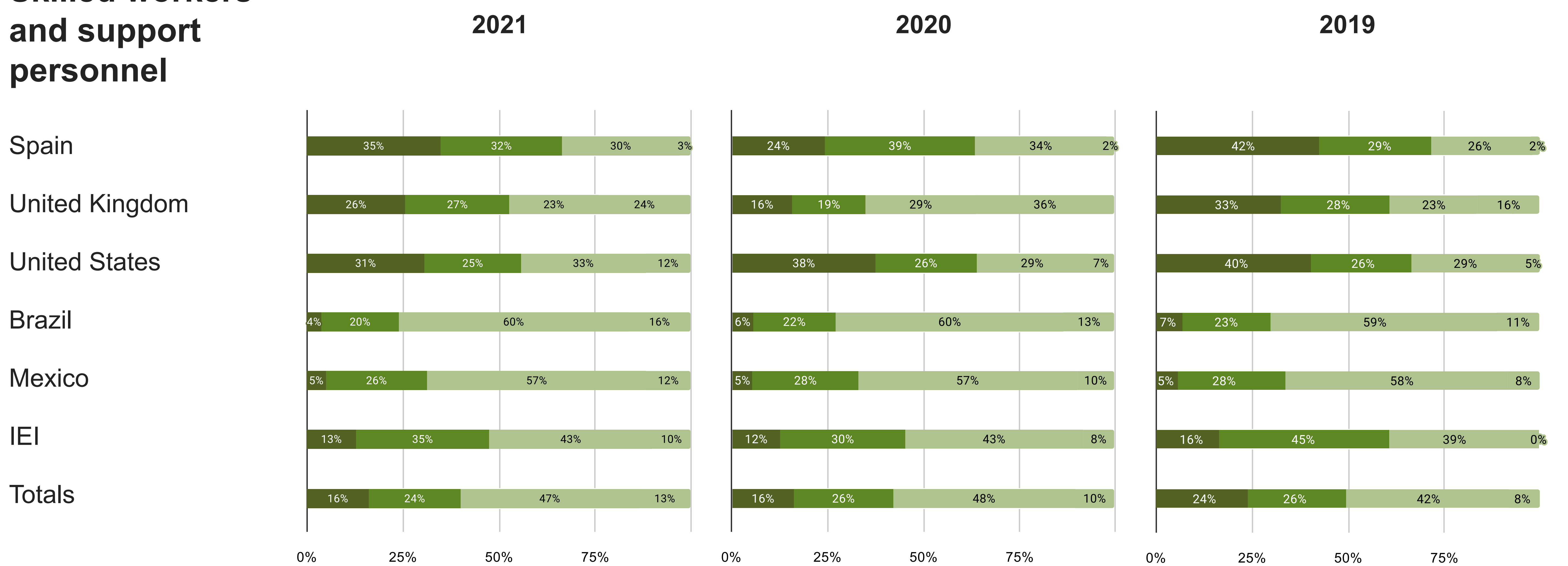
Leadership



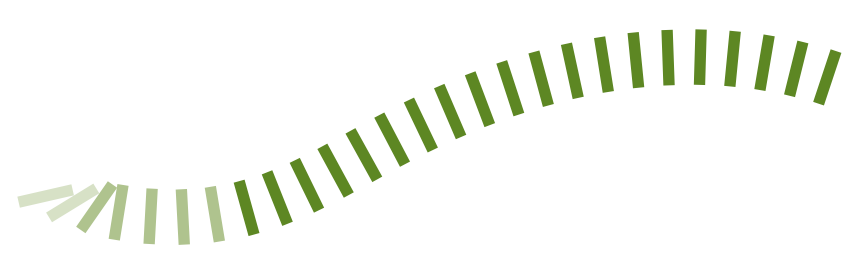
Qualified technicians



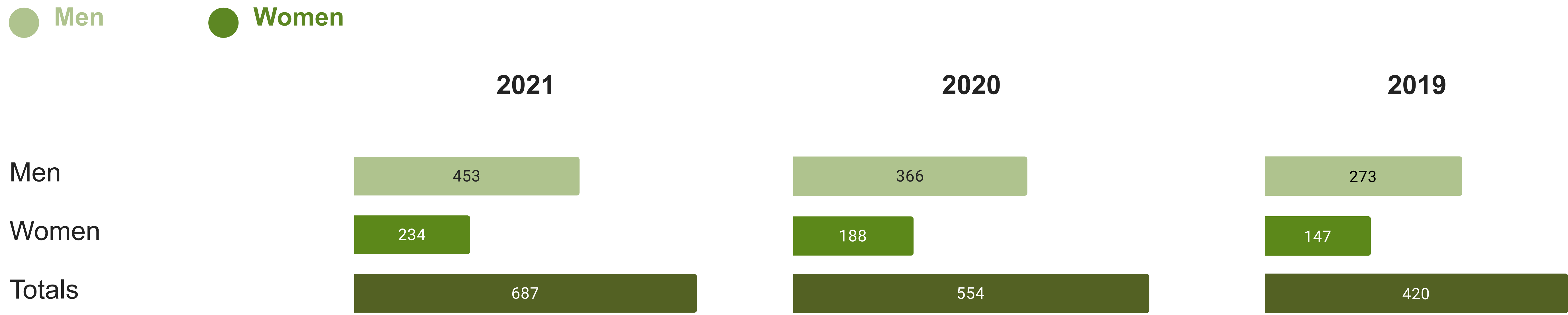
Skilled workers and support personnel



*Baby Boomers (born between 1946 and 1964), Generation X (born between 1965 and 1980), Millennials or Generation Y (born between 1981 and 1996) and Generation Z (born since 1997). Companies included: Iberdrola S.A., subsidiaries of: Iberdrola España, Iberdrola Energía Internacional (Spain), ScottishPower, AVANGRID, Neoenegia and Iberdrola México.



7.5 People with disabilities integrated in the workforce (2019-2021)



7.6 Ethnic and racial diversity (2021)*

SCOTTISHPOWER



NEOENERGIA



AVANGRID



- No data available: 45 | 3%
- Bangladesh: 1 | 0%
- Black, African, Caribbean: 10 | 1%
- China: 4 | 0%
- India: 22 | 2%
- Pakistani: 11 | 1%
- Asian: 10 | 1%
- Multiple or mixed ethnic groups: 15 | 1%
- Other ethnic groups: 11 | 1%
- Prefer not to identify themselves: 15 | 1%

- Black: 1833 | 12%
- No information available: 586 | 4%
- Yellow: 175 | 1%
- Indigenous: 36 | 0%

- Hispanic / Latino: 509 | 7%
- Black or African American: 423 | 6%
- Prefer not to identify themselves: 439 | 6%
- Asian: 202 | 3%
- Two or more races: 98 | 1%
- Native American Indian and Alaska Native: 31 | 0%
- Native Hawaiian and other Pacific Islands: 4 | 0%

*For reasons of confidentiality, and in order to respect the requirements of the legislation in force in each country regarding the protection of personal data, this information does not reflect the entire workforce.

