

2018-2021 Master Plan

Iberdrola Foundations



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Iberdrola Foundations

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1.

Las fundaciones del Grupo Iberdrola (las Fundaciones)

En 2014, Iberdrola afrontó un proceso de reorganización de su estructura societaria que incluyó la actualización del esquema fundacional con el objetivo de incluirlo en la dimensión social de su política de sostenibilidad. Desde entonces, el *Comité de Fundaciones* planifica y evalúa la estrategia general de las entidades de naturaleza fundacional del Grupo Iberdrola.

ScottishPower Foundation, Avangrid Foundation, Fundación Iberdrola México, Instituto Neoenergía y Fundación Iberdrola España; representan el compromiso de Iberdrola con el desarrollo económico y social de los países donde realiza su actividad y la solidaridad con las personas o colectivos más vulnerables.

Para este nuevo **Plan Director 2018-2021**, el *Comité de Fundaciones* impulsará la coordinación, movilizando sinergias entre fundaciones. Se trata de consolidar un enfoque transformador de acción social desinteresada, representativo para los grupos de interés de Iberdrola y relevante para la sociedad en general.

Este documento de planificación, se presenta como guía para todas las Fundaciones, sin perjuicio de la autonomía de sus correspondientes patronatos y órganos de gobierno. Servirá como herramienta útil para priorizar y alinear acciones de interés común, teniendo en cuenta: el contexto, la normativa y los retos de cada uno de los países.



2.

Challenges: foundations committed to the Sustainable Development Goals (SDGs)

SDGs are a call for global action to tackle the major environmental, social and economic challenges threatening the future of the planet. *The 2030 Agenda*, promoted by the United Nations General Assembly, constitutes a unique opportunity for a global transformation that leads to more inclusive and sustainable development models.



Iberdrola has incorporated SDGs into its business strategy and its sustainability policy. In line with its activities, it focuses its efforts on the provision of affordable and clean energy (Goal 7) and climate action (Goal 13). In addition, the Group contributes directly and indirectly to the achievement of other objectives.

From the perspective of the Social Dimension of Iberdrola’s Sustainability Policy, the priorities of this new Master Plan include identifying the 2030 Agenda’s objectives and goals and aligning them with common lines of work for all of the Foundations (*sections 4 and 5 of this Master Plan*).

ENERGY SUSTAINABILITY

BUSINESS SUSTAINABILITY



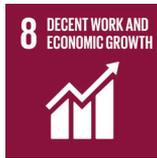
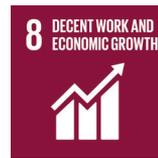
COMPETITION

SECURITY OF SUPPLY

ENVIRONMENT

SOCIAL DIMENSION

VALUE CREATION



SDGs
Iberdrola
Group
Foundations

3.

The mission and vision of the Iberdrola Foundations

The Foundations Committee aims to review and update the foundations' mission and vision for the period of this Strategic Plan. It is about coherently defining the whys and wherefores of the foundational action and including the most important values and purposes in future action plans.



MISSION

TO CONTRIBUTE TO IMPROVING THE **QUALITY OF LIFE** OF THE MOST **VULNERABLE** PEOPLE AND TO PUSH FOR **SUSTAINABLE DEVELOPMENT**



VISION

TO CONTRIBUTE TO CREATE **SOCIAL VALUE** IN A SUSTAINABLE WAY FOR THE MOST **VULNERABLE** PEOPLE IN THE COMMUNITIES WHERE IBERDROLA CARRIES OUT ITS ACTIVITIES, TAKING AS A REFERENCE THE ETHICAL PRINCIPLES, GOOD GOVERNANCE, TRANSPARENCY, QUALITY, INNOVATION, CARE FOR THE ENVIRONMENT, EQUALITY OF OPPORTUNITIES AND THE SCOPE OF THE **SUSTAINABLE DEVELOPMENT GOALS***

* (detailed in section 4 of this plan)



VALUES

TO OFFER A **RESPONSE** TO IBERDROLA'S **SOCIAL COMMITMENT**
WORKING IN A COORDINATED FASHION ON THE **OBJETIVES**
DEFINED BY THE FOUNDATIONS COMMITTEE

- **Sustainability:** to significantly push for the 2030 Agenda to contribute to the achievement of the specific goals of the SDGs. To take on the approach of sustainable human development with the aim of promoting positive changes for people and the planet.
- **Social commitment:** to seek synergies and mobilise Iberdrola's technical, institutional and financial capabilities, providing specialisation and added value to the foundations' actions, working with a firm social commitment to the territories where the company is present.
- **Rigour and excellence:** to deepen the quality of our programmes, pushing for the continuous improvement of processes to be more efficient and ensure greater impact. To establish alliances with social entities and prestigious institutions that attest to our experience, expertise, viability and solvency.
- **Transparency:** to develop annual action plans and steer activities towards outcomes, deepening the mechanisms of evaluation and accountability. promote the foundations' work among employees, shareholders, the third sector and society in general.

4.

General Objectives

Below are this *Master Plan's* **General Objectives**, linked to work lines and SDGs.

| GENERAL OBJECTIVES (GOs) | WORK AREAS | SDGs |
|--|---------------------------------|--|
| 1. To support training and research in general, prioritising innovation in order to contribute to energy sustainability. | Training and Research |  4 QUALITY EDUCATION |
| 2. To support the protection of the environment and to increase biodiversity, to actively contribute in the fight against climate change. | Biodiversity and Climate Change |  15 LIFE ON LAND |
| 3. To protect and safeguard artistic and cultural heritage by promoting conservation and restoration and supporting local development. | Art and Culture |  11 SUSTAINABLE CITIES AND COMMUNITIES |
| 4. To contribute to sustainable human development by supporting the most vulnerable people and groups. | Social Initiatives |  1 NO POVERTY |
| 5. To foster alliances that allow actions to be taken to achieve the SDGs, associated with the Foundations' own activities in the Local Context. | Alliances for achieving SDGs |  17 PARTNERSHIPS FOR THE GOALS |

* Each Foundation in line with these GOs should define their own Strategic Objectives (SOs) and prepare an annual action plan that includes verifiable indicators.

5.

Work Areas

Below are this *Master Plan's Specific Objectives*, linked to programmes, groups, SDGs and Goals.

Training and Research

| PROGRAMMES OR PROJECTS | GROUP | SDGs | GOALS |
|---|--|---|---|
| <ul style="list-style-type: none"> Restoration grants: grants for hands-on apprenticeships in museum restoration workshops. | Young restoration specialists |   | 4.4 4.b 11.4 |
| <ul style="list-style-type: none"> Research grants: to promote innovation in sustainable energy models. | Young researchers |    | 4.4 4.b 7.a 13.3 |
| <ul style="list-style-type: none"> Support for studies: Grants for undergraduate studies, technical training or languages and collaboration with other reference academic institutions. | Young students with limited economic resources |     | 4.4 4.b 4.c 7.a 1.2 13.3 |

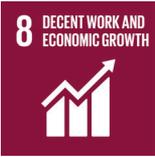
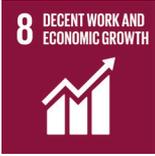
* The Foundations have to try to align their programmes and projects (recurrent and new) with these issues, taking into account the local context.

Biodiversity and Climate Change

| PROGRAMMES OR PROJECTS | GROUP | SDGs | GOALS |
|--|--|--|-----------------------|
| <ul style="list-style-type: none"> • Protection of avifauna: aimed at the conservation of birds to prevent the extinction of certain species and contribute both to the improvement of biodiversity and to the fight against climate change. | Public institutions and environmental entities |   | 15.5 13.3 |
| <ul style="list-style-type: none"> • Habitat conservation: to contribute to the protection and conservation of natural areas of biological interest from the perspective of the fight against climate change. | Public institutions and environmental entities |   | 15.4 13.3 |
| <ul style="list-style-type: none"> • Promotion: to promote actions which help to increase biodiversity and raise people's awareness of the negative effects of climate change. | Schools, public institutions and social entities |    | 15.4 13.3 17.16 |

* The Foundations have to try to align their programmes and projects (recurrent and new) with these issues, taking into account the local context.

Art and Culture

| PROGRAMMES OR PROJECTS | GROUP | SDGs | GOALS |
|--|---|--|---------------------------|
| <p>Restoration:</p> <ul style="list-style-type: none"> • Contribute to the conservation and preservation of artistic and cultural heritage, linked to its value and the promotion of local development and sustainable tourism. • Support reference Museums and their restoration workshops with specific interventions regarding masterpieces. | Local governments, museums and other institutions |    | 11.4 8.9 4.b 4.7 |
| <ul style="list-style-type: none"> • Illuminations: perform lighting interventions historical and artistic heritage of relevance. Project to local development and sustainable tourism. | Public institutions and ecclesiastical entities |   | 11.4 8.9 |

| PROGRAMMES OR PROJECTS | GROUP | SDGs | GOALS |
|--|---|---|-------------|
| <ul style="list-style-type: none"> • Exhibitions: to publicise artistic heritage within the framework of collaborations with reference museums. | Museums |   | 11.4 4.7 |
| <ul style="list-style-type: none"> • Promoting art and culture: to promote the dissemination of cultural diversity. To emphasise the contribution of art and culture to sustainable development. | Museums, schools, public institutions and social entities |   | 11.4 4.7 |

* The Foundations have to try to align their programmes and projects (recurrent and new) with these issues, taking into account the local context.

Social Action

| PROGRAMMES OR PROJECTS | GROUP | SDGs | GOALS |
|--|--|--|--|
| <p>Iberdrola social program:</p> <ul style="list-style-type: none"> • Child poverty and education projects • Projects for people with disabilities • Projects for gravely ill people <p>* Direct beneficiaries: children, youth and women * Geographical area: National</p> | Non-profit social entities |      | 1.1 1.2 3.2 3.5 4.2 4.a 5.1 5.5 10.2 |
| <p>Development Cooperation Program cooperation programme:</p> <ul style="list-style-type: none"> • Projects to overcome situations of poverty by electrifying basic social infrastructures and promoting actions against climate change by mobilising Iberdrola's technical capabilities. • Emergency aid projects. <p>* Direct beneficiaries: children, youth and women * Geographical area: International * Line 1: Iberdrola ODS Committee</p> | Public institutions, development NGOs, development agencies and the UN |       | 1.2 1.a 3.2 4.2 4.a 5.1 5.5 6.a 7.b |

* The Foundations have to try to align their programmes and projects (recurrent and new) with these issues, taking into account the local context.

Institutional Partnerships

| PROGRAMMES OR PROJECTS | GROUP | SDGs |
|--|--------|---|
| <ul style="list-style-type: none"> The Foundations' own actions that promote alliances which favour the achievement of the SDGs. | Varios |  |
| <ul style="list-style-type: none"> Partnerships with social entities and public institutions of institutional interest for Iberdrola. | | |
| <p>* This section is proposed for institutional commitments and for other traditional local actions of the Foundations that do not strictly fit in with the defined lines of work.</p> | | |

Foundations Committee



Social Initiatives

Training

Art and culture

Biodiversity

| | | | | | | | | |
|---|---|---|---|---|---|---|--|---|
|  | | |  | |  | |  | |
|  |  |  |  |  |  |  |  |  |
|  |  |  | | | | | | |

6.

Planning, evaluation and reporting

In accordance with the established guidelines and this plan's effective duration, ScottishPower Foundation, Avangrid Foundation, Fundación Iberdrola México, Instituto Neoenergia and Fundación Iberdrola España: **will develop common planning, evaluation and reporting mechanisms** that will be developed from a Foundations Committee methodology. In planning, aligning work lines. In reporting, international foundational standards adapting information to Iberdrola's CSR standards. Finally, evaluation will be carried out through a London Benchmarking Group-LBG adaptation, suitable for measuring the impact and expected results of social and cultural projects.

Annual Planning

Annually, the Foundations will carry out an **Action Plan** consistent with the general objectives of this Master Plan, which will include details of:

- *General objectives of the country*
- *Specific objectives by work lines*
- *Relevant programmes and projects*
- *Budget by activity*
- *SDGs and concrete goals*
- *Verifiable monitoring indicators*

Evaluation

Annually, the Foundations will carry out a **Report on the Measurement of Results** by country, which will allow the monitoring of the degree of compliance with the indicators proposed in the Action Plan. This report will differentiate:

- *The social investment of specific actions*
- *Identify positive and negative achievements*
- *Describe the multiplying factors*
- *Quantify the number of beneficiaries*
- *It will detail other aspects for continuous improvement*

Reporting

Reporting needs require a **quarterly activity report** per Foundation, it is about having up-to-date information for:

- *Carrying out an adequate follow-up of the foundations' annual planning*
- *Reporting foundational information to Iberdrola (CSR, Sustainability, Communication, Human Resources, Shareholders, etc.)*
- *Preparing an annual **Overall Results Measurement Report***

7.

Transparency

The Foundations Committee is committed to further developing good practices regarding transparency and good governance, in order to offer interest groups institutional, legal, financial and activity information. Consistent with this commitment and during the period the Plan is in effect, the following relevant documents will be made public and accessible:

Foundations:

- Annual action plan, annual activity report and annual report of results and annual accounts.
- *Detailed and up-to-date information on Board members, model of organisation and responsible personnel and the norms that make up the System of Government.*

Foundations Committee:

- *Annual report for the overall measurement of results (all Iberdrola Foundations).*
- *Information Committee and 2018-2021 Master Plan.*

