

Iberdrola, the only company in the Ibex 35 that offers an 'involvement dividend' at the General Meeting

- The company, which will hold its General Shareholders' Meeting on 17 June at second call, has proposed to pay an additional amount if a certain quorum is reached.

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Iberdrola has been committed for years to strengthening dialogue with its more than 600,000 shareholders and to achieving their maximum involvement in the company's most important decisions. For this reason, the Board of Directors, at its meeting today, updated its policy of incentives for participation in the General Shareholders' Meeting and proposed a dividend for involvement in the Meeting, making it the only company in the Ibex 35 that rewards its shareholders for participating in the company's most important event.

If this new incentive is approved by the General Shareholders' Meeting on 17 June and a certain quorum is reached, Iberdrola will pay an additional amount to all its shareholders entitled to participate in the Meeting. Both the percentage of the quorum and the amount of this participation dividend will be published in the next few days, together with the announcement of the call to meeting.

The Board of Directors has also approved the agenda for the next General Meeting, which includes 20 proposed resolutions, including amendments to the *Articles of Association*, the approval of the annual accounts, the statement of non-financial information, the application of the 2021 result and two new editions of the optional dividend system "Iberdrola Retribución Flexible", as well as the re-election of several independent directors.

Specifically, the Board of Directors has proposed to reformulate the Preamble and article 7 of the *By-Laws* to consolidate Iberdrola's commitment to its purpose and values and to the generation of the social dividend. Thus, the company renews its adherence to the most demanding standards in terms of environmental protection and climate action, social commitment, and corporate governance (known in English as the ESG criteria).

This new initiative, in line with the company's sustainable development strategy and social dividend, consolidates Iberdrola at the forefront of international best practices in governance and sustainability.

Furthermore, the re-election of Mr. Anthony L. Gardner, Ms. María Ángeles Alcalá Díaz and Ms. Isabel García Tejerina as independent directors is proposed to the General Shareholders' Meeting. In this way, the company reinforces the high level of independence of the members of its Board of Directors, as well as their diversity in terms of gender, age, origin and experience. It is also proposed to maintain the number of members at 14.

New share buy-back programme

The Board of Directors has also agreed, at its meeting today, to carry out a new share buyback programme with the aim of reducing the share capital, subject to the agreement of the General Meeting of Shareholders. The aim is to meet the group's commitment to keep the number of outstanding shares, on which earnings per share are calculated, stable at around 6.24 billion.

To this end, Iberdrola will redeem a maximum of 197,563,000 of its own shares, representing 3.069% of the company's current share capital, including those acquired under the buyback programme.

The General Meeting of Shareholders, a sustainable event

Iberdrola continues to be committed to its leadership in the sustainability of all its processes, including corporate events, as provided for in its *Sustainable Management Policy*. Its General Shareholders' Meeting would be certified as a sustainable event for the seventh consecutive year. This recognition is granted by AENOR, based on compliance with the requirements of the ISO 20121 standard for sustainable event management, and by the Basque Government's public company IHOBE, through its "Erronka Garbia" seal.

These certifications certify that all the Board's processes - from planning to after the event - follow sustainable criteria in order to ensure accessibility, minimise environmental impact, help the local community and vulnerable groups and raise awareness of sustainability.

Iberdrola was the first Ibex 35 company to obtain this certification in 2016 and to renew it in 2019. In 2020, the company was a pioneer in certifying the sustainable management of both the Board and the results presentations and *Capital Markets Day*.

Nota de prensa