

# Recruitment and Selection Policy

21 June 2016

The Board of Directors of IBERDROLA, S.A. (the “Company”) assumes that without the support of a skilled, diverse, and motivated workforce, the Company will not be able to achieve its strategic aims or those of the companies belonging to the group of which the Company is the controlling entity, within the meaning established by law (the “Group”).

## 1. Purpose

Recruiting, selecting, and retaining the best talent in compliance with both applicable law and best professional practices is key for the business success of the Group.

## 2. Main Principles of Conduct

To achieve these goals, the Group accepts and promotes the following basic principles that must inform all recruiting and hiring activities:

- a) Develop a programme for standardising the recruitment procedures of the Company, so that they:
  - Respect equal opportunities and promote non-discrimination by reason of race, colour, age, gender, marital status, ideology, political opinion, nationality, religion, or any other personal, physical, or social condition. This will guarantee the ability of the Company to recruit, motivate, and retain the best talent and uphold the ethics and legal principles expected from a trusted employer, consistent and aligned with the values of its customers, shareholders, employees, and community.
  - Include all professionals who have the required competency profile, without exclusions of any kind that could limit the effectiveness of the selection process.
  - Ensure that selection is carried out exclusively on the basis of merit and capability, guaranteeing that all candidates are treated equally throughout the process. The selection processes shall therefore be designed to avoid any kind of discrimination.
  - Enable the identification and assessment of the ideal candidates according to the knowledge, attitudes, abilities, and competences required for the different job positions.
  - Comply with applicable labour laws in each country regarding recruitment and selection.
  - Guarantee absolute confidentiality to all candidates, in accordance with personal data protection laws and regulations.
- b) Encourage the access of young people to their first job through scholarship programmes and other agreements.
- c) Provide candidates with a competitive offer that favours the recruitment and hiring of the best professionals.
- d) The Group’s offer must be based upon competitive remuneration, a work environment based on equal opportunity, business enterprise, a balance between personal and professional life, and reconciliation thereof.
- e) The Group will promote the hiring of its professionals using stable and permanent contracts.
- f) Standardise working conditions and the benefits received by part-time and full-time employees.
- g) Endeavour to ensure that selection and hiring processes are objective and impartial and do not influence the hiring of family members of Group professionals or persons with a similar connection, avoiding the participation of the professionals with which they are connected in their selection process.
- h) Favour the hiring of employees from excluded groups and of persons with different skills.

This *Recruitment and Selection Policy* was initially approved by the Board of Directors on 11 March 2008 and was last amended on 21 June 2016.