

Occupational Safety and Health Policy

20 October 2015

The Board of Directors of IBERDROLA, S.A. (the “Company”) is vested with responsibility for formulating the strategy and approving the *Corporate Policies* of the Company and for organising the internal control systems. It approves this *Occupational Safety and Health Policy* in the exercise of these responsibilities, aware of the essential importance of all aspects relating to employee health and safety, and in line with the values of the Company and in accordance with the provisions of the *Human Resources Framework Policy*.

1. Purpose

The purpose of the *Occupational Safety and Health Policy* is to achieve a safe and healthy work environment both at the Company and at the companies belonging to the group of which the Company is the controlling entity, within the meaning established by law (the “Group”), as well as its spheres of influence.

2. Main Principles of Conduct

To achieve this goal, the Group accepts and promotes the following main principles that must inform all of its activities:

- a) Respect the basic pillars of the Group’s concept of occupational safety and health:
 1. Quality, productivity, and the profitability of its activities are as important as employee health and safety. All of the foregoing are permanent and basic objectives of the Group. .
 2. The safety of employees must always prevail. All accidents must be avoided, and the necessary resources must be allocated for such purpose.
 3. Ongoing improvement in all areas of managing occupational risk prevention is a basic variable for the future of the companies of the Group.
- b) Guarantee that all decisions of the Group take into account mandatory compliance with the legal, labour, and technological framework and the internal rules of each company of the Group in the area of occupational risk prevention.
- c) Ensure full integration of occupational safety and health principles within the Group’s risk prevention management systems.
- d) Develop and implement a global occupational safety and health system for the entire Group based on occupational safety and health standards, which determine the minimum levels, and which ensures harmonisation of the standards applied at all companies of the Group. This global system contemplates:
 1. The integration of occupational safety and health standards in all stages of the production process, in all work methods, and in all decisions, such that officers, technicians, managers, and employees assume their responsibilities in the matter.
 2. The identification, assessment, and effective control of work-related risks.
 3. Adjustment of employees to their jobs through health monitoring and training of employees.
 4. A mechanism for evaluating occupational safety and health in accordance with the standards established for the entire Group to identify potential deviations, exchange best practices, and establish a global culture of excellence in risk prevention.
- e) Require that the safety rules established by the Group for contractors be observed and cause them to participate in the preventive culture that has been implemented.
- f) Encourage the participation of all employees in the promotion of safety and health, cooperating with the Group to raise safety standards.
- g) Promote the Group’s culture of prevention through:
 1. Ongoing training of employees, in order to involve every worker and raise awareness of the impact of their work on the safety of persons, processes, and facilities.
 2. The encouragement of behaviour that respects the safety and health of employees.
 3. The exchange of best practices in the application of defined global occupational safety and health standards, continuously improving them and making them more strict and efficient.
- h) Obtain and maintain safety and health certifications in line with the strictest international standards, from the standpoint of ongoing improvement and technological innovation in the overall quality of the production system.
- i) Establish close links of cooperation with the various competent government agencies in occupational safety and health matters in order to become a positive benchmark in the field in which the Group undertakes its activities.

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