

Quality Policy

20 October 2015

The Board of Directors of IBERDROLA, S.A. (the “Company”), a leader in the energy sector, believes that outstanding management of all processes and resources is an indispensable tool in the creation of value for people: shareholders, customers, employees, and the other stakeholders of the Company.

1. Purpose

The value-creation model of the Company and the companies belonging to the group of which the Company is the controlling entity, within the meaning established by law (the “Group”), is supported by growth that is sustainable, equitable, profitable, and committed to strict compliance with current legislation and with other commitments and requirements undertaken voluntarily.

The *Quality Policy* seeks to contribute to the Groups’ sustainable growth model within the context of the culture of excellence and quality management procedures.

The Company supports and coordinates compliance with this *Quality Policy* by all the companies of the Group through the Innovation, Environment, and Quality Division, which is subordinate to the Chairman’s Office.

2. Main Lines of Action

To achieve these goals, the Group accepts and promotes the following basic principles that must guide all of its quality activities:

- a) Know the expectations of customers of the Group, both internal and external, and those of other stakeholders, in order to deliver products and services to their full satisfaction.
- b) Promote activities to satisfy or even exceed the expectations of the customers of the Group, its employees, and other stakeholders.
- c) Enhance the culture of continuous improvement and excellence in management in order to increase competitiveness and the creation of value for shareholders, employees, and other stakeholders.
- d) Encourage the use of quality management systems within the various organisations of the Group.
- e) Foster the involvement of the Group’s employees by means of teamwork, an appropriate flow of information, internal communication, training, and recognition of achievements.

This *Quality Policy* was initially approved by the Board of Directors on 18 December 2007 and was last amended on 20 October 2015.