



Selection and Hiring Policy



19 April 2021

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The Board of Directors of IBERDROLA, S.A. (the “**Company**”) has the power to design, assess and continuously revise the Governance and Sustainability System, and specifically to approve and update the corporate policies, which contain the guidelines governing the conduct of the Company and of the companies belonging to the group of which the Company is the controlling entity, within the meaning established by law (the “**Group**”).

In fulfilling these responsibilities, aware that the strategic goals of the Group could not be achieved without the support of a well-qualified, diversified and motivated workforce, and in compliance with the provisions of the *Purpose and Values of the Iberdrola group*, the Board of Directors hereby approves this *Selection and Hiring Policy* (the “**Policy**”), the text of which shall be interpreted in accordance with the *Equality, Diversity and Inclusion Policy* and is consistent therewith.

1. Purpose

The purpose of this *Policy* is to further the contribution to Sustainable Development Goals (SDGs) five and eight approved by the United Nations, promoting economic and sustainable growth, as well as equality of opportunity in all of the Group’s selection and hiring processes.

The success of the Group’s business enterprise is critically dependent upon attracting, selecting and retaining the best talent in order to engage professionals with the skills, knowledge, abilities and behaviour reflected in the *Purpose and Values of the Iberdrola group* and in the *Code of Ethics*, thus attending to the current and future needs of the Group, all in accordance with applicable law and the best professional practices.

2. Scope of Application

This *Policy* applies to all companies of the Group, as well as to all investees not belonging to the Group over which the Company has effective control, within the limits established by law.

Without prejudice to the provisions of the preceding paragraph, listed country subholding companies and their subsidiaries, based on their own special framework of strengthened autonomy, may establish an equivalent policy, which must be in accord with the principles set forth in this *Policy* and in the other environmental, social and corporate governance and regulatory compliance policies of the Governance and Sustainability System.

At those companies in which the Company has an interest and to which this *Policy* does not apply, the Company will promote, through its representatives on the boards of directors of such companies, the alignment of their own policies with those of the Company.

This *Policy* shall also apply, to the extent relevant, to the joint ventures, temporary joint ventures (*uniones temporales de empresas*) and other equivalent associations, if the Company assumes the management thereof.

3. Main Principles of Conduct

To achieve these goals, the Group adopts and promotes the following main principles of conduct that must inform all of its selection and hiring activities:

- a. develop an overall framework to harmonise selection and hiring procedures within the Group that guarantees the ability to integrate, motivate, generate the loyalty of and retain the best talent, as well as uphold the legal and ethical principles expected from a trusted company, consistent and aligned with the *Purpose and Values of the Iberdrola group* and with the principles of the *Code of Ethics*. For these purposes, said overall framework must:
 - comply with applicable labour laws in each country;
 - value internal talent;
 - establish the conduct necessary to eliminate biases and barriers that prevent equal access to professional opportunities;
 - ensure that selection is carried out exclusively on the basis of merit and capability, including all candidates meeting the knowledge, aptitudes, abilities and skills profile required for the various positions and guaranteeing equal treatment throughout the process; and
 - guarantee absolute confidentiality to all candidates, in accordance with personal data protection laws and regulations;
- b. endeavour to ensure that the selection and hiring processes are objective and impartial and that the hiring of the most qualified candidates is prioritised, avoiding any interference in the selection processes;
- c. encourage the access of young people to their first job through scholarship programmes and other agreements;
- d. present to the candidates an attractive and comprehensive job offer of value based on equal opportunity, diversity and inclusion, and made up of competitive remuneration, broad training and professional development, a healthy, diverse and inclusive work environment, and with measures facilitating the reconciliation of personal and professional life, seeking for the experience of the candidates during the selection process and their subsequent integration within the Group to be completely satisfactory;
- e. promote the hiring of its professionals using stable contracts;
- f. communicate the Group’s purpose and values to the candidates and respond to their concerns relating to the selection process; and
- g. favour the hiring of people from groups that are excluded or with less easy access to the labour market, and those with diverse abilities.

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This *Policy* was initially approved by the Board of Directors on 11 March 2008 and was last amended on 19 April 2021.

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