



# General Shareholders' Meeting

17 May 2024

Sustainable  
Event



SDG

## Proposed resolutions



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## ITEM 1 ON THE AGENDA

### Annual financial statements 2023

#### RESOLUTION

To approve the separate annual financial statements of "Iberdrola, S.A." (balance sheet, profit and loss account, statement of changes in shareholders' equity, statement of cash flows and notes) and the annual financial statements of the Company consolidated with those of its subsidiaries (consolidated statement of financial position, consolidated statement of profit and loss, consolidated statement of overall profit and loss, consolidated statement of changes in shareholders' equity, consolidated statement of cash flows and consolidated notes) for the financial year ended on 31 December 2023, formulated by the Board of Directors at its meeting held on 20 February 2024.

## ITEM 2 ON THE AGENDA

### Directors' reports 2023

#### RESOLUTION

To approve the separate directors' report of "Iberdrola, S.A." and the directors' report of "Iberdrola, S.A." consolidated with that of its subsidiaries for the financial year ended on 31 December 2023, formulated by the Board of Directors at its meeting held on 20 February 2024.

## ITEM 3 ON THE AGENDA

### Statement of non-financial information 2023

#### RESOLUTION

To approve the *Statement of Non-Financial Information. Sustainability Report* of "Iberdrola, S.A." consolidated with that of its subsidiaries for the financial year ended on 31 December 2023, formulated by the Board of Directors at its meeting held on 20 February 2024.

## ITEM 4 ON THE AGENDA

### Corporate management and activities of the Board of Directors in 2023

#### RESOLUTION

To approve the management of the Company and the activities of the Board of Directors of "Iberdrola, S.A." during the financial year ended on 31 December 2023.



## ITEM 5 ON THE AGENDA

**Re-election of “KPMG Auditores, S.L.” as statutory auditor****RESOLUTION**

To re-elect “KPMG Auditores, S.L.” as statutory auditor of IBERDROLA, S.A. and its consolidated group in order to carry out the audit for financial years 2024 and 2025, and to delegate to the Board of Directors, with express power of substitution, the power to enter into the corresponding services agreement, with the clauses and conditions it deems appropriate, which includes the power to make in said agreement such changes as may be required in accordance with the law from time to time in effect.

This resolution is submitted by the Board of Directors for the approval of the shareholders at the General Shareholders' Meeting upon a prior proposal of the Audit and Risk Supervision Committee.

“KPMG Auditores, S.L.” has its registered office in Madrid, at Paseo de la Castellana, número 259 C and holds tax identification number B-78510153. It is registered under number S0702 in the Official Auditors' Registry of the Instituto de Contabilidad y Auditoría de Cuentas and in the Commercial Registry of Madrid at volume 11,961, sheet M-188.007.

## ITEM 6 ON THE AGENDA

**Amendment of the Preamble and of the current Articles 1, 4, 6, 7 and 8 of the By-Laws and addition of a new Article 9 to more clearly differentiate the references to “Iberdrola, S.A.” and to the “Iberdrola Group”****RESOLUTION**

Amendment of the Preamble and of the current Articles 1, 4, 6, 7 and 8 of the By-Laws and addition of a new Article 9 to more clearly differentiate the references to “Iberdrola, S.A.” and to the “Iberdrola Group”, to make technical improvements, and to renumber these articles as a result of the elimination of the current Article 4, the text of which becomes part of Article 9. The Preamble and Articles 1, 5, 6, 7 and 9 resulting from the amendment shall hereafter read as follows:

**“PREAMBLE**

Pursuant to the corporate autonomy recognised by law, these By-Laws govern the corporate contract by which all shareholders of IBERDROLA, S.A. (the “**Company**”) are bound upon acquiring such status.

Having been approved in accordance with applicable law by the shareholders acting at a General Shareholders' Meeting, which is the highest governing body through which shareholders express their contractual will, they go far beyond the minimum requirements established by law and even the typical text of the by-laws of listed companies.

Along these lines, the Preliminary Title hereof first determines the fundamental pillars of the Company as an independent entity listed on the securities markets, and second defines the Company as the holding company of an international industrial group, with a broad geographic diversification of the businesses of the companies of which it is comprised and which, based on its multi-level corporate structure, combines a decentralised decision-making system, inspired by the principle of subsidiarity, with robust coordination mechanisms ensuring the global integration of the businesses of the companies within the Iberdrola group and the



management of the risks thereof, all on the basis of an effective system of checks and balances that prevents the centralisation of decision-making power within a single governance body or a single person.

The provisions of the By-Laws regarding the corporate object, the purpose and values, and the corporate interest and social dividend, beyond the corporate aspects highlighted above, give shape to a company directed towards a clear “purpose” and certain clear “values” that make up its corporate philosophy and the ideological and axiological bases on which its corporate enterprise is based and which guide its strategy and conduct.

In accordance therewith, the Company is defined by its By-Laws as a sustainable and all-encompassing company, which transcends its nature as purely and merely a mercantile company, which opens to and engages all of its Stakeholders and is fully committed to contributing to the achievement of the Sustainable Development Goals (SDGs) approved by the United Nations (UN) and the most demanding environmental, social and corporate governance (ESG) requirements, and in essence affirms itself to be a company and institutional reality, a player in the economic and social environment in which it does business.

The By-Laws also constitute the foundation on which the Company’s Governance and Sustainability System is built and based, that is, its own set of internal regulations, developed under the aforementioned corporate autonomy, to ensure by these rules its *raison d’être* and way of being, the construction of its identity, the achievement and implementation of the Purpose and Values of the Iberdrola Group, the creation of sustainable value that satisfies the corporate interest, and makes feasible and real the social dividend that it shares with all of its Stakeholders.

In turn, the Purpose and Values of the Iberdrola Group meet the most demanding standards in the areas of environmental protection and climate action, social commitment, corporate governance and regulatory compliance, within the general framework of respect for and protection of human rights, the social market economy, sustainability and the ethical principles generally accepted in its sphere of activity.

Similarly, within the framework of the Governance and Sustainability System, the By-Laws establish a well-developed Compliance System, which is intended to prevent and manage the risk of regulatory or ethical violations or violations of said Governance and Sustainability System.

The by-law rules that arise from and are based on the internal sovereignty of the shareholders acting at a General Shareholders’ Meeting also recognise the essential function performed by the Board of Directors as a governing body or structure that guides the realisation of the Purpose and Values of the Iberdrola Group, ensures the assembly and coordination of all the Company’s Stakeholders within an enterprise comprised thereof, and directs and supports its driving action as an enterprise and institutional reality in today’s globalised society as a whole.

To the extent applicable thereto, the By-Laws of the Company and the other provisions of the Company’s Governance and Sustainability System bind its shareholders, the members of its Board of Directors and of senior management, as well as the other professionals of the Company, and generally any persons validly connected thereto. All have the duty to comply with them, as well as the right to demand compliance therewith.

## PRELIMINARY TITLE. “IBERDROLA, S.A.” AND THE IBERDROLA GROUP

### Article 1. Company Name and Identity

1. The name of the Company is IBERDROLA, S.A.



2. The Company is an independent, open company, which has an institutional reach and is listed on the stock markets.
3. The Company is the controlling entity of a multinational group of companies (the "Group")."

#### **"Article 5. Corporate Interest**

The Company conceives of the corporate interest as the common interest of all persons owning shares of an independent company, with its own distinct bylaw-based identity, focused on creating comprehensive (economic, environmental, social and governance) and sustainable value by engaging in the activities included in its corporate object, taking into account the other Stakeholders related to its business activity and consistently with its institutional reach, in accordance with the Purpose and Values of the Iberdrola Group and the commitments made in its Code of Ethics.

#### **Article 6. Social Dividend**

1. The performance of the activities included in the corporate object, particularly the Company's innovation and digital transformation strategy, must be focused on the sustainable creation of value, in accordance with the Purpose and Values of the Iberdrola Group and with the commitments made in its Code of Ethics.
2. The Company recognises and seeks to obtain a social dividend consisting of the direct, indirect or induced contribution of value of its activities for all its Stakeholders, particularly through its contribution to the achievement of the Sustainable Development Goals (SDGs) approved by the United Nations (UN) and its commitment to best environmental, social and corporate governance (ESG) practices.
3. The statement of non-financial information formulated by the Board of Directors and approved by the shareholders at the General Shareholders' Meeting presents the Company's performance in the social, environmental and sustainability areas, as well as the social dividend generated and shared with all its Stakeholders.
4. The Company shall promote the public dissemination of its social dividend generated, especially among its Stakeholders.

#### **Article 7. Applicable Legal Provisions, Governance and Sustainability System and Compliance System**

1. The Company is governed by the legal provisions relating to listed companies and other applicable laws and regulations, as well as by its Governance and Sustainability System.
2. The Governance and Sustainability System is the Company's internal system of rules, which is configured in accordance with applicable law in the exercise of corporate autonomy supported thereby and applies to the entire Group. It is intended to ensure through rule-making the best implementation of the corporate contract that binds its shareholders, and especially the corporate object, the corporate interest and the social dividend, as defined in the preceding articles.
3. The Governance and Sustainability System is made up of these By-Laws, the Purpose and Values of the Iberdrola Group, the Code of Ethics, the corporate policies, and the other governance, compliance and market abuse prevention rules, as well as by other documents that supplement or further articulate the foregoing.



4. The Purpose and Values of the Iberdrola Group constitute the ideological and axiological foundation of the corporate enterprise of the Company, which, due to its size and importance, is a focal point for many Stakeholders and for the environmental, social and economic environment in which it does business.
5. The Purpose and Values of the Iberdrola Group also inspires and takes form in the policies and in the other rules of the Governance and Sustainability System, governing the day-to-day activities of the Company and guiding its strategy and its conduct.
6. The shareholders acting at a General Shareholders' Meeting and the Board of Directors of the Company, within their respective purviews, configure, develop, apply and interpret the rules making up the Governance and Sustainability System in order to ensure compliance at all times with the purposes thereof and, particularly, the fulfilment of the corporate interest.
7. Full or summarised versions of the rules making up the Governance and Sustainability System can be viewed on the Company's corporate website.
8. Within the framework of the Governance and Sustainability System, the Company also has a Compliance System, consisting of a structured set of rules, procedures and activities intended to prevent and manage the risk of regulatory and ethical breaches or breaches of the Governance and Sustainability System itself, as well as to contribute to the full realisation of the Purpose and Values of the Iberdrola Group and the corporate interest.
9. The application and further development of the Company's compliance function and Compliance System is the responsibility of the Compliance Unit, an autonomous body with the highest standards of independence and transparency that is linked to the Sustainable Development Committee of the Board of Directors."

#### **"Article 9. The Group**

1. The corporate and governance structure of the Group is defined based on the following:
  - a) The Company, which is a listed holding company, has duties relating to the establishment and supervision of the policies and strategies covering the Group, the basic guidelines for the management thereof, and decisions on matters of strategic importance at the Group level, as well as the design of the Company's Governance and Sustainability System.
  - b) Country subholding companies group together the equity stakes in the Group's head of business companies and strengthen the function of strategic supervision, organisation and coordination and further develop them in relation to such countries or businesses as are decided by the Company's Board of Directors, disseminating, implementing and ensuring compliance with policies, strategies and general guidelines at the Group level based on the characteristics and unique aspects of their respective territories, countries and businesses.

The listed country subholding companies of the Group enjoy a special framework of strengthened autonomy that contemplates the measures that are appropriate to safeguard the interests of the minority shareholders of said companies.

- c) Finally, the head of business companies of the Group are in charge of the day-to-day administration and effective management of the businesses, and of the day-to-day control thereof, without prejudice to observing the corporate autonomy of the subsidiaries thereof in accordance with law.





2. The companies of the Group share the corporate interest, purpose and values, as well as some of the same ethical principles. They also seek to involve all their respective Stakeholders in their respective business enterprises.
3. The country subholding companies and head of business companies have their own governance and sustainability systems, approved within the framework of the performance of their responsibilities and in the exercise of their powers, which systems constitute their internal regulations.
4. These companies also have their own compliance functions, which have sufficient material and human resources to manage their respective compliance systems.
5. The country subholding companies and head of business companies shall promote the accessibility of their respective corporate websites.

The corporate websites and the presence on social media of the country subholding companies and of the head of business companies contribute to the Company's digital communication strategy and are one of the principal means for engaging their respective Stakeholders in their respective business enterprises. The structure and content thereof shall conform to the Stakeholder engagement policy and to the general guidelines approved by the Company's Board of Directors."

#### ITEM 7 ON THE AGENDA

### **Amendment of the current Articles 9, 12, 13, 14, 16, 18, 19, 22, 23, 27, 56 and 60 of the *By-Laws*, and addition of two new Articles 14 and 19, all to strengthen the continuous and ongoing engagement of the shareholders in company life and to encourage their effective and sustainable involvement in the Company**

#### **RESOLUTION**

Amendment of the current Articles 9, 12, 13, 14, 16, 18, 19, 22, 23, 27, 56 and 60 and of the name of the current Chapter II of Title II of the *By-Laws*, and addition of two new Articles 14 and 19, to strengthen the continuous and ongoing engagement of the shareholders in company life and to encourage their effective and sustainable involvement in the Company. Rearrangement of numbering and cross-references in the articles affected by the amendments. Articles 8, 12, 13, 14, 16, 18, 19, 20, 23, 24, 25, 27, 28, 29, 30, 51, 53, 57 and 61 shall hereafter read as follows:

#### **"Article 8. Stakeholder Engagement, Corporate Website and Presence on Social Media**

1. The Company seeks to engage all its Stakeholders in its corporate enterprise in accordance with a policy on relations based on the principles of transparency and active listening, which allows for continuing to respond to their legitimate interests and to effectively disclose information regarding its activities. The Company's Board of Directors is responsible for approving this policy and coordinating and supervising the application thereof.
2. The Company's corporate website, its presence on social media and its digital communication strategy generally are channels of communication serving the Company's Stakeholder engagement policy. The ultimate goal thereof is to encourage their engagement and identification with the Company, as well as to strengthen the Iberdrola brand and favour the development of the activities of the Company and the digital transformation thereof.



3. The Board of Directors shall promote the use of the corporate website to facilitate the exercise of the shareholders' rights to receive information and to participate in corporate life, particularly in connection with the General Shareholders' Meeting and the corporate governance of the Company, upon the terms provided by law and the Governance and Sustainability System.
4. The Company shall promote the accessibility of its corporate website."

## **"Chapter II. Shareholders and Shareholder Engagement**

### **Article 12. Acquisition of Shareholder Status**

1. Each share of the Company confers upon its legitimate holder the status of shareholder, and vests such holder with the rights and obligations established by law and by the Governance and Sustainability System. The shareholders also participate indirectly, through the Company, in the other companies of the Group.
2. The Company shall acknowledge as shareholders any parties that appear entitled to have shareholder status as owner in the entries of the corresponding book-entry register.
3. The Company may, as legally allowed, access the information needed to fully identify its shareholders and the ultimate beneficial owners, within the meaning provided by law, including addresses and means of contact for communication with them.

### **Article 13. Significance of Shareholder Status**

1. The ownership of shares entails consent to the Governance and Sustainability System and the duty to respect and comply with the legally adopted decisions of the governance bodies of the Company.
2. Shareholders must exercise their rights vis-à-vis the Company and the other shareholders, and must comply with their duties, acting with loyalty, in good faith and transparently, within the framework of the corporate interest as the paramount interest ahead of the private interest of each shareholder and in accordance with law and with the Governance and Sustainability System.

### **Article 14. Engagement of and Continuous Information for Shareholders**

1. The Company shall promote the continuous and permanent engagement of its shareholders in the Company's life.
2. To this end, the Board of Directors shall establish channels for dialogue, information, participation and interaction between the Company and its shareholders.
3. Using the channels that are implemented, the Company shall encourage the effective and sustainable engagement of its shareholders in the Company's life and in the achievement of its purpose and the realisation of its values, promote their sense of belonging, and favour the alignment of its interests with those of the shareholders, all with the appropriate guarantees and coordination mechanisms.
4. In particular, the Company shall make available to its shareholders adequate and effective channels so that they are permanently informed of the Company's activities, of their status as shareholders, of the proposed resolutions to be submitted for their consideration, and of other matters deemed to be in their interest.



In addition, the Company shall provide that the shareholders may, at any time, and not only upon the call to the General Meeting, make such enquiries or ask such questions as they deem appropriate regarding the documentation published by the Company on the corporate website in the last year, whether required by legal provisions, provided for in the Governance and Sustainability System or that which it voluntarily prepares, as well as regarding any other matter that the Board of Directors determines may be relevant to their position as shareholders, which shall include, among other things, corporate documentation, disclosures of inside information and of other relevant information, and periodic financial information and non-financial information.

5. The engagement of the shareholders and the channels established by the Company for this purpose shall conform to the policies and general guidelines approved by the Board of Directors.”

#### **“Article 16. Shareholder Participation**

1. To participate in the General Meeting and to exercise the rights of attendance, proxy-representation, deliberation and voting, shareholders must be the owners of at least one share with voting rights and cause the shares to be registered in their name in the corresponding book-entry register at least five days prior to the day on which the meeting is to be held.
2. The manner of exercising these rights shall be determined by the Board of Directors, taking into consideration the manner in which the General Meeting is held and for the purpose of facilitating the participation of the largest number of shareholders at the meeting, regardless of their residence.

For this purpose, the Board of Directors shall adopt measures to encourage maximum participation of the shareholders at the General Shareholders' Meeting, including, if appropriate, the payment of financial incentives for participation (such as attendance bonuses or the payment of an engagement dividend subject to a specified minimum quorum being reached at the General Shareholders' Meeting) pursuant to a predefined and public policy.”

#### **“Article 18. Call to the General Shareholders' Meeting**

1. A General Shareholders' Meeting must be called by the Board of Directors through an announcement published as much in advance as required by law, and which shall state the manner in which it will be held.
2. The announcement of the call to meeting shall be disseminated through the following media, at a minimum:
  - a) The Official Bulletin of the Commercial Registry (*Boletín Oficial del Registro Mercantil*) or one of the more widely circulated newspapers in Spain.
  - b) The website of the National Securities Market Commission (*Comisión Nacional del Mercado de Valores*).
  - c) The Company's corporate website.

#### **Article 19. Methods of Holding the General Shareholders' Meeting**

1. A General Shareholders' Meeting may be held in the following ways: in person only, in person with the ability to attend remotely, or, if there are reasons that make it advisable, exclusively by remote means.



2. Regardless of the manner in which the General Meeting is held, the Company shall ensure that the shareholders can exercise their rights.

Specifically, shareholders may grant a proxy and cast an absentee vote prior to the holding of the meeting pursuant to the provisions of the law, these By-Laws, the Regulations for the General Shareholders' Meeting and the implementing rules approved by the Board of Directors within the scope of its powers.

#### **Article 20. Shareholders' Right to Receive Information upon the Call to the General Shareholders' Meeting**

1. From the date of publication of the call to the General Shareholders' Meeting through and including the fifth day prior to the date set for the meeting to be held on first call, the shareholders may request in writing the information or clarifications that they deem are required or ask written questions that they deem relevant, regarding (i) the matters contained in the agenda of the call to meeting; (ii) information accessible to the public that has been provided by the Company to the National Securities Market Commission since the holding of the last General Shareholders' Meeting; and (iii) the audit report.
2. Shareholders attending the General Shareholders' Meeting may request such information or clarifications as they deem appropriate regarding the matters set forth in the preceding section within the period and on the terms determined by the Board of Directors in accordance with the provisions of law and the Governance and Sustainability System.
3. The Board of Directors shall be required to provide the information validly requested in the form and within the periods set forth in the law, in these By-Laws, in the Regulations for the General Shareholders' Meeting and in the implementing rules approved by the Board of Directors within the scope of its powers, except in cases in which it is unnecessary for the protection of shareholder rights, there are objective reasons to believe that it might be used for ultra vires purposes or that publication of the information might prejudice the Company or related companies. The information requested may not be denied if the request is supported by shareholders representing at least twenty-five per cent of the share capital.
4. The announcement of the call to the General Shareholders' Meeting shall state the means whereby any shareholder may obtain from the Company, without charge and on an immediate basis, the documents that must be submitted for the approval of the shareholders at such General Shareholders' Meeting, as well as, if applicable, the directors' report and the audit report.
5. The Company shall make available to its shareholders the information and documentation required in accordance with the provisions of law, the Governance and Sustainability System and the implementing rules approved by the Board of Directors within the scope of its powers."

#### **"Article 23. Right to Attend**

1. In the documentation published upon the call to the General Shareholders' Meeting, the Board of Directors shall determine the standards and procedures to be observed for those shareholders who desire to attend in person or remotely, as appropriate, always ensuring the equal treatment of all of them.
2. If it is decided that the General Shareholders' Meeting is to be held entirely in person or in person with the ability to attend remotely, attendance in person may take place by going to the location where the meeting is held or, if so indicated in the call to meeting, to other places provided for such purpose by



the Company and that are connected with the principal meeting place by systems that allow for recognition and identification of the attendees, permanent communication among them, and participation and voting, all in real time. Attendees at any of such places shall be considered to be attendees at the same individual meeting, which shall be deemed to be held at the principal location thereof.

Attendance in person at the General Shareholders' Meeting shall be subject to the limitations arising from the space available at the venue and any ancillary venues at which the meeting may held, the requirements for security and sustainability of the event, the proper operation of the computer systems and technology used, and the state of the art, as well as any other aspects that the Board of Directors deems relevant.

3. If it is resolved that the General Shareholders' Meeting is to be held exclusively by remote means, the meeting may be attended using the systems determined by the Board of Directors, which must allow for the identification of attendees, the exercise of their rights and the proper conduct of the meeting.
4. The chair of the General Shareholders' Meeting may authorise the in-person or remote attendance of management personnel, professionals of the companies of the Group and other persons related to the Company. The chair may also grant in-person or remote access to the media, to financial analysts and to any other person the chair deems appropriate, as well as authorise the simultaneous or delayed broadcast thereof, although the shareholders acting thereat may revoke such authorisation.

#### **Article 24. Right to Proxy Representation**

1. All shareholders having the right to attend may be represented at the General Shareholders' Meeting by proxy through another person, whether or not such person is a shareholder, by complying with the requirements of law, the Governance and Sustainability System and the implementing rules approved by the Board of Directors within the scope of its powers.
2. Proxy representatives may participate in the General Shareholders' Meeting in person or remotely, as provided in the call to meeting.
3. Proxies must be given in writing or by remote means of communication (such as by telephone or by postal or electronic correspondence), in which case the provisions of Article 28 below for the early casting of absentee votes shall apply to the extent applicable.
4. Proxy and voting instructions of shareholders acting through intermediary and management institutions or depositaries shall be governed by the provisions of law, the Governance and Sustainability System and the implementing rules approved by the Board of Directors within the scope of its powers.
5. In cases of absence of identification of the proxy representative, absence of express instructions for the exercise of voting rights, submission of items not included on the agenda of the call to the General Shareholders' Meeting or a conflict of interest affecting the proxy representative, the rules established in this regard in the Governance and Sustainability System and in the implementing rules approved by the Board of Directors within the scope of its powers shall apply to the proxy.
6. The chair of and the secretary for the General Shareholders' Meeting, from the establishment of a valid quorum thereat, and the persons acting by delegation from either of them, shall be responsible for verifying the identity of the shareholders and their representatives, verifying the ownership and status of their rights, and recognising the validity of the attendance, proxy and absentee voting card or the



instrument or means evidencing attendance or representation by proxy, including any means provided for authentication and participation by remote means.

#### **Article 25. Presiding Committee, Chair of and Secretary for the General Shareholders' Meeting**

1. The Presiding Committee (*Mesa*) of the General Shareholders' Meeting shall be made up of the chair of and the secretary for the General Shareholders' Meeting and the other members of the Board of Directors present at the meeting, who may attend in person or remotely.
2. Without prejudice to other powers that may be assigned thereto by these By-Laws or the Governance and Sustainability System, the Presiding Committee shall assist the chair of the General Shareholders' Meeting in carrying out the duties thereof.
3. The chairman of the Board of Directors or, in the absence thereof, the vice-chair, shall act as chair of the General Shareholders' Meeting. If there are several vice-chairs, they shall act in the order set forth in Article 43.6 below. In the absence of all of the foregoing, the person appointed by the Presiding Committee shall act as chair of the General Shareholders' Meeting.
4. The secretary of the Board of Directors or, in the absence thereof, the deputy secretary, shall act as secretary for the General Shareholders' Meeting. If there are several deputy secretaries, they shall act in the order set forth in Article 45.2 below. In the absence of all of the foregoing, the person appointed by the Presiding Committee shall act as secretary for the General Shareholders' Meeting."

#### **"Article 27. Deliberations and Voting**

1. The chair of the General Shareholders' Meeting shall: direct the meeting; accept new proposed resolutions relating to matters on the agenda; organise the deliberations and presentations, granting the floor to shareholders attending in person and who so request it and taking the floor away or refusing to grant it when the chair deems that a particular matter has been sufficiently debated, is not included in the agenda or hinders the progress of the meeting; indicate the time and establish, pursuant to the Regulations for the General Shareholders' Meeting, the system or procedure for voting; decide on the suspension or limitation of political rights, especially the voting rights attaching to shares, pursuant to law and these By-Laws; approve the polling and vote counting system; announce the voting results; temporarily suspend or propose a continuation of the General Shareholders' Meeting; close the meeting; and, in general, exercise all powers, including those of order and discipline, that are required for the proper conduct of the proceedings.
2. The chair of the General Shareholders' Meeting may entrust the management of the meeting to a director the chair deems appropriate, or to the secretary for the General Shareholders' Meeting, who shall carry out this duty on behalf of the chair, with the chair having the right to retake it at any time. In the event of temporary absence or supervening incapacity of the chair of or the secretary for the General Shareholders' Meeting, the appropriate persons under sections 3 and 4 of Article 25 above, respectively, shall assume the duties thereof.
3. Proposed resolutions shall be voted upon by the shareholders at the General Shareholders' Meeting pursuant to the provisions of the following articles and the Regulations for the General Shareholders' Meeting.



## Article 28. Early Casting of Absentee Votes

1. Prior to the holding of the General Meeting, shareholders may cast their absentee vote in writing or by remote means of communication (such as by telephone or by postal or electronic correspondence) on proposed resolutions relating to the items on the agenda of the call to meeting by complying with the requirements of law, the Governance and Sustainability System and the implementing rules approved by the Board of Directors within the scope of its powers.
2. Shareholders that have cast their absentee vote prior to the meeting shall be deemed present for purposes of the establishment of a quorum for the General Shareholders' Meeting.
3. Absentee votes cast prior to the meeting must be received by the Company before 24:00 on the day immediately prior to the day set for the holding of the General Shareholders' Meeting upon first call or upon second call, as applicable.
4. The Board of Directors is authorised to develop the rules, means and procedures for absentee votes cast prior to the meeting, including applicable rules on priority and conflict.

Specifically, the Board of Directors may reduce the advance period set forth in section 3 above for receipt by the Company of absentee votes cast prior to the meeting, and accept and authorise the chair of and the secretary for the General Shareholders' Meeting and the persons acting by delegation therefrom to accept, any absentee votes received after such period, to the extent permitted by the means available.

5. The chair of and the secretary for the General Shareholders' Meeting, from the establishment of a valid quorum thereat, and the persons acting by delegation from either of them, shall be responsible for verifying and recognising the validity of the absentee votes cast prior to the meeting in accordance with the provisions set forth in the Governance and Sustainability System and the implementing rules approved by the Board of Directors within the scope of its powers.
6. The provisions of the preceding sections of this article shall not apply to shareholders or their proxy representatives if they attend the General Shareholders' Meeting remotely. The casting of votes by those attending remotely during the General Shareholders' Meeting shall be governed by the provisions of these By-Laws, the Regulations for the General Shareholders' Meeting and the implementing rules approved by the Board of Directors within the scope of its powers.

## Article 29. Conflicts of Interest

1. A shareholder may not exercise the shareholder's right to vote at a General Shareholders' Meeting, either in person or by proxy, with respect to the adoption of a resolution to:
  - a) Relieve the shareholder of an obligation or grant the shareholder a right.
  - b) Provide the shareholder with any kind of financial assistance, including the provision of guarantees in favour thereof.
  - c) Release the shareholder, if a director, from obligations arising from the duty of loyalty established in accordance with the provisions of law.
  - d) Approve a related-party transaction that affects the shareholder, unless the corresponding proposed resolution has been approved in accordance with the provisions of law.



2. The provisions of the preceding section shall also apply when the resolutions affect, in the case of an individual shareholder, the entities or companies controlled thereby, and in the case of corporate shareholders, the entities or companies belonging to their group (within the meaning indicated in Article 30.3 below), even if these latter companies or entities are not shareholders.
3. If the shareholder subject to any of the voting prohibitions above attends the General Shareholders' Meeting, such shareholder's shares shall be deducted from those in attendance for purposes of determining the number of shares upon which the majority needed for the adoption of the relevant resolutions shall be calculated.

### **Article 30. Approval of Resolutions**

1. Except in cases in which the law or these By-Laws require a greater majority, the shareholders acting at a General Shareholders' Meeting shall adopt resolutions by simple majority of the shareholders present in person or by proxy, with a resolution being deemed adopted when it receives more votes in favour than against. Each voting share that is represented in person or by proxy at the General Shareholders' Meeting shall give the right to one vote.
2. No shareholder may cast a number of votes greater than those corresponding to shares representing ten (10%) per cent of share capital, even if the number of shares held exceeds such percentage of the share capital. This limitation does not affect votes corresponding to shares with respect to which a shareholder is holding a proxy as a result of the provisions of Article 24 above, provided, however, that with respect to the number of votes corresponding to the shares of each shareholder represented by proxy, the limitation set forth above shall apply.
3. The limitation set forth in the preceding section shall also apply to the maximum number of votes that may be collectively or individually cast by two or more shareholders that are entities or companies belonging to the same group. Such limitation shall also apply to the number of votes that may be cast collectively or individually by an individual and the shareholder entity, entities or companies controlled by such individual. A group shall be deemed to exist under the circumstances provided by law, and also when a person controls one or more entities or companies.
4. Shares deprived of voting rights pursuant to the application of the preceding sections shall be deducted from the shares in attendance at the General Shareholders' Meeting for purposes of determining the number of shares upon which the majorities needed for the approval of resolutions by the shareholders at a General Shareholders' Meeting shall be calculated."

### **"Article 51. Removal of Voting Limitations**

The prohibition on voting for shareholders affected by conflicts of interest established in Article 29 above and the limitation on the maximum number of votes that may be cast by a single shareholder contained in sections 2 to 4 of Article 30 above shall be deprived of effect upon the occurrence of the following circumstances:

- a) when the Company is the target of a takeover bid aimed at the share capital as a whole; and
- b) when, as a result of the takeover bid, an individual or a legal entity, or several of them acting in concert, acquire an interest equal to two-thirds of the voting share capital of the Company, provided the full consideration therefor consists only of cash; or, alternatively,





- c) when, as a result of the takeover bid, an individual or a legal entity, or several of them acting in concert, acquire an interest equal to three-fourths of the voting share capital of the Company, provided that the consideration therefor consists, in whole or in part, of securities, without giving the recipient an alternative right to receive such consideration wholly in cash."

**"Article 53. Amendments to Articles in Title IV and Related Provisions**

All resolutions intended to eliminate or amend the provisions contained in this Title, in Article 29 and in sections 2 to 4 of Article 30 above shall require the affirmative vote of three-fourths of the share capital represented in person or by proxy at a General Shareholders' Meeting."

**"Article 57. Approval and dissemination**

The separate and consolidated annual financial statements and management reports shall be submitted for the approval of the shareholders at the General Shareholders' Meeting by a simple majority of votes, in accordance with the provisions of Article 30 of these By-Laws.

The Company shall promote the public dissemination of its financial information, especially among its Stakeholders."

**"Article 61. Approval and dissemination**

The statement of non-financial information shall be submitted for the approval of the shareholders at the General Shareholders' Meeting by a simple majority of votes, in accordance with the provisions of Article 30 of these By-Laws.

The Company shall promote the public dissemination of its non-financial information, especially among its Stakeholders."

ITEM 8 ON THE AGENDA

**Amendment of Articles 10, 11, 12, 14, 16, 19, 20, 21, 22, 23, 27 and 40 of the *Regulations for the General Shareholders' Meeting* in order to revise the rules governing attendance at the General Shareholders' Meeting**

**RESOLUTION**

To amend Articles 10, 11, 12, 14, 16, 19, 20, 21, 22, 23, 27 and 40 of the *Regulations for the General Shareholders' Meeting*, as well as the name of Title II thereof, in order to revise the rules governing attendance at the General Shareholders' Meeting. Said articles shall hereafter read as follows:

**"TITLE II. METHODS OF HOLDING AND CALL TO THE GENERAL SHAREHOLDERS' MEETING**

**Article 10. Methods of Holding the Meeting**

1. The General Shareholders' Meeting may be held in any of the following ways:
  - a) In person only.
  - b) In person with the ability to attend remotely.



- c) If there are reasons that make it advisable, and under the conditions provided by law and the Governance and Sustainability System, exclusively by remote means.
2. Regardless of the manner in which the General Meeting is held, the Company shall ensure that the shareholders can exercise their rights.

### **Article 11. Call to Meeting and Agenda**

1. The General Shareholders' Meeting shall be formally called by the Board of Directors.
2. The Board of Directors must call the General Shareholders' Meeting in the following cases:
  - a) In the event set forth in Article 8.2 above.
  - b) If the meeting is requested, in the manner provided by law, by shareholders who individually or collectively represent at least three per cent of the share capital, which request sets forth the matters to be addressed. In this event, the Board of Directors shall call for the General Shareholders' Meeting to be held within the period established by law. The Board of Directors shall prepare the agenda of the call to meeting, which must include the matters specified in the request.
3. The announcement of the call to meeting must contain all statements required by law in each case and must set forth:
  - a) The manner in which it will be held (in person only, in person with the ability to attend remotely, or exclusively by remote means).
  - b) The date, time and place (if applicable) of the meeting on first call, and the agenda, with a statement of all matters to be dealt with.
  - c) A clear and specific description of the procedures and periods that the shareholders must observe in order to request the publication of a supplement to the call to the Annual General Shareholders' Meeting, to submit well-founded proposed resolutions, or to exercise their rights to receive information, to cast an absentee vote prior to the meeting and to grant a proxy, upon the terms provided by law.
  - d) The date on which the holders of the Company's shares must have them registered in their name in the corresponding book-entry register to be able to attend and vote at the General Shareholders' Meeting being called.
  - e) A statement of where and how the complete text of the documents to be submitted at the General Shareholders' Meeting can be obtained, particularly including the reports of the directors, of the statutory auditors and of the independent experts to be submitted, and the complete text of the proposed resolutions submitted to the shareholders for approval at the General Shareholders' Meeting.
  - f) Information regarding the steps and procedures to be followed in order to remotely attend the General Shareholders' Meeting (if remote attendance is provided for) which allows for the identification of the shareholders or their proxy representatives, the registration and preparation of the list of attendees, the correct exercise of the rights thereof and the proper conduct of the meeting.



- g) The address of the Company's corporate website.
- h) Any financial incentive for participation that the Board of Directors resolves to pay in accordance with the policy approved for such purpose (such as attendance bonuses or the payment of an engagement dividend subject to a specified minimum quorum being reached at the General Shareholders' Meeting).

The announcement may also set forth the date on which the General Shareholders' Meeting shall proceed on second call, if applicable.

- 4. The announcement of the call to meeting shall be published as much in advance as required by law, using at least the following media:
  - a) The Official Bulletin of the Commercial Registry (*Boletín Oficial del Registro Mercantil*) or one of the more widely circulated newspapers in Spain.
  - b) The website of the National Securities Market Commission (*Comisión Nacional del Mercado de Valores*).
  - c) The Company's corporate website.
- 5. The shareholders at the General Shareholders' Meeting may not deliberate on or decide matters that are not included in the agenda of the call to meeting, unless otherwise provided by law.
- 6. The Board of Directors may request the presence of a notary public to assist with and draw up the minutes of the General Shareholders' Meeting. In any event, the Board must request the presence of a notary public under the circumstances provided by law.

#### **Article 12. Supplement to the Call to Meeting and Submission of Well-founded Proposed Resolutions**

- 1. Shareholders who individually or collectively represent at least three per cent of the share capital may:
  - a) Request the publication of a supplement to the call to the Annual General Shareholders' Meeting including one or more items in the agenda of the call to meeting, so long as the new items are accompanied by a rationale or, if applicable, by a well-founded proposed resolution.
  - b) Submit well-founded proposed resolutions regarding matters already included or that should be included in the agenda of the call to the General Shareholders' Meeting.

The written notice of the exercise of such rights shall specify the name or the corporate name of the requesting shareholder or shareholders, and there shall be attached thereto such documentation as evidences the status thereof as shareholder, in order for such information to be checked against that provided by "Sociedad de Gestión de los Sistemas de Registro, Compensación y Liquidación de Valores, S.A.U." (IBERCLEAR), as well as the text of the item or items proposed. Under the circumstances set forth in letter a), the Board of Directors may require that shareholders also attach the proposed resolution or resolutions and, if legally required, in the instances set forth in letters a) and b), the report or reports providing a rationale for the proposals.

- 2. The shareholders' rights mentioned in the preceding section must be exercised by duly authenticated notice sent to the Company's registered office within the periods provided by law.



3. The Company shall publicise the items on the agenda and/or the proposed resolutions submitted in accordance with the preceding sections as soon as possible, within the period established by law, and shall publish a new form of proxy and absentee voting card that takes them into account. The Company shall also ensure the dissemination of these proposed resolutions and any documentation attached thereto to the other shareholders, in accordance with the provisions of law.
4. At the time of the call to meeting, the Board of Directors shall make available to the shareholders all information additional to that required by law that it deems appropriate and that contributes to a better understanding by the shareholders with respect to the exercise of their rights in connection with the General Shareholders' Meeting and the matters to be dealt with thereat."

#### **"Article 14. Corporate Website**

1. The Company shall use its corporate website to promote the informed participation of all shareholders in the General Shareholders' Meeting and to facilitate the exercise of their rights related thereto.
2. From the date of publication of the announcement of the call to meeting through the date of holding of the General Shareholders' Meeting in question, the Company shall continuously publish on its corporate website in electronic format and in an organised and environmentally-friendly manner, such information as is required by law or deemed appropriate to facilitate and promote the attendance and participation of the shareholders at the General Shareholders' Meeting, including in any case the following:
  - a) The announcement of the call to the General Shareholders' Meeting.
  - b) The total number of shares and voting rights existing on the date of the announcement of the call to meeting, broken down by classes of shares, if any.
  - c) Such documents relating to the General Shareholders' Meeting as are required by law, including the reports of the directors, the statutory auditors and the independent experts that are expected to be submitted, proposed resolutions submitted by the Board of Directors or by the shareholders, and any other relevant information that the shareholders might need in order to cast their vote.
  - d) In the event that the shareholders acting at a General Shareholders' Meeting must deliberate on the appointment, re-election or ratification of directors, the corresponding proposed resolution shall be accompanied by the following information: professional profile and biographical data of the director; other boards of directors on which the director holds office, at listed companies or otherwise; type of director such person is or should be, with mention, in the case of proprietary directors, of the shareholder that proposes or proposed the appointment thereof or who the director represents or with which the director maintains ties; date of the director's first and any subsequent appointments as director of the Company; shares of the Company and derivative financial instruments whose underlying assets are shares of the Company of which such director is the holder; the explanatory report prepared by the Board of Directors and the proposal of the Appointments Committee in the case of independent directors, and the report of said committee in other cases.
  - e) The existing channels of communication between the Company and the shareholders and, in particular, explanations pertinent to the exercise of the right to receive information, indicating the postal and e-mail addresses to which the shareholders may direct their requests.



- f) The means and procedures for granting a proxy to attend the General Shareholders' Meeting and for casting absentee votes prior to the meeting, including the form of proxy and absentee voting card, if any.
  - g) The means and procedures for attending the General Shareholders' Meeting remotely, if remote attendance is provided for.
3. Furthermore, after the publication of the announcement of the call to the Annual General Shareholders' Meeting, the Company shall include on its corporate website the following documentation, which the Board of Directors may group into one or more reports:
- a) The report on the independence of the statutory auditor prepared by the Audit and Risk Supervision Committee.
  - b) The related-party transactions report prepared by the Audit and Risk Supervision Committee.
  - c) The activities report of the Board of Directors and of the Committees thereof.
  - d) The integrated report.
  - e) Any other reports determined by the Board of Directors.
4. After the publication of the announcement of the call to meeting, the Company shall use its best efforts to include in its corporate website an English version of the information and the principal documents related to the General Shareholders' Meeting. In the event of a discrepancy between the Spanish and English versions, the former shall prevail.
5. Pursuant to the provisions of applicable law, an Electronic Shareholders' Forum shall be enabled on the Company's corporate website upon the call to the General Shareholders' Meeting. Duly verified shareholders and shareholder groups may access the Electronic Shareholders' Forum, the use of which shall conform to its legal purpose and to the assurances and rules of operation established by the Company."

#### **"Article 16. Participation**

- 1. The manner of exercising the rights of attendance, proxy-representation, deliberation and voting shall be determined by the Board of Directors in order to facilitate the participation of the largest number of shareholders at the meeting, regardless of their residence, and taking into account the method of holding the meeting, among other issues.
- 2. The Board of Directors shall adopt appropriate measures for these purposes in order to encourage maximum participation of the shareholders in the General Shareholders' Meeting, including, if appropriate, the implementation of various channels to attend, grant a proxy or cast an absentee vote prior to the meeting, the payment of financial incentives for participation pursuant to a predefined and public policy, and the delivery of promotional material or gifts with symbolic value to the shareholders participating in the General Shareholders' Meeting or to hold similar promotions. Any items remaining from the promotions or gifts may be used for social welfare purposes."

#### **"Article 19. Right to Proxy Representation**



1. Shareholders may exercise the right to attend personally or through proxy representation by another person, whether or not such person is a shareholder, by complying with the requirements of law and the Governance and Sustainability System.
2. The proxy may be granted by delivering to the proxy representative the proxy and absentee voting card or any other means of verifying the grant of a proxy that is accepted by the Company, or by any of the following means, as determined by the Board of Directors:
  - a) Through the financial intermediary and management institutions and depositaries in which their shares are deposited, in order for said institutions to in turn cause the instructions received to be delivered to the Company.
  - b) Through the proxy form available on the Company's corporate website, using the instant authentication systems implemented by the Company, recognised electronic signature of the shareholder or other type of guarantee that the Company deems proper to ensure the authenticity and identification of the shareholder granting the proxy.

For these purposes, the use of the personal passwords that the Company has previously delivered to the shareholder by postal or electronic correspondence to the address that the shareholder has communicated to the Company or through any other form determined by the Board of Directors shall be deemed to be a proper assurance.
  - c) Advance delivery of the proxy and absentee voting card or any other means of verifying the grant of a proxy that is accepted by the Company at the premises provided by the Company on the days announced on the Company's corporate website.
  - d) Sending the proxy and absentee voting card or any other means of verifying the grant of a proxy that is accepted by the Company by postal correspondence addressed to the Company.
  - e) By any other means of remote communication (including communication by telephone) that the Board of Directors determines to favour the participation of the largest possible number of shareholders, provided that notice thereof is given on the corporate website at the time of publishing the announcement of the call to meeting, that it provides sufficient guarantees of the authenticity and identification of the shareholder granting the proxy, and, if appropriate, that it duly ensures the security of the communications.
3. A proxy granted by any of the means indicated in the preceding section must be received by the Company before 24:00 on the day immediately prior to the day on which the General Shareholders' Meeting is to be held on first call or on second call, as applicable.
4. The Board of Directors is authorised to further develop the foregoing provisions by establishing rules, means and procedures adjusted to current techniques in order to organise the grant of proxies by other means, in each case in accordance with the rules and regulations issued for such purpose.

Specifically, the Board of Directors may: (i) establish rules for the use of personal passwords and other safeguards other than electronic signatures and the instant authentication system for the grant of proxies by electronic correspondence or by other valid remote means of communication, as well as establish and regulate the appropriate safeguards in the case of telephone communication; (ii) reduce the advance period established above for receipt by the Company of proxies granted by postal or electronic correspondence or by other means of remote communication; and (iii) accept, and authorise



the chair of and the secretary for the General Shareholders' Meeting and the persons acting by delegation therefrom to accept, proxies received after such period, to the extent allowed by the means available.

5. The chairman and the secretary of the Board of Directors or the chair of and the secretary for the General Shareholders' Meeting, from the establishment of a valid quorum thereat, and the persons acting by delegation from any of them, shall have the broadest powers for verifying the identity of the shareholders and their representatives, verifying the ownership and legitimacy of their rights, and recognising the validity of the proxy and absentee voting card or of the instrument evidencing attendance or representation by proxy.
6. A proxy is always revocable. Attendance in person, or remotely if possible, by the shareholder granting the proxy at the General Shareholders' Meeting, whether in person or due to having cast an absentee vote prior to the meeting and on a date subsequent to that of the proxy, shall have the effect of revoking the proxy.
7. A public solicitation for proxies by the Board of Directors or any of its members shall be governed by the provisions of law and by the corresponding resolution of the Board of Directors, if any.
8. A proxy may cover those matters that the law allows to be dealt with at the General Shareholders' Meeting even when not included in the agenda of the call to meeting.
9. If a proxy has been validly granted pursuant to law and these Regulations but does not include voting instructions or questions arise as to the intended proxy representative or the scope of the representation, and unless otherwise expressly indicated by the shareholder, it shall be deemed that the proxy: (i) is granted in favour of the chairman of the Board of Directors; (ii) refers to all of the items included in the agenda of the call to meeting; (iii) contains the instruction to vote favourably on all proposals made by the Board of Directors with respect to the items on the agenda of the call to meeting; and (iv) extends to matters that, although not included in the agenda of the call to meeting, may be dealt with at the General Shareholders' Meeting in accordance with law, in respect of which the proxy representative shall vote in the direction the proxy representative deems most favourable to the interests of the shareholder granting the proxy, within the framework of the corporate interest.

This provision may be further developed by any rules approved by the Board of Directors that systematise, further develop, adapt and specify the provisions of the Governance and Sustainability System regarding the management of the General Shareholders' Meeting.

10. Before being appointed, the proxy representative shall provide detailed information to the shareholder regarding the existence of any conflict of interest. If the conflict is subsequent to the appointment and the shareholder granting the proxy has not been advised of the possible existence of such conflict, the proxy representative shall immediately inform the shareholder thereof. In both cases, if the proxy representative has not received new specific voting instructions regarding each of the matters on which the proxy representative has to vote on behalf of the shareholder, the proxy representative shall abstain from voting, without prejudice to the provisions of the following section.
11. Unless otherwise expressly indicated by the shareholder, if the proxy representative is affected by a conflict of interest and has no specific voting instructions, or if the proxy representative has them but it is deemed preferable that the proxy representative not exercise the proxy with respect to the items involved in the conflict of interest, the shareholder shall be deemed to have appointed the following persons as proxy representatives for such items, severally and successively, in the event that any of them



is in turn affected by a conflict of interest: first, the chair of the General Shareholders' Meeting, second, the secretary therefor, and finally, the deputy secretary of the Board of Directors, if any. In this latter event, if there are several deputy secretaries, the order to be used shall be the order established at the time of their appointment (first deputy secretary, second deputy secretary, etc.). The proxy representative so designated shall cast the vote in the direction deemed most favourable to the interests of the person represented thereby, within the framework of the corporate interest.

12. A proxy representative may hold the proxy of more than one shareholder without limitation as to the number of shareholders being represented, and exercise the corresponding voting rights pursuant to the provisions of Article 41.5 below.

#### **Article 20. Proxy and Absentee Voting Cards**

1. The Company may issue the proxy and absentee voting cards for the participation of the shareholders at the General Shareholders' Meeting, and also propose to the entities members of "Sociedad de Gestión de los Sistemas de Registro, Compensación y Liquidación de Valores, S.A.U." (IBERCLEAR) and to the intermediary and management institutions and depositaries in general, the form of such cards as well as the formula that must be recited in order to grant a proxy, which, in the absence of specific instructions from the party granting the proxy, may also set forth the direction in which the proxy representative is to vote with respect to each of the resolutions proposed by the Board of Directors in connection with each item on the agenda of the call to meeting. The proxy and absentee voting card may also specify the identity of the proxy representative and the alternate or alternates for the proxy representative in the event of a conflict of interest, in the absence of express appointment by the shareholder being represented.

The Company shall ensure that the cards are uniform and include a bar code or other system that allows for electronic or remote scanning in order to facilitate the computerised calculation of shares represented in person and by proxy at the General Shareholders' Meeting.

2. The proxy or voting instructions of the shareholders acting through intermediary and management institutions or depositaries may be received by the Company through any valid system or remote means of communication, signed by the shareholder or by the institution. The institutions may group together instructions received from shareholders and send them in a block to the Company, indicating the direction of such instructions.
3. If an intermediary or management institution or depositary sends to the Company a proxy and absentee voting card or verification instrument of a shareholder duly identified in the document and bearing the signature, stamp and/or mechanical impression of the institution, and unless the shareholder expressly indicates otherwise, it shall be deemed that the shareholder has instructed such institution to exercise the proxy or voting right, as applicable, in the direction indicated in such card or instrument evidencing the proxy or vote. If there are questions regarding such instructions, it shall be deemed that the shareholder grants the proxy to the chairman of the Board of Directors with the scope set forth in these Regulations and that the shareholder gives specific instructions to vote in favour of the proposals made by the Board of Directors in connection with the items on the agenda of the call to meeting.
4. In other respects, the other rules contained in the Governance and Sustainability System and those that may be established by the Board of Directors in order to further develop such rules shall apply to the proxies and to the absentee votes cast prior to the meeting referred to in this article.





5. All of the foregoing shall be without prejudice to the regulations applicable to the relations between financial intermediaries and their customers for purposes of the exercise of the rights to grant a proxy and to vote. The Company is only answerable to the entity or person validated as a shareholder pursuant to the book-entry register.

#### **Article 21. Place of the Meeting**

1. A General Shareholders' Meeting that is called to be held only in person or in person with the ability to attend remotely shall be held at the place indicated in the call to meeting within the municipal territory of Bilbao. If no place is indicated in the call to meeting, it shall be deemed that the meeting will take place at the registered office.
2. If it is decided that the General Shareholders' Meeting is to be held entirely in person or in person with the ability to attend remotely, attendance in person may take place by going to the location where the meeting is held or, if so indicated in the call to meeting, to other places provided for such purpose by the Company and that are connected with the principal meeting place by systems that allow for recognition and identification of the attendees, permanent communication among them, and participation and voting, all in real time. Attendees at any of such places shall be considered to be attendees at the same individual meeting, which shall be deemed to be held at the principal location thereof.

Attendance in person at the General Shareholders' Meeting shall in any case conform to the limitations arising from the space available at the venue and any ancillary venues at which the meeting may be held, the requirements for security and sustainability of the event, the proper operation of the computer systems and technology used, and the state of the art, as well as any other aspects that the Board of Directors deems relevant for the organisation of the General Meeting.

3. A General Shareholders' Meeting that is called to be held exclusively by remote means shall be deemed to be held at the registered office, regardless of where the chair of the General Shareholders' Meeting is located.

#### **Article 22. Infrastructure, Equipment and Services**

1. The premises, if any, to be used to hold the General Shareholders' Meeting shall have the personnel, technical equipment, and safety, assistance and emergency measures commensurate with the nature and location of the building and with the importance of the event. In addition, the premises for holding the General Shareholders' Meeting shall have the emergency and evacuation measures required by law, as well other measures deemed appropriate in light of the circumstances.
2. The Company may make available other licensed premises where the General Shareholders' Meeting can be held in the event of an emergency.
3. Appropriate controls and surveillance and protection measures, including systems for controlling access to the meeting, shall be established in order to ensure the safety of any attendees in person and the orderly conduct of the General Shareholders' Meeting.
4. Once the General Shareholders' Meeting has commenced, the attendees are prohibited from using voice amplification instruments, mobile phones, photographic equipment, audio and/or video recording and/or transmission equipment and in general any instrument that might alter the visibility, sound or lighting conditions of the proceedings, except to the extent authorised by the chair thereof.



5. If it is resolved that the General Shareholders' Meeting is to be held exclusively by remote means, the systems determined by the Board of Directors to attend the meeting must allow for the identification of attendees, the exercise of their rights and the proper conduct of the meeting.
6. The proceedings of the General Shareholders' Meeting shall be the subject of audiovisual recording, unless the chair of the General Shareholders' Meeting decides otherwise. They may also be the subject of storage and live or recorded broadcast by any means, including over the internet, and dissemination on social media, on the legal basis of the Company's legitimate interest in complying with best transparency practices. A data subject shall have the rights of access, rectification, objection, erasure and restriction of processing of the data collected by the Company on the terms established by law by sending a letter addressed to the registered office or to the Shareholder's Office (the postal address of which shall be provided by the Company for each Meeting) and at the e-mail address established by the Company for each Meeting. The data subject may also request more detailed information regarding the Company's privacy policy at the postal and electronic addresses indicated above.
7. Whenever reasonably possible, the Company shall endeavour to ensure that the premises, if any, at which the General Shareholders' Meeting is held have the means to allow access by persons with reduced mobility and the simultaneous interpretation of the proceedings into Euskera (Basque), English and those other languages that the Board of Directors deems appropriate. The Company shall also establish measures that facilitate participation in the General Shareholders' Meeting by attendees with auditory or visual limitations.
8. The Company may also make available to the shareholders any additional information that facilitates following the General Shareholders' Meeting, such as programmes for the meeting or any other documentation deemed useful for such purpose.

**Article 23. Computer System for the Recording of Proxies and Voting Instructions, Preparation of the List of Attendees, and Calculation of Voting Results**

1. The Company shall have the workforce and technical equipment required to perform the monitoring and counting of the proxy and absentee voting cards.
2. On the day of the General Shareholders' Meeting, the premises, if any, indicated for the meeting shall be supplied with the personnel and technical equipment required to monitor the entry of those attending the meeting and to determine the quorum, prepare the list of attendees present in person and by proxy, and calculate the voting results.
3. In order to undertake such activities, the Company may, in accordance with applicable rules and regulations, ask "Sociedad de Gestión de los Sistemas de Registro, Compensación y Liquidación de Valores, S.A.U." (IBERCLEAR) to provide a list of the Company's shareholders and the number of shares appearing in the name of each shareholder."

**"Article 27. Duties of the Chair of the General Shareholders' Meeting**

1. The chair of the General Shareholders' Meeting, who is responsible for progress of the meeting, shall generally have the powers needed for such purposes (including those of order and discipline) and the following powers, among others:
  - a) To call the meeting to order.



- b) To verify that there is a valid quorum for the General Shareholders' Meeting and, if applicable, to declare it to be validly in session.
  - c) To report on the presence of a notary public, if any, to prepare the minutes of the meeting as a result of a request made by the Board of Directors for such purpose.
  - d) To make decisions regarding questions, requests for clarification, or claims raised with respect to the list of attendees, the identity and status of the shareholders and their proxy representatives, the authenticity and integrity of the proxy and absentee voting cards or relevant verification instruments, as well as all matters relating to the possible exclusion, suspension or limitation of political rights and, specifically, the right to vote pursuant to law and the By-Laws.
  - e) To grant the floor to executive directors or officers that the chair deems appropriate in order to address the shareholders at the General Shareholders' Meeting to report on the progress of the Company, as well as to present the results, goals and plans thereof. If the chair of the General Shareholders' Meeting has the status of executive director, such presentation may be made directly thereby, in whole or in part.
  - f) To organise and direct the progress of the meeting in accordance with the powers set forth in Article 36 below. To indicate the time for voting, establish the voting systems and procedures, determine the system for counting and calculating the votes, and announce the voting results.
  - g) To temporarily suspend the General Shareholders' Meeting and propose the continuation thereof.
  - h) To bring the meeting to a close.
2. The chair of the General Shareholders' Meeting may entrust the management of the debate to a director the chair deems appropriate, or to the secretary for the General Shareholders' Meeting, who shall carry out these duties on behalf of the chair, with the chair having the right to retake them at any time.
  3. The chair of the General Shareholders' Meeting may appoint a representative of the Company to make an organised presentation to the shareholders on those questions or considerations that the Company's shareholders –even if they are not in attendance or represented by proxy at the General Shareholders' Meeting– have submitted to the Company through other channels of participation and that the chair of the General Shareholders' Meeting deems appropriate to present.

Such representative may also present other issues raised by those attending the General Shareholders' Meeting who prefer to ask their questions of the representative for the latter to transmit them to the chair."

#### **"Article 40. Early Voting; Powers to Engage in Proxy-Granting and Voting Prior to the Meeting**

1. Shareholders may cast their absentee vote prior to the holding of the General Meeting regarding proposals relating to the items included in the agenda of the call to meeting by the means indicated in section 2 of Article 19 above. In all such cases, they shall be deemed to be present for purposes of the establishment of a quorum at the General Shareholders' Meeting.
2. In order to vote by postal correspondence, shareholders must send to the Company the duly completed and signed proxy and absentee voting card issued in their favour by the corresponding institution, setting forth thereon the direction of their vote, their abstention or their blank vote.



3. Votes through the form available on the corporate website shall be cast using the means referred to in letter b) of Article 19.2 above.
4. Votes cast by any of the means set forth in the preceding sections must be received by the Company before 24:00 on the day immediately prior to the day for the holding of the General Shareholders' Meeting on first call or second call, as applicable.
5. The absentee votes referred to in this article shall be rendered void:
  - a) By subsequent express revocation made by the same means used to cast the vote and within the period established for such voting.
  - b) By attendance at the meeting of the shareholder casting the vote.
  - c) If the shareholder validly grants a proxy within the established period after the date of casting the absentee vote.
6. If no express instructions are included when casting the absentee vote prior to the meeting, or instructions are included only with respect to some of the items on the agenda of the call to meeting, and unless expressly indicated otherwise by the shareholder, it shall be deemed that said absentee vote refers to all of the items included in the agenda of the call to the General Shareholders' Meeting and that the vote is in favour of the proposals made by the Board of Directors regarding the items included in the agenda of the call to meeting with respect to which no express instructions are included.
7. As regards proposed resolutions other than those submitted by the Board of Directors or regarding items not included in the agenda of the call to meeting, the shareholder casting an absentee vote prior to the meeting may grant a proxy using any of the means contemplated in these Regulations, in which case the rules established for such purpose shall apply to the proxy, which shall be deemed granted to the chairman of the Board of Directors unless expressly indicated otherwise by the shareholder.
8. The Board of Directors is authorised to further develop the rules, means and procedures adjusted to current techniques in order to organise the casting of votes by other means, in each case in accordance with the rules and regulations issued for such purpose.

Specifically, the Board of Directors may: (i) establish rules for the use of personal passwords and other guarantees other than electronic signatures and the instant authentication system for casting votes by electronic correspondence or by other valid remote means of communication, as well as establish and regulate the appropriate assurances in the case of telephone communication; (ii) reduce the advance period established above for receipt by the Company of absentee votes cast prior to the meeting by postal or electronic correspondence or by other means of remote communication; and (iii) accept, and authorise the chair of and the secretary for the General Shareholders' Meeting and the persons acting by delegation from either of them to accept, absentee votes cast prior to the meeting that have been received after the period provided for the receipt thereof, to the extent allowed by the means available.

9. The Board of Directors is also authorised to further develop on a general basis the procedures for granting proxies and for absentee voting prior to the meeting, including the rules of priority and conflict applicable thereto. The implementing rules adopted by the Board of Directors under the provisions of this section shall be published on the Company's corporate website.



10. The chairman and the secretary of the Board of Directors or the chair of and the secretary for the General Shareholders' Meeting, from the establishment of a valid quorum thereat, and the persons acting by delegation from any of them, shall have the broadest powers to verify the identity of the shareholders and their representatives; check the legitimacy of the exercise of the rights of attendance, proxy-granting, information and voting by the shareholders and their representatives; check and accept the validity and effectiveness of the proxies and absentee votes cast prior to the meeting (particularly the proxy and absentee voting card or verification document or instrument for attendance or proxy-granting), as well as the validity and effectiveness of the instructions received through intermediary and management institutions or depositaries of shares, all in accordance with the provisions set forth in the Company's Governance and Sustainability System and in the rules that the Board of Directors may establish in order to further develop such provisions."

## ITEM 9 ON THE AGENDA

### *Director Remuneration Policy*

#### RESOLUTION

To approve the *Director Remuneration Policy*, the full text of which, together with the required report of the Remuneration Committee, is included in the explanatory report of the Board of Directors made available to the shareholders as part of the documentation relating to the General Shareholders' Meeting as from the date of publication of the announcement of the call to meeting.

Pursuant to the provisions of Section 529 *novodecies.1* of the *Companies Act*, the new *Director Remuneration Policy* shall apply as from the date of its approval and during financial years 2025, 2026 and 2027.

## ITEM 10 ON THE AGENDA

### **Engagement dividend: approval and payment**

#### RESOLUTION

To approve the payment, as a shareholder engagement dividend linked to participation in the General Shareholders' Meeting, of a cash dividend, to be charged to unrestricted reserves, of €0.005 (gross) per outstanding share of "Iberdrola, S.A." (the "Company"), subject to the quorum for this General Meeting reaching 70% of the share capital of the Company (the "**Engagement Dividend**").

If the condition established for the payment of the Engagement Dividend is fulfilled, payment thereof will be made as from 20 May 2024 to those with shares of the Company registered in their name in the book-entry registers of "Sociedad de Gestión de los Sistemas de Registro, Compensación y Liquidación de Valores, S.A." (Sociedad Unipersonal) (IBERCLEAR) on 10 May 2024 (the "record date").

The withholding required by legal provisions in effect at any given time shall be made from the gross amounts paid.

To delegate to the Board of Directors, with express power of substitution, the power to deem the condition precedent relating to the minimum quorum to which the Engagement Dividend is subject to have been met, and therefore to proceed with the payment thereof on the date set forth above if it finds that, even though



the quorum of 70% of the Company's share capital for this General Shareholders' Meeting has not been met, the participation of the shareholders in these proceedings has been sufficient to consider, in its opinion, that the goals sought with this instrument to encourage the engagement of the shareholders in the life of the Company have been met, as well as to make all decisions and take all actions necessary or advisable for the payment of the Engagement Dividend, including, in particular and without limitation, setting the terms and conditions of the payment as to all matters not previously provided for, appointing the entity that is to act as payment agent, and signing the corresponding contract under the terms and conditions it deems appropriate, setting up the current accounts for this purpose, making the appropriate communications and notifications, and generally taking any other action necessary or advisable for the successful completion of said payment.

## ITEM 11 ON THE AGENDA

### Allocation of profits/losses and 2023 dividends: approval and supplementary payment that will be made within the framework of the "Iberdrola Retribución Flexible" optional dividend system

#### RESOLUTION

To approve the proposed allocation of profits/losses and payment of dividends for financial year 2023 formulated by the Board of Directors at its meeting held on 20 February 2024, which is described below:

To approve the payment, with a charge to the results for the financial year ended 31 December 2023 and to the balance from prior financial years, of a dividend in the aggregate gross amount equal to the sum of the following amounts (the "**Dividend**"):

- a) €427,242,101.62, which was paid on account of the dividend for financial year 2023 on 31 January 2024 to the holders of 2,115,059,909 shares of "Iberdrola, S.A." (the "**Company**") who elected to receive their remuneration in cash within the framework of the second implementation of the "Iberdrola Retribución Flexible" optional dividend system for financial year 2023 by collecting an amount of €0.202 (gross) per share (the total amount paid to said holders will be referred to as the "**Total Interim Dividend**"); and
- b) the determinable amount resulting from multiplying:
  - i. the gross amount per share to be paid by the Company as a supplementary dividend payment for financial year 2023 within the framework of the first implementation of the "Iberdrola Retribución Flexible" optional dividend system for financial year 2024 (the "**Supplementary Dividend**"), and which will be as determined by the Company's Board of Directors pursuant to the rules set forth in the section "Common terms and conditions of the dividend payment and increase in share capital resolutions proposed under items 11, 12 and 13 on the agenda pursuant to which the "Iberdrola Retribución Flexible" optional dividend system is implemented" (the "**Common Terms**"); by
  - ii. the total number of shares with respect to which the holders thereof have elected to receive the Supplementary Dividend within the framework of the first implementation of the "Iberdrola Retribución Flexible" optional dividend system for financial year 2024.

The amount of the Supplementary Dividend, and therefore the amount of the Dividend, cannot be determined as of the date of formulation of this proposed resolution.

For the purposes hereof, it is hereby noted that the payment of the Supplementary Dividend shall be made together with the implementation of the increase in share capital submitted for approval of the shareholders



at the General Shareholders' Meeting under item 12 on the agenda, in order to offer the shareholders the ability to receive their remuneration in cash (by collecting the Supplementary Dividend) or in newly-issued bonus shares of the Company (through said increase in share capital).

The collection of the Supplementary Dividend provided for in this resolution is thus configured, in accordance with the Common Terms, as one of the alternatives that a shareholder of the Company can choose when receiving their remuneration within the framework of the first implementation of the "Iberdrola Retribución Flexible" optional dividend system for financial year 2024. As a result of the foregoing, and as described below in the Common Terms, it shall be deemed that those shareholders choosing to receive their remuneration in cash through the Supplementary Dividend with respect to all or part of their shares expressly, automatically and irrevocably waive the free-of-charge allocation rights corresponding to said shares and therefore the ability to transfer them on the market or to receive the newly-issued bonus shares corresponding to said free-of-charge allocation rights.

The payment of the Supplementary Dividend, which is expected to become effective during the month of July 2024, shall be implemented through the participants in "Sociedad de Gestión de los Sistemas de Registro, Compensación y Liquidación de Valores, S.A." (Sociedad Unipersonal) (IBERCLEAR), the Board of Directors being hereby authorised to establish the specific date for payment of the Supplementary Dividend, to designate the entity that is to act as paying agent and to take such other steps as may be required or appropriate for the successful completion of the payment.

Also, to delegate to the Board of Directors the power to set the conditions applicable to the payment of the Supplementary Dividend to the extent not provided for in this resolution, including the determination of the specific gross amount of the Supplementary Dividend subject to the aforementioned rules.

Finally, pursuant to the provisions of Section 249 bis.1) of the *Companies Act*, to expressly authorise the Board of Directors to further delegate the powers referred to in this resolution.

The basis for distribution and the resulting proposed distribution (expressed in euros) is as follows:

**BASIS FOR DISTRIBUTION:**

Balance from prior financial years:	10,102,988,556.65
Profits for financial year 2023:	5,065,681,237.24
<b>TOTAL BASIS FOR DISTRIBUTION:</b>	<b>15,168,669,793.89</b>

**DISTRIBUTION:**

To Dividend:	Amount pending determination which will result from adding: (a) the Total Interim Dividend; and (b) the result of multiplying the Supplementary Dividend by the total number of shares with respect to which the holders thereof have elected to receive the Supplementary Dividend within the framework of the first implementation of the
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“Iberdrola Retribución Flexible” optional dividend system for financial year 2024.

To remainder:

Determinable amount that will result from subtracting the amount allocated to the Dividend from the total basis for distribution.

**TOTAL: 15,168,669,793.89**

On the date that the Board of Directors (or the body acting by delegation therefrom) decides to implement the increase in share capital that is being submitted for approval of the shareholders at the General Shareholders' Meeting under item 12 on the agenda (and therefore, to commence the first implementation of the “Iberdrola Retribución Flexible” optional dividend system for financial year 2024), the minimum amount of the Supplementary Dividend shall be announced. The final amount of the Supplementary Dividend shall be communicated as soon as the Board of Directors (or the body acting by delegation therefrom) determines it in accordance with the provisions of the Common Terms. Furthermore, once the first implementation of the “Iberdrola Retribución Flexible” optional dividend system for financial year 2024 is completed, the Board of Directors (with express power of substitution) shall proceed to specify the aforementioned proposed distribution, determining the final amount of the Dividend and the amount to be allocated to remainder.

The Common Terms include a sample calculation of the Supplementary Dividend, among other figures relating to the implementation of the increase in share capital submitted for approval of the shareholders at the General Shareholders' Meeting under item 12 on the agenda.

## ITEM 12 ON THE AGENDA

**First increase in capital by means of a scrip issue at a maximum reference market value of €2,600 million in order to implement the “Iberdrola Retribución Flexible” optional dividend system**

### RESOLUTION

To increase the share capital of “Iberdrola, S.A.” (the “**Company**”) upon the terms and conditions described in the section below, entitled “Common terms and conditions of the dividend payment and increase in share capital resolutions proposed under items 11, 12 and 13 on the agenda, pursuant to which the “Iberdrola Retribución Flexible” optional dividend system is implemented” (the “**Common Terms**”), at a maximum reference market value of €2,600 million for the shares to be issued in implementation of said increase.

The increase in share capital shall be implemented together with the supplementary payment of the dividend submitted for approval of the shareholders at the General Shareholders' Meeting under item 11 on the agenda, in order to offer the Company's shareholders the ability to receive their remuneration in cash (receiving said supplementary payment of the dividend) or in newly-issued bonus shares of the Company (through the increase in share capital). The delivery of bonus shares issued within the context of the increase in share capital is thus configured as one of the alternatives that a shareholder can choose when receiving their remuneration, pursuant to the provisions of the Common Terms.

Pursuant to the provisions of Section 297.1.a) of the *Companies Act*, to delegate to the Board of Directors the power to set the date on which the increase in share capital is to be carried out, if at all, and to set the terms and conditions applicable to all matters not included in this resolution.





Pursuant to the provisions of Section 249 *bis.l*) of the *Companies Act*, to expressly authorise the Board of Directors to further delegate the powers referred to in this resolution.

This increase in share capital is expected to be implemented together with the supplementary payment of the dividend contemplated in item 11 on the agenda during the month of July 2024.

## ITEM 13 ON THE AGENDA

### Second increase in capital by means of a scrip issue at a maximum reference market value of €1,700 million in order to implement the “Iberdrola Retribución Flexible” optional dividend system

#### RESOLUTION

To increase the share capital of “Iberdrola, S.A.” (the “**Company**”) upon the terms and conditions described in the section below, entitled “Common terms and conditions of the dividend payment and increase in share capital resolutions proposed under items 11, 12 and 13 on the agenda, pursuant to which the “Iberdrola Retribución Flexible” optional dividend system is implemented” (the “**Common Terms**”), at a maximum reference market value of €1,700 million for the shares to be issued in implementation of said increase.

The increase in share capital is expected to be implemented together with the payment of the interim dividend amount for financial year 2024, if any, to be approved by the Company’s Board of Directors (the “**Interim Dividend**”) in order to offer the Company’s shareholders the ability to receive their remuneration in cash (by collecting the Interim Dividend) or in newly-issued bonus shares of the Company (through the increase in share capital). The delivery of bonus shares issued within the context of the increase in share capital is thus configured as one of the alternatives that a shareholder can choose when receiving their remuneration, pursuant to the provisions of the Common Terms.

Pursuant to the provisions of Section 297.1.a) of the *Companies Act*, to delegate to the Board of Directors the power to set the date on which the increase in share capital is to be carried out, if at all, and to set the terms and conditions applicable to all matters not included in this resolution.

Pursuant to the provisions of Section 249 *bis.l*) of the *Companies Act*, to expressly authorise the Board of Directors to further delegate the powers referred to in this resolution.

This increase in share capital is expected to be implemented together with the Interim Dividend payment during the month of January 2025.

#### COMMON TERMS AND CONDITIONS OF THE DIVIDEND PAYMENT AND INCREASE IN SHARE CAPITAL RESOLUTIONS PROPOSED UNDER ITEMS 11, 12 AND 13 ON THE AGENDA PURSUANT TO WHICH THE “IBERDROLA RETRIBUCIÓN FLEXIBLE” OPTIONAL DIVIDEND SYSTEM IS IMPLEMENTED

##### 1. Main characteristics of the “Iberdrola Retribución Flexible” optional dividend system

The purpose of the resolutions for the allocation of profits/losses and dividend payment and of the increase in share capital resolutions proposed under items 11, 12 and 13 on the agenda is to implement the “Iberdrola Retribución Flexible” optional dividend system for financial year 2024 pursuant to which the shareholders of “Iberdrola, S.A.” (the “**Company**”) are offered the ability to receive their remuneration in cash or in newly-issued bonus shares.



For this purpose, there shall be two implementations of said optional dividend system in each of which dividend payments shall be made (the “**Dividend Payments**”, and individually a “**Dividend Payment**”) along with the implementations of the increases in share capital (the “**Increases in Capital**”, and individually, an “**Increase in Capital**”) submitted for approval of the shareholders at the General Shareholders' Meeting under items number 12 and 13 on the agenda:

- (i) The first implementation, which is expected to take place during the month of July 2024 (the “**First Implementation**”), shall be carried out through the supplementary payment of the dividend for financial year 2023 contemplated in item 11 on the agenda (the “**Supplementary Dividend**”) together with the implementation of the Increase in Capital submitted for approval of the shareholders at the General Shareholders' Meeting under item 12 on the agenda.
- (ii) The second implementation, which is expected to take place during the month of January 2025 (the “**Second Implementation**”, and collectively with the First Implementation, the “**Implementations**” and each of the Implementations, individually, an “**Implementation**”), shall be carried out through the payment of an interim amount of the dividend for financial year 2024 (the “**Interim Dividend**”) to be approved, if appropriate, by the Board of Directors pursuant to the provisions of section 2.2 below, together with the implementation of the Increase in Capital submitted for approval of the shareholders at the General Shareholders' Meeting under item 13 on the agenda.

The Supplementary Dividend and the Interim Dividend shall hereinafter be referred to collectively as the “**Dividends**” and each of them individually as a “**Dividend**”.

In each of the Implementations, the shareholders may choose from among the following options for remuneration upon the terms and conditions established by the Board of Directors (with express power of substitution):

- (a) Receiving their remuneration in newly-issued bonus shares of the Company. To this end, shareholders must refrain from transferring their free-of-charge allocation rights on the market. In this case, upon completion of the trading period for the free-of-charge allocation rights and implementation of the Increase in Capital, the shareholders shall receive such number of new shares as they are proportionately entitled to receive, entirely as bonus shares. This is the default option.
- (b) Transferring their free-of-charge allocation rights on the market during the trading period pursuant to the provisions of section 5 below. In this case, the consideration for such rights will depend on market conditions in general and on the listing price of such rights in particular.
- (c) Receiving their remuneration in cash by collecting the Dividend in question, for which purpose the shareholders shall be required to make an express election in this regard.

The final amount of each of the Dividend Payments and of each Increase in Capital shall be determined by the Company's Board of Directors (or the body acting by delegation therefrom) within the context of each of the Implementations pursuant to the provisions of the sections below.

Within the year following the date of approval of the resolutions included in items 12 and 13 on the agenda, each of the Implementations may be made by the Board of Directors (with express power of substitution) at its sole discretion, and therefore without having to once again obtain the approval of the shareholders at a General Shareholders' Meeting, and based on the legal and financial conditions existing at the time of each Implementation, in order to offer the Company's shareholders a flexible and efficient remuneration formula.



The shareholders may only elect remuneration option (c) above (i.e. receive the Dividend in question) during the “**Common Election Period**”. This Period will begin on the same day as the trading period for the free-of-charge allocation rights, and the Board of Directors (with express power of substitution) must establish the specific term of the Common Election Period, which may in no event exceed the term of said trading period.

In addition, the default option will apply to shareholders who do not communicate the flexible remuneration option chosen in respect of their different groups of shares during the Common Election Period, for which reason they will receive their remuneration through the delivery of new fully paid-up shares of the Company (i.e. the remuneration option referred to in paragraph (a) above).

Based on their preferences and needs, the Company's shareholders may combine any of the alternatives mentioned in paragraphs (a) through (c) above. In any event, the election of one of the remuneration options automatically excludes the ability to choose either of the other two options regarding the same shares, for which reason the aforementioned ability to combine options will only be possible with respect to different groups of shares.

As described below (see section 3 below), if the requirements of Section 277 of the *Companies Act* to pay the Interim Dividend (the “**Requirements**”) are not met within the framework of the Second Implementation, the Company shall make an irrevocable commitment to acquire the free-of-charge allocation rights arising from the second Increase in Capital at a guaranteed fixed price upon the terms and conditions described below (the “**Purchase Commitment**” and the “**Fixed Purchase Price**”, respectively). In this case, the shareholders may monetise their free-of-charge allocation rights by transferring them to the Company at the Fixed Purchase Price and thus receive a cash amount equal to the one that the Company would have paid as an Interim Dividend.

The Company assumes no liability for the choices made by the holders of the free-of-charge allocation rights (or for a failure to choose, if an express and valid communication is not received from said holders).

The Company also rejects any liability of any kind as a result of the failure of the depositaries to transmit in due time and form the election requests made by the holders of free-of-charge allocation rights. In this regard, it should be noted that if the depositaries do not process the elections of the holders of free-of-charge allocation rights in a timely manner, they may receive the default flexible remuneration option (i.e. the delivery of new fully paid-up shares of the Company). Any claims on these grounds must be made directly to the depositaries.

It is also stated for the record that the only period authorised for the holders of free-of-charge allocation rights to communicate to the entities with which their rights are deposited their preferences regarding the remuneration options is the Common Election Period, regardless of whether they are institutional or minority holders of rights. The Company assumes no liability for a breach of this period by the depositaries (whether due to not accepting communications during a portion of the Common Election Period or for accepting them after the passage of said period, or for any other reason), for which reason any claim in this regard must be addressed by the shareholders or holders of free-of-charge allocation rights to the depositary in question.

## 2. Amount of the Dividends

### 2.1. Gross amount per share to be paid to the shareholders as a Supplementary Dividend in the First



## Implementation

The gross amount to be paid to the shareholders as a Supplementary Dividend for each share of the Company with the right to receive it shall be determined within the context of the First Implementation by the Board of Directors (with express power of substitution), subject to the terms and conditions set forth in item 11 on the agenda and in this section (the “**Supplementary Dividend**”).

During the Common Election Period for the First Implementation, the Company's shareholders shall have the ability to expressly choose to receive the Supplementary Dividend with respect to all or part of the shares they own and that are outstanding on the relevant date upon the terms set by the Board of Directors (with express power of substitution) and pursuant to applicable securities clearing and settlement rules from time to time in effect. If they choose to receive the Supplementary Dividend with respect to all or part of their shares, the shareholders shall expressly, automatically and irrevocably waive the free-of-charge allocation rights corresponding to said shares.

The free-of-charge allocation rights acquired on the market during the trading period established for this purpose by the Board of Directors (or the body acting by delegation therefrom) shall not give the acquiring parties the right to choose to receive the Supplementary Dividend. Therefore, the new holders of these rights may only monetise their investment through the sale thereof on the market during said trading period that has been activated for this purpose. Alternatively, they may receive the newly-issued bonus shares of the Company to which they are entitled.

After the Common Election Period for the First Implementation has ended, the Board of Directors (with express power of substitution) shall determine the aggregate gross amount in euros corresponding to the Dividend Payment for the First Implementation (equal to the final amount of the Supplementary Dividend) and shall make payment thereof through the participants in “Sociedad de Gestión de los Sistemas de Registro, Compensación y Liquidación de Valores, S.A.” (Sociedad Unipersonal) (“**IBERCLEAR**”), the Board of Directors being hereby authorised for such purpose (with express power of substitution) to establish the specific date on which the Dividend Payment should occur, to designate the entity that is to act as paying agent, and to take such other steps as may be required or appropriate for the successful completion of the Dividend Payment. Furthermore, after calculating said aggregate gross amount corresponding to the Dividend Payment for the First Implementation, the Board of Directors (with express power of substitution) shall, if applicable, rescind the resolution on payment of the Supplementary Dividend with respect to the amounts that were not paid to those shareholders who elected (expressly or implicitly) to receive newly-issued bonus shares of the Company or who sold their free-of-charge allocation rights on the market.

Moreover, after calculating the aggregate gross amount of the Supplementary Dividend, the aggregate total amount paid as a dividend with a charge to the results for the financial year ended 31 December 2023 pursuant to the provisions of item 11 on the agenda shall be determined and, in view of said amount, the amount of the total basis for distribution established in said item on the agenda to be allocated to remainder shall be specified, and the resulting proposed allocation of profits/losses and payment of the dividend for financial year 2023 shall be completed.

Section 4.1 below includes the formula for calculating the gross amount per share corresponding to the Supplementary Dividend.



## 2.2. Gross amount per share to be paid to the shareholders as an Interim Dividend in the Second Implementation

The gross amount to be paid as an Interim Dividend, if any, for each share of the Company with the right to receive it shall be as determined by the Board of Directors pursuant to the corresponding resolution to be adopted prior to 31 December 2024, and which will be subject in any event to confirmation that the Requirements have been met (the “**Interim Dividend**”).

During the Common Election Period for the Second Implementation, the Company’s shareholders shall have the ability to expressly choose to receive the Interim Dividend with respect to all or part of the shares they own and that are outstanding on the relevant date upon the terms set by the Board of Directors (with express power of substitution) and pursuant to applicable securities clearing and settlement rules from time to time in effect. If they choose to receive the Interim Dividend with respect to all or part of their shares, the shareholders shall expressly, automatically and irrevocably waive the free-of-charge allocation rights corresponding to said shares.

The free-of-charge allocation rights acquired on the market during the trading period established for this purpose by the Board of Directors (or the body acting by delegation therefrom) shall not give the acquiring parties the right to choose to receive the Interim Dividend. Therefore, the new holders of these rights may only monetise their investment through the sale thereof on the market during said trading period that has been activated for this purpose. Alternatively, they may choose to receive the newly-issued bonus shares to which they are entitled at the end of the aforementioned trading period.

After the Common Election Period for the Second Implementation, the Board of Directors (with express power of substitution) shall determine the aggregate gross amount in euros corresponding to the Dividend Payment for the Second Implementation and shall make payment thereof through the participants in IBERCLEAR. To this end, the Board of Directors (with express power of substitution) shall establish the specific date on which the Dividend Payment should occur, shall designate the entity that is to act as paying agent, and shall take such other steps as may be required or appropriate for the successful completion of the Dividend Payment. Furthermore, after calculating said aggregate gross amount corresponding to the Dividend Payment for the Second Implementation, the Board of Directors (with express power of substitution) shall, if applicable, rescind the resolution on payment of the Interim Dividend with respect to the amounts that were not paid to those shareholders who elected (expressly or implicitly) to receive newly-issued bonus shares of the Company or who sold their free-of-charge allocation rights on the market.

Section 4.1 below includes the formula for calculating the gross amount per share corresponding to the Interim Dividend.

## 3. Purchase Commitment within the framework of the Second Implementation

If the Requirements are not met to pay the Interim Dividend within the framework of the Second Implementation (which circumstance shall be communicated to the market), the Company shall make the Purchase Commitment upon the terms described in this section in order to ensure that the shareholders can receive all or part of their remuneration in cash.

The Fixed Purchase Price shall be calculated by applying the formula used to determine the gross amount per share of the Interim Dividend (see section 4.1 below), such that the amount that would be received by



shareholders choosing this option would be equal to the amount they would have received if it had been possible to pay the Interim Dividend. The Fixed Purchase Price shall be calculated prior to the commencement of the trading period for the free-of-charge allocation rights of the second Increase in Capital and shall be published as soon as it is determined.

The Purchase Commitment assumed by the Company shall cover the free-of-charge allocation rights received by those who are registered as being entitled thereto in the book-entry registers of IBERCLEAR on the relevant date pursuant to the securities clearing and settlement rules from time to time in effect. The free-of-charge allocation rights acquired on the market during the trading period established for this purpose by the Board of Directors (or the body acting by delegation therefrom) shall not give the acquiring parties the right to enforce the Purchase Commitment or, therefore, to receive the Fixed Purchase Price. Therefore, the new holders of these rights may only monetise their investment through the sale thereof on the market during said trading period that has been activated for this purpose. Alternatively, they may choose to receive the newly-issued bonus shares to which they are entitled at the end of the aforementioned trading period.

The Purchase Commitment shall be in effect and may be accepted during such term as is established for these purposes by the Board of Directors (with express power of substitution), and which must in any case be included within the trading period for the free-of-charge allocation rights.

In relation to the foregoing, the Company is authorised to acquire said free-of-charge allocation rights, with a maximum limit of all rights issued in relation to the second Increase in Capital, but must in any case comply with the legal requirements applicable from time to time.

The acquisition by the Company of the free-of-charge allocation rights as a result of the Purchase Commitment shall be carried out with a charge to the reserves contemplated in Section 303.1 of the *Companies Act*.

The Company shall waive the new shares corresponding to the free-of-charge allocation rights that it has acquired by application of the Purchase Commitment. In such an event, pursuant to the provisions of Section 311 of the *Companies Act*, there will be an incomplete allocation of the Increase in Capital corresponding to the Second Implementation, and the share capital shall be increased solely by the amount corresponding to the free-of-charge allocation rights that have not been waived.

#### 4. Common characteristics of the Increases in Capital

The amount of each of the Increases in Capital shall be the amount resulting from multiplying: (a) the nominal value of each share of the Company, equal to seventy-five euro cents; by (b) the total determinable number of new shares of the Company to be issued, in accordance with the formula set forth in section 4.1 below, on the date of each of the Implementations (the new shares of the Company issued by way of implementation of each of the Increases in Capital shall be collectively referred to as the “**New Shares**”, and each one, individually, as a “**New Share**”).

Both Increases in Capital shall be carried out, if at all, by means of the issuance and flotation, on their respective dates of Implementation, of the New Shares, which shall be ordinary shares having a nominal value of seventy-five euro cents each, of the same class and series as those currently outstanding, represented by book entries.

The Increases in Capital shall be entirely carried out with a charge to the reserves contemplated in Section 303.1 of the *Companies Act*. When implementing each of the Increases in Capital, the Board of Directors (with



express power of substitution) shall determine the reserve(s) to be used and the amount of such reserve(s) in accordance with the balance sheet used as a basis for the transaction.

The New Shares shall be issued at par, i.e. at their nominal value of seventy-five euro cents, without a share premium, and shall be allocated without charge to the shareholders of the Company who have opted for this remuneration alternative.

Pursuant to the provisions of Section 311 of the *Companies Act*, the possibility of an incomplete allocation of the Increases in Capital is contemplated in the event that the Company, a company within its group, a shareholder or a third party waives all or part of the free-of-charge allocation rights to which they are entitled at the time of implementation of each of the Increases in Capital, for which reason, in the event of such waiver, the share capital shall be increased by the corresponding amount. For these purposes, it shall be deemed that those who have chosen to receive their remuneration in cash by means of collecting the Dividend in question with respect to all or part of their shares expressly, automatically and irrevocably waive the free-of-charge allocation rights corresponding to said shares, upon the terms and conditions set forth herein.

#### 4.1 New Shares to be issued in each of the Increases in Capital

The maximum number of New Shares to be issued in each of the Increases in Capital shall be the number resulting from the application of the following formula, with the resulting number being rounded to the next lower integer:

$$\text{NNS} = \text{TNShrs.} / \text{Num. rights}$$

where:

NNS = Maximum number of New Shares to be issued within the framework of the relevant Increase in Capital;

TNShrs. = Number of shares of the Company outstanding on the date that the Board of Directors (with express power of substitution) resolves to implement the relevant Increase in Capital. In this regard, those shares of the Company that have previously been retired by virtue of the implementation of the resolution approving the reduction in share capital by means of the retirement of own shares submitted to the shareholders for approval at the General Shareholders' Meeting under item 14 on the agenda, even if the corresponding public instrument formalising the reduction in share capital has not been executed or is pending registration with the Commercial Registry, shall not be deemed to be outstanding shares of the Company; and

Num. rights = Number of free-of-charge allocation rights required for the allocation of one New Share within the framework of the relevant Increase in Capital, which number will result from the application of the following formula, with the resulting number being rounded to the next higher integer:

$$\text{Num. rights} = \text{TNShrs.} / \text{Provisional number of shares}$$

where:

Provisional number of shares = Amount of the Option / ListPri.



For these purposes, “**Amount of the Option**” shall mean the maximum reference market value of the relevant Increase in Capital to be set by the Board of Directors (with express power of substitution) and which shall not be greater than the amount referred to in the proposed Increase in Capital resolutions submitted for the approval of the shareholders at the General Shareholders' Meeting under items 12 and 13 on the agenda (i.e. €2,600 and €1,700 million, respectively).

For its part, “**ListPri**” shall be the arithmetic mean of the average weighted listing prices of the Company's shares on the Madrid, Barcelona, Bilbao and Valencia Stock Exchanges through the Automated Quotation System (*Sistema de Interconexión Bursátil*) (Continuous Market) for the five trading sessions determined by the Board of Directors (or the body acting by delegation therefrom) to set the number of free-of-charge allocation rights needed for the allocation of one New Share in the relevant Increase in Capital, rounding the result to the closest one-thousandth part of one euro.

The maximum number of New Shares to be issued thus calculated shall be rounded to obtain a whole number of shares (with the result being rounded to the next lower integer) and a ratio for the conversion of rights into shares that is also an integer (with the result being rounded to the next higher integer). In addition, and for the same purposes, the Company (or any company within its group that holds shares of the Company) shall waive the corresponding free-of-charge allocation rights as provided in section 4.2 below.

Furthermore, the gross amount per share of the Dividend in question, or if the Requirements are not met in the Second Implementation, the Fixed Purchase Price per free-of-charge allocation right will be that which results from the application of the following formula, rounding the result to the closest one-thousandth part of one euro:

$$\text{Dividend (or, if applicable, Fixed Purchase Price)} = \text{ListPri} / (\text{Num. rights} + 1)$$

#### 4.2 Free-of-charge allocation rights

In each of the Increases in Capital, each outstanding share of the Company on the date of Implementation of the corresponding Increase in Capital (TNShrs.) shall grant its holder one free-of-charge allocation right.

The number of free-of-charge allocation rights required to receive one New Share in each of the Increases in Capital shall be automatically determined according to the ratio existing between the number of outstanding shares of the Company on the date of Implementation of the relevant Increase in Capital (TNShrs.) and the provisional number of New Shares, calculated by using the formula contained in section 4.1 above. Specifically, the holders of free-of-charge allocation rights shall be entitled to receive one New Share for the number of free-of-charge allocation rights held by them, which shall be determined as provided in section 4.1 above (Num. rights).

In the event that the number of free-of-charge allocation rights required for the allocation of one New Share (Num. rights) multiplied by the number of New Shares to be issued (NNS) results in a number that is lower than the number of outstanding shares of the Company on the date of Implementation of the corresponding Increase in Capital (TNShrs.), the Company (or any company within its group that holds shares of the Company) shall waive a number of free-of-charge allocation rights equal to the difference





between both figures for the sole purpose that the number of New Shares be a whole number and not a fraction.

The free-of-charge allocation rights shall be allocated to those who are registered as being entitled thereto in the book-entry registers of IBERCLEAR on the relevant date pursuant to the securities clearing and settlement rules from time to time in effect. In this regard, the Company will waive the free-of-charge allocation rights corresponding to the shares of the Company that have been retired prior to the date of Implementation of the corresponding Increase in Capital if said shares have not yet been removed from the book-entry registers of IBERCLEAR because the corresponding public instrument formalising the implementation of the resolution on the reduction in share capital, the approval of which is submitted to the shareholders at the General Shareholders' Meeting under item 14 on the agenda, has not yet been executed or is still pending registration.

The free-of-charge allocation rights shall be transferable upon the same terms as the shares from which they derive and may be traded on the market during such term as is established by the Board of Directors (with express power of substitution) in implementing the relevant Increase in Capital, which term shall not be less than fourteen calendar days. During such term, a sufficient number of free-of-charge allocation rights may be acquired on the market in the proportion required to receive New Shares.

Notwithstanding the foregoing, the free-of-charge allocation rights acquired on the market during the trading period established for this purpose shall not give the acquiring party the right to choose to receive the corresponding Dividend (or, if applicable, to enforce the Purchase Commitment and receive the Fixed Purchase Price). Therefore, the new holders of these free-of-charge allocation rights may only monetise their investment through the sale thereof on the market during said trading period that has been activated for this purpose. Alternatively, they may choose to receive the fully paid-up New Shares to which they are entitled at the end of the aforementioned trading period.

Therefore, during the trading period for the free-of-charge allocation rights, subject to any other terms and conditions established by the Board of Directors (with express power of substitution), the holders of free-of-charge allocation rights may choose between:

- (a) receiving their remuneration in New Shares, in which case, at the end of the period for trading the free-of-charge allocation rights, they shall be allocated the New Shares to which they are entitled pursuant to the terms and conditions of the implementation of the Increase in Capital in question;
- (b) transferring all or part of their free-of-charge allocation rights on the market, in which case the consideration that the holders of free-of-charge allocation rights will receive for the sale thereof will depend on market conditions in general and on the listing price of said rights in particular; or
- (c) only during the Common Election Period determined by the Board of Directors (with express power of substitution), receiving their remuneration in cash by collecting the corresponding Dividend (or, if applicable, by collecting the Fixed Purchase Price), for which purpose the shareholders shall be required to make an express election in this regard. The shareholders may choose to receive their cash remuneration with respect to all or part of their shares.

In this case, it shall be deemed that those choosing to receive their remuneration in cash with respect to all or part of their shares expressly, automatically and irrevocably waive the free-of-



charge allocation rights corresponding to said shares and the ability to transfer them on the market. To this end, the participants in IBERCLEAR will block said free-of-charge allocation rights, which may not be transferred on the market and which shall automatically expire at the end of the trading period, without the holders thereof being entitled to receive New Shares.

Based on their preferences and needs, the Company's shareholders may combine any of the alternatives mentioned in paragraphs (a) through (c) above. In any event, the election of one of the remuneration options automatically excludes the ability to choose either of the other two options regarding the same shares, for which reason the ability to combine options referred to above will only be possible with respect to different groups of shares.

The Company assumes no liability for the choices made by the holders of the free-of-charge allocation rights (or for a failure to choose, if an express and valid communication is not received from said holders).

The Company also rejects any liability of any kind as a result of the failure of the depositaries to transmit in due time and form the election requests made by the holders of free-of-charge allocation rights. In this regard, it should be noted that if the depositaries do not process the elections of the holders of free-of-charge allocation rights in a timely manner, they may receive the default flexible remuneration option (i.e. the delivery of new fully paid-up shares of the Company). Any claims on these grounds must be made directly to the depositaries.

It is also stated for the record that the only period authorised for the holders of free-of-charge allocation rights to communicate to the entities with which their rights are deposited their preferences regarding the remuneration options is the Common Election Period, regardless of whether they are institutional or minority holders of rights. The Company assumes no liability for a breach of this period by the depositaries (whether due to not accepting communications during a portion of the Common Election Period or for accepting them after the passage of said period, or for any other reason), for which reason any claim in this regard must be addressed by the shareholders or holders of free-of-charge allocation rights to the depositary in question.

#### **4.3 Balance sheet for the transaction and reserve with a charge to which the Increases in Capital are carried out**

The balance sheet used as a basis for the two Increases in Capital is the one for the financial year ended 31 December 2023, duly audited and submitted to the shareholders for approval at this General Shareholders' Meeting under item 1 on the agenda.

The Increases in Capital shall be entirely carried out with a charge to the reserves contemplated in Section 303.1 of the *Companies Act*. When implementing each of the Increases in Capital, the Board of Directors (with express power of substitution) shall determine the reserve(s) to be used and the amount of such reserve(s) in accordance with the balance sheet used as a basis for the transaction.

#### **4.4 Representation of the New Shares**

The New Shares will be represented by book entries, the book-entry registration of which is entrusted to IBERCLEAR and its participants.



#### 4.5 Rights attaching to the New Shares

As from the date on which the relevant Increase in Capital is declared to be subscribed and paid up, the New Shares shall grant the holders thereof the same financial, voting and like rights as the ordinary shares of the Company then outstanding.

#### 4.6 Shares on deposit

Once the period for trading the free-of-charge allocation rights during each of the Increases in Capital has ended, the New Shares that could not be allocated for reasons not attributable to the Company shall be kept on deposit for those who provide evidence that they are the lawful holders of the corresponding free-of-charge allocation rights. Once three years have passed from the end of each of the periods for trading the free-of-charge allocation rights, the New Shares issued by virtue of the relevant Increase in Capital that are still pending allocation may be sold in accordance with the provisions of Section 117 of the *Companies Act*, at the expense and peril of the interested parties. The cash amount from such sale shall be deposited with Banco de España or with Caja General de Depósitos at the disposal of the interested parties.

#### 4.7 Application for admission to trading

The Company shall make application for trading the New Shares to be issued as a consequence of each of the Increases in Capital on the Madrid, Barcelona, Bilbao and Valencia Stock Exchanges, through the Automated Quotation System (*Sistema de Interconexión Bursátil*) (Continuous Market), and shall carry out such acts and formalities as are required and submit the documents needed to the appropriate bodies for admission to trading of the New Shares issued as a result of each of the approved Increases in Capital, with an express statement for the record of the Company's submission to the rules that may now or hereafter exist with respect to Stock Exchange matters, and especially regarding trading, continued trading and removal from trading on official markets.

Any subsequent request for removal from trading of the shares of the Company shall be adopted with the same formalities as those that apply to the application for trading and, in such event, the interests of the shareholders opposing or not voting on the resolution to remove shall be safeguarded, in compliance with the requirements set out by applicable law at such time.

### 5. Application of the "Iberdrola Retribución Flexible" optional dividend system. Implementations

Within a period of one year from the date of approval of this resolution, the Board of Directors (with express power of substitution) may set the date on which each Implementation must be carried out and set the terms and conditions thereof as to all matters not provided for in this resolution (including, in particular, the Amount of the Option corresponding to each of the Implementations and the Supplementary Dividend).

Furthermore, it is expected that prior to 31 December 2024, the Board of Directors will determine the Interim Dividend to be paid for purposes of the Second Implementation as well as the other conditions applicable to the Interim Dividend, pursuant to the provisions of Section 277 of the *Companies Act*. To this end, and in accordance with the provisions of Section 161 of the *Companies Act*, the shareholders acting at this General Shareholders' Meeting hereby instruct the Board of Directors, if the Requirements are met, to approve the payment of the Interim Dividend and set the terms and conditions applicable to the corresponding Dividend Payment, all in order to carry out the Second Implementation.



Notwithstanding the foregoing, if the Board of Directors (with express power of substitution) does not deem it advisable to carry out one or both Implementations, in whole or in part, within the aforementioned period, it may refrain from doing so, with the duty to inform the shareholders thereof at the next General Shareholders' Meeting.

Specifically, the Board of Directors (with express power of substitution) shall analyse and take into account the market conditions, the circumstances of the Company itself or those deriving from an event that has social or financial significance for the Company and, if these or other factors make it inadvisable, in its opinion, to carry out one or both Implementations, it may refrain from doing so. In addition, the resolutions approved by the shareholders at this General Shareholders' Meeting relating to the Supplementary Dividend and to the Increases in Capital shall be deprived of any and all effect in the event that the Board of Directors (or the body acting by delegation therefrom) does not exercise the powers delegated thereto or, in the case of the Second Implementation, does not approve the payment of the Interim Dividend or honour the Purchase Commitment, within a period of one year from approval of the resolutions.

Once the period for trading the free-of-charge allocation rights corresponding to each of the Increases in Capital has ended, the following shall apply:

- (a) The New Shares shall be allocated to those who, according to the book-entry registers maintained by IBERCLEAR and its participants, are the holders of free-of-charge allocation rights in the proportion resulting from section 4 above due to not having waived them on the terms provided above.
- (b) The period for trading the free-of-charge allocation rights shall be declared to have ended and the appropriation of the account(s) with a charge to which the relevant Increase in Capital will be implemented shall be formalised on the books in the respective amount, with which appropriation the Increase in Capital will be paid up.
- (c) The Company shall pay the Supplementary Dividend or the Interim Dividend (or, if the Requirements are not met within the framework of the Second Implementation, the Fixed Purchase Price), as applicable, to the shareholders that have expressly chosen this remuneration option within the period and subject to the terms and conditions determined for these purposes by the Board of Directors (with express power of substitution), pursuant to the provisions of section 2 above.

Likewise, once each of the periods for trading the free-of-charge allocation rights has ended, the Board of Directors (with express power of substitution) shall adopt the resolutions required to amend the *By-Laws* so that they reflect the new amount of the share capital and the number of shares resulting from the implementation of the relevant Increase in Capital, and to make application for trading of the resulting New Shares on the Madrid, Barcelona, Bilbao and Valencia Stock Exchanges, through the Automated Quotation System (Continuous Market).

## 6. Delegation to carry out each of the Implementations

In particular, and by way of example only, the following powers are delegated to the Board of Directors (with express power of substitution):

- (a) To set the date on which each of the Implementations must be carried out, which shall in any case be within a period of one year from the approval of this resolution, and to determine the specific schedule for each of the Implementations.



- (b) As regards each of the Implementations, to set the Amount of the Option, the amount of the Supplementary Dividend (in the case of the First Implementation), the number of New Shares and the number of free-of-charge allocation rights necessary for the allocation of one New Share, applying the rules established by this resolution for such purpose.
- (c) To determine the reserve(s), among those contemplated in this resolution, with a charge to which each of the Increases in Capital will be implemented.
- (d) To designate the company or companies that will assume the duties of agent and/or financial adviser in connection with each of the Implementations, and sign all required contracts and documents for such purpose. In particular, to appoint the entity that must act as paying agent in each of the Dividend Payments.
- (e) To determine the five trading sessions that will be used to set the "ListPri"; as well as to perform the mathematical calculations provided for in this resolution and thus to calculate and set the "ListPri", which shall be the arithmetic mean of the average weighted listing prices of the Company's shares on the Madrid, Barcelona, Bilbao and Valencia Stock Exchanges through the Automated Quotation System (*Sistema de Interconexión Bursátil*) (Continuous Market) during said five trading sessions.
- (f) To set the duration of the periods for trading the free-of-charge allocation rights corresponding to each of the Increases in Capital.
- (g) As regards each of the Implementations, to set the specific duration of the Common Election Period and the terms and conditions under which the shareholders may state their preferences regarding the receipt of their remuneration (in cash or in New Shares).
- (h) After the Common Election Period for each Implementation has ended, to determine the aggregate gross amount in euros corresponding to the Dividend Payment in question and to make payment thereof through the participants in IBERCLEAR.
- (i) To declare the Increases in Capital to be closed and implemented, for such purpose setting the number of New Shares actually allocated in each of them, and therefore the amount by which the Company's share capital must be increased in accordance with the rules established by the shareholders at this General Shareholders' Meeting, as well as declare, if applicable, the existence of an incomplete allocation of each of the Increases in Capital.
- (j) To rescind the resolution on payment of the corresponding Dividend with respect to the amounts that were not paid to those shareholders who elected (expressly or implicitly) to receive New Shares.
- (k) In the case of the First Implementation, to determine the aggregate total amount to be paid as a dividend with a charge to the results for the financial year ended 31 December 2023 pursuant to the provisions of item 11 on the agenda (i.e. the final amount of the Supplementary Dividend), to specify, in view of said amount, the amount of the total basis for distribution established in said item on the agenda to be allocated to remainder, and to complete the resulting proposed allocation of profits/losses and payment of the dividend for financial year 2023.
- (l) In the case of the First Implementation and if the Board of Directors, with express power of substitution, does not deem it appropriate to implement it, in whole or in part, during said period, to determine the aggregate total amount that has been paid as a dividend with a charge to the results for the financial year ended 31 December 2023 (which shall be equal to the total amount paid on account of the dividend for said financial year), to specify the amount of the total basis for distribution



established in said item on the agenda to be allocated to remainder, and to complete the resulting proposed allocation of profits/losses and payment of the dividend for financial year 2023.

- (m) To amend the article of the *By-Laws* setting the share capital such that it reflects the amount of capital and the number of outstanding shares resulting from the implementation of the relevant Increase in Capital.
- (n) To waive, if appropriate, and in each of the Increases in Capital, free-of-charge allocation rights to subscribe New Shares for the sole purpose of facilitating that the number of New Shares be a whole number and not a fraction, as well as any free-of-charge allocation rights allocated to shares of the Company that have been retired prior to the date of implementation of the corresponding Increase in Capital if said shares have not yet been removed from the book-entry registers of IBERCLEAR because the corresponding public instrument formalising the implementation of the resolution approving the reduction in share capital, the approval of which is submitted to the shareholders at the General Shareholders' Meeting under item 14 on the agenda, has not yet been executed or is still pending registration.
- (o) If the Purchase Commitment must be honoured within the framework of the Second Implementation due to the Requirements for the payment of the Interim Dividend not having been met, to determine the acquisition by the Company of the corresponding free-of-charge allocation rights, set the period of time during which the Purchase Commitment will be in effect (within the limits established in the resolutions), honour the Purchase Commitment by paying the corresponding amounts to the shareholders who have accepted said commitment, waive the free-of-charge allocation rights owned by the Company at the end of the trading period of the Second Implementation as a result of the Purchase Commitment, and thus the New Shares corresponding to such rights, and take any other measures or actions needed to fully honour the Purchase Commitment.
- (p) To take all steps required for the New Shares to be included in the book-entry registers of IBERCLEAR and admitted to trading on the Madrid, Barcelona, Bilbao and Valencia Stock Exchanges through the Automated Quotation System (Continuous Market) after each of the Increases in Capital.
- (q) To take any actions that are necessary or appropriate to implement and formalise each of the Increases in Capital before any Spanish or foreign public or private entities or agencies, including acts for purposes of representation, supplementation, or correction of defects or omissions that might prevent or hinder the full effectiveness of the foregoing resolutions.
- (r) To approve and implement such technical or other mechanisms as IBERCLEAR and the IBERCLEAR participants may deem necessary or appropriate in order to make any corresponding payment on account.

## 7. Sample calculation relating to the First Implementation

Set out below, solely for purposes of facilitating an understanding of the application hereof, is a sample calculation, in the case of the First Implementation, of the maximum number of New Shares to be issued in the Increase in Capital submitted for the approval of the shareholders at the General Shareholders' Meeting under item 12 on the agenda, of the maximum nominal value of such increase, of the number of free-of-charge allocation rights required for the allocation of one new share and of the Dividend (which in this First Implementation would be the Supplementary Dividend).



The results of these calculations are not representative of those that might be obtained, which, in the case of the First Implementation, will depend on the different variables used in the formulas (basically, the listing price of the Company's shares at that time (ListPri) and the Amount of the Option, as determined by the Board of Directors (with express power of substitution) in exercise of the power delegated by the shareholders at the General Shareholders' Meeting).

Solely for the purposes of this example:

- The Amount of the Option is €2,280 million.
- The TNShrs. is 6,240,000,000<sup>1</sup>.
- A ListPri of €10.960 is assumed (solely for the purposes of this example, the listing price of the Company's shares at the closing of the trading session of 13 March 2024 has been used as a reference).

Therefore:

Provisional number of shares = Amount of the Option / ListPri	$2,280,000,000 / 10.960 = 208,029,197.080292 \approx 208,029,197$ shares (rounded downwards)
Num. rights = TNShrs. / Provisional number of shares	$6,240,000,000 / 208,029,197 = 29.9957894852615000 \approx 30$ rights (rounded upwards)
NNS = TNShrs. / Num. rights	$6,240,000,000 / 30 = 208,000,000$ shares
Dividend = ListPri / (Num. rights +1)	$10.960 / (30 + 1) = 0.354$ euro

Therefore:

- (i) The maximum number of New Shares to be issued in the First Implementation would be 208,000,000.
- (ii) The maximum nominal amount of the Increase in Capital submitted for approval of the shareholders at the General Shareholders' Meeting under item 12 on the agenda would be €156,000,000.00 (208,000,000 x 0.75).
- (iii) 30 free-of-charge allocation rights (or old shares) would be necessary for the allocation of one new share.
- (iv) In this example, the Supplementary Dividend would be equal to 0.354 euros (gross) per share.

<sup>1</sup> For purposes of this example, it is assumed that this would be the total number of shares of the Company outstanding after the implementation of the reduction in share capital provided for in the resolution corresponding to item 14 on the agenda if it is implemented in the total maximum amount thereof (i.e. 6,240,000,000 outstanding shares of the Company).



## ITEM 14 ON THE AGENDA

**Reduction in capital by means of the retirement of a maximum of 183,299,000 own shares (2.854% of the share capital)****RESOLUTION****1. Reduction in share capital by means of the retirement of own shares**

To reduce the share capital of "Iberdrola, S.A." (the "**Company**") by a maximum of €137,474,250.00 through the retirement of a maximum of 183,299,000 own shares, each with a nominal value of €0.75, representing not more than 2.854% of the share capital at the time of the approval of the corresponding resolution by the shareholders at the General Shareholders' Meeting (the "**Reduction in Capital**").

The Reduction in Capital shall be implemented by means of:

- i. The acquisition of shares for their retirement through:
  - (i) the implementation of a programme for the buy-back of own shares, targeted at all the shareholders, approved by the Board of Directors at its meeting held on 19 March 2024<sup>2</sup> (the "**Buy-back Programme**"), which will be launched following the call to the General Shareholders' Meeting; and
  - (ii) the settlement of certain derivatives acquired by the Company prior to the date on which the Board of Directors (or the body acting by delegation therefrom) launches the Buy-back Programme (the "**Settlement of Derivatives**").
- ii. The retirement of own shares in treasury following the close of the trading session on the day before the Board of Directors (or the body acting by delegation therefrom) launches the Buy-back Programme (the "**Treasury Shares**").

The Company shall communicate both the approval and the launch of the Buy-back Programme to the market by issuing the corresponding notices of other relevant information, which shall be published on the corporate website ([www.iberdrola.com](http://www.iberdrola.com)) and on the website of the National Securities Market Commission (*Comisión Nacional del Mercado de Valores*) (CNMV) ([www.cnmv.es](http://www.cnmv.es)).

The terms and conditions of the Buy-back Programme (including the setting of the maximum number of shares to be acquired within the framework thereof and its effective period), the maximum potential amount of the Settlement of Derivatives, and the final figures for the Treasury Shares and the Reduction in Capital shall be set by the Company's Board of Directors (with express power of substitution).

Once the Board of Directors (or the body acting by delegation therefrom) has determined the final amount of the Reduction in Capital, Article 10 of the By-Laws setting the share capital would be amended such that it reflects the new amount of share capital and the new number of outstanding shares.

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<sup>2</sup> Pursuant to: (i) Regulation (EU) No 596/2014 of the European Parliament and of the Council of 16 April 2014 on market abuse and Commission Delegated Regulation (EU) No 2016/1052 of 8 March 2016 supplementing Regulation (EU) No 596/2014 of the European Parliament and of the Council with regard to regulatory technical standards for the conditions applicable to buy-back programmes and stabilisation measures (the "**Regulations**"); and (ii) the authorisation granted by the shareholders at the General Shareholders' Meeting held on second call on 17 June 2022 under item 19 on the agenda.





## 2. Procedure for acquisition of the shares that will be retired

The total number of shares that the Company will be able to retire will be the result of adding: (a) the shares acquired through the Buy-back Programme and the Settlement of Derivatives; and (b) the Treasury Shares. This number will be a maximum of 183,299,000 own shares, each with a nominal value of €0.75, representing not more than 2.854% of the Company's share capital (the "**Maximum Limit**").

As provided in the resolution of the Board of Directors approved at its meeting held on 19 March 2024, own shares shall be acquired within the framework of the Buy-back Programme subject to the terms as to price and volume established in the Regulations.

In order to observe the Maximum Limit in any case, an overall limitation would apply to the maximum number of shares to be retired that have been acquired in implementation of the Buy-back Programme and pursuant to the Settlement of Derivatives (the "**Overall Limit**").

Thus, if the number of shares acquired in implementation of the Buy-back Programme and by virtue of the Settlement of Derivatives does not exceed the Overall Limit, pursuant to Section 340.3 of the *Companies Act* it would be deemed that the share capital of the Company is reduced by the sum of the Treasury Shares and the total number of shares acquired in implementation of the Buy-back Programme and by virtue of the Settlement of Derivatives.

However, if the shares acquired in implementation of the Buy-back Programme and pursuant to the Settlement of Derivatives do exceed the Overall Limit, the Treasury Shares and all of the own shares acquired in implementation of the Buy-back Programme would be retired. On the other hand, a number equal to the difference between the Overall Limit and the shares actually acquired in implementation of the Buy-back Programme would be retired from the own shares acquired pursuant to the Settlement of Derivatives. In this way, the remainder of any own shares acquired as a result of the Settlement of Derivatives would not be subject to retirement upon the Reduction in Capital and will remain in treasury, always within the limits provided by applicable law.

## 3. Procedure for the reduction and reserves with a charge to which it is carried out

Pursuant to the provisions of Section 342 of the *Companies Act*, the Reduction in Capital must be implemented within one month following the expiration of the Buy-back Programme.

The Reduction in Capital does not entail a return of contributions to the shareholders because the Company itself is the holder of the shares being retired, and it shall be carried out with a charge to unrestricted reserves by funding a retired capital reserve in an amount equal to the nominal value of the retired shares; such reserve may only be used by complying with the same requirements as those applicable to a reduction in share capital, as provided by Section 335 c) of the *Companies Act*.

Therefore, in accordance with the provisions of such section, creditors of the Company will not be entitled to assert the right of objection contemplated by Section 334 of the *Companies Act* in connection with the Reduction in Capital.



#### 4. Ratification of the resolutions of the Board of Directors

To ratify both the resolutions of the Board of Directors regarding the approval of the Buy-back Programme as well as the actions, statements and formalities regarding the public communication of the Buy-back Programme to date.

#### 5. Delegation of powers

To delegate to the Board of Directors, with express power of substitution, the powers necessary to implement this resolution within a period not to exceed one month following the expiration of the Buy-back Programme, with authority to establish any terms that are not expressly set forth in this resolution or that are a consequence hereof. In particular, and by way of example only, the following powers are delegated to the Board of Directors, with express power of substitution:

- (a) To perform any acts, make any statements or take any steps that may be required in connection with the public communication of the Buy-back Programme and with the formalities, if any, that must be carried out at Spanish regulatory agencies and Stock Exchanges; and negotiate, agree to and sign all contracts, agreements, commitments or instructions that may be necessary or appropriate for the successful completion of the Buy-back Programme.
- (b) To cause all announcements required by law to be published, acquire the shares under the Buy-back Programme and retire them within one month following the expiration of the Buy-back Programme, in accordance with the terms approved herein.
- (c) To declare the approved Reduction in Capital to be completed and implemented, establishing, for such purpose, the final number of shares that must be retired and, as a result, the amount by which the share capital of the Company must be reduced in accordance with the terms established in this resolution.
- (d) To set the final amount of the Reduction in Capital based on the provisions of this resolution and establish any other terms that may be required to implement it, including, without limitation, the setting of unrestricted reserves account that will be used to fund the retired capital reserve, all in accordance with the terms and conditions set forth above.
- (e) To amend Article 10 of the *By-Laws* setting the share capital such that it reflects the amount of share capital and the number of outstanding shares resulting from the implementation of the Reduction in Capital.
- (f) To take such steps and carry out such formalities as may be required and submit such documents as may be necessary to the competent bodies such that, once the shares of the Company have been retired and the notarial instrument for the Reduction in Capital has been executed and registered with the Commercial Registry, the retired shares are delisted from the Madrid, Barcelona, Bilbao and Valencia Stock Exchanges, through the Automated Quotation System (Continuous Market), and they are removed from the corresponding book-entry registers of "Sociedad de Gestión de los Sistemas de Registro, Compensación y Liquidación de Valores, S.A." (Sociedad Unipersonal) (IBERCLEAR).
- (g) To perform all acts that may be necessary or appropriate to implement and formalise the Reduction in Capital before any Spanish or foreign public or private entities and agencies, including acts for purposes of representation, supplementation, or correction of defects or omissions that might prevent or hinder the full effectiveness of the foregoing resolutions.



Pursuant to the provisions of Section 249 *bis.l)* of the *Companies Act*, to expressly authorise the Board of Directors to further delegate the powers referred to in this resolution.

#### ITEM 15 ON THE AGENDA

### **Consultative vote on the *Annual Director and Officer Remuneration Report 2023***

#### **RESOLUTION**

To approve, on a consultative basis, the *Annual Director and Officer Remuneration Report* for financial year 2023.

#### ITEM 16 ON THE AGENDA

### **Re-election of Ms Nicola Mary Brewer as an independent director**

#### **RESOLUTION**

To re-elect Ms Nicola Mary Brewer as a director, upon a proposal of the Appointments Committee, for the by-law mandated four-year term and with the classification of independent director.

#### ITEM 17 ON THE AGENDA

### **Re-election of Ms Regina Helena Jorge Nunes as an independent director**

#### **RESOLUTION**

To re-elect Ms Regina Helena Jorge Nunes as a director, upon a proposal of the Appointments Committee, for the by-law mandated four-year term and with the classification of independent director.

#### ITEM 18 ON THE AGENDA

### **Re-election of Mr Iñigo Víctor de Oriol Ibarra as an external director**

#### **RESOLUTION**

To re-elect Mr Iñigo Víctor de Oriol Ibarra as a director, after a report from the Appointments Committee, for the by-law mandated four-year term and with the classification of other external director.



## ITEM 19 ON THE AGENDA

**Setting of the number of members of the Board of Directors at fourteen****RESOLUTION**

To set the number of members of the Board of Directors at fourteen.

## ITEM 20 ON THE AGENDA

**Authorisation to increase the share capital on the terms and within the limits provided by law, for a maximum period of five years and with the power to exclude pre-emptive rights, limited to an aggregate maximum of 10% of the share capital.****RESOLUTION**

To authorise the Board of Directors to increase the share capital on one or more occasions and at any time upon the terms and within the limits set out in Section 297.1.b) of the *Companies Act*, i.e. within a term of five years from the date of approval of this resolution and by up to one-half of the current share capital.

Increases in share capital under this authorisation shall be carried out through the issuance and flotation of new shares with or without a premium the consideration for which shall be cash contributions.

In each increase, the Board of Directors shall decide whether the new shares to be issued are ordinary, preferred, redeemable, non-voting or any other kinds of shares among those permitted by law.

As to all matters not otherwise contemplated, the Board of Directors may establish the terms and conditions of the increases in share capital and the characteristics of the shares, and may also freely offer the new shares that are not subscribed for within the period or periods for the exercise of pre-emptive rights. The Board of Directors may also resolve that, in the event of incomplete subscription, the share capital shall be increased only by the amount of the subscriptions made, and amend the article of the *By-Laws* relating to share capital.

In connection with the increases in share capital that may be carried out under this authorisation, the Board of Directors is authorised to totally or partially exclude pre-emptive rights as permitted by Section 506 of the *Companies Act*, provided, however, that such power shall be limited to increases in share capital carried out pursuant to this authorisation and to the authorisation contemplated in item 21 on the agenda up to a maximum amount equal, in the aggregate, to 10% of the share capital on the date this resolution is adopted.

The Company shall, when appropriate, make application for the admission to trading of the shares issued under this authorisation on Spanish or foreign, official or unofficial, organised or other secondary markets, and the Board of Directors shall be authorised to carry out all acts and formalities that may be required for admission to listing with the appropriate authorities of the various Spanish or foreign securities markets.

Pursuant to the provisions of Section 249.2 of the *Companies Act*, to expressly authorise the Board of Directors to further delegate the powers referred to in this resolution.

This resolution deprives of effect the power to increase the share capital on one or more occasions and at any time upon the terms and within the limits set out in Section 297.1.b) of the *Companies Act*, granted to the



Board of Directors by the shareholders acting at the General Shareholders' Meeting held on 2 April 2020 under item twenty-two on the agenda.

## ITEM 21 ON THE AGENDA

**Authorisation to issue bonds exchangeable and/or convertible into shares and warrants, in an amount of up to €5,000 million and a maximum term of five years, with the power to exclude pre-emptive rights, limited to an aggregate maximum of 10% of the share capital**

### RESOLUTION

#### 1. Authorisation to the Board of Directors to Issue Securities

To authorise the Board of Directors to issue debentures and bonds exchangeable for shares of the Company or of any other company and/or convertible into shares of the Company, as well as warrants (options to subscribe for new shares of the Company or to acquire outstanding shares of the Company or of any other company).

#### 2. Term

The issuance of the securities covered by the authorisation may be effected on one or more occasions within a maximum period of five years following the date of approval of this resolution.

#### 3. Maximum Amount

The maximum total amount of the issuance(s) of securities approved under this authorisation shall be up to €5,000 million or the equivalent thereof in another currency. For purposes of calculation of the aforementioned limit, in the case of warrants, the sum of the premiums and exercise prices of the warrants on issuances approved under this authorisation shall be taken into account.

#### 4. Scope

For each issuance, the Board of Directors shall be authorised to, among other things, determine the amount thereof, always within the above-mentioned overall quantitative limit, the place of issuance (in Spain or abroad) and the domestic or foreign currency and, in the case of foreign currency, its equivalence in euros; the specific instrument to be issued, whether bonds or debentures, including subordinated bonds or debentures, warrants (which may in turn be settled by means of the physical delivery of the shares or, if applicable, through the payment of differences in price), or any other form permitted by law; the date or dates of issuance; the number of securities and the nominal value thereof, which, in the case of convertible and/or exchangeable bonds or debentures, shall not be less than the par value of the shares; in the case of warrants and similar securities, the issue price and/or premium, the exercise price (which may be fixed or variable) and the procedure, period and other terms and conditions applicable to the exercise of the right to subscribe for the underlying shares or, if applicable, the exclusion of such right; the interest rate (whether fixed or variable); the dates and procedures for payment of the coupon; whether the instrument issued is perpetual or subject to repayment and, in the latter case, the period for repayment and the maturity date or dates; guarantees, reimbursement rate, premiums and lots; the form of representation, as securities or book entries; the establishment of anti-dilution provisions; the rules applicable to subscription; the rank of the securities and



the subordination clauses, if any; the law applicable to the issuance; the power to make application, where appropriate, for the trading of the securities to be issued on Spanish or foreign, official or unofficial, organised or other secondary markets, subject to the requirements established by applicable regulations in each case and, in general, any other terms of the issuance, as well as, if applicable, the appointment of the security-holders' syndicate representative (*comisario*) and the approval of the basic rules that are to govern the legal relations between the Company and the syndicate of holders of the securities to be issued in the event that such syndicate must or is decided to be created.

In addition, the Board of Directors is authorised such that, when it deems it appropriate and subject, if applicable, to any appropriate authorisations being secured and to the consent of security-holders coming together at a meeting of the corresponding syndicates of security-holders, it may modify the terms and conditions applicable to the repayment of the fixed-income securities issued as well as the respective period thereof, and the rate of interest, if any, accrued by the securities included in each of the issues effected under this authorisation.

### 5. Basis for and Terms and Conditions Applicable to the Conversion and/or Exchange

In the case of issuance of convertible and/or exchangeable debentures or bonds, and for purposes of determining the terms and conditions for conversion and/or exchange, it is resolved to establish the following standards:

- (a) The securities issued pursuant to this resolution shall be exchangeable for shares of the Company or of any other company and/or convertible into shares of the Company, in accordance with a fixed or variable conversion and/or exchange ratio determined or to be determined, with the Board of Directors being authorised to determine whether they are convertible and/or exchangeable, as well as to determine whether they are mandatorily or voluntarily convertible and/or exchangeable, and if voluntarily, at the option of the holder thereof or of the Company, at the intervals, and during the period established in the resolution providing for the issuance and which, without prejudice to perpetual issuances, may not exceed thirty years from the date of issuance.
- (b) In the event that the issue is convertible and/or exchangeable, the Board of Directors may also provide that the issuer reserves the right at any time to elect between conversion into new shares or the exchange thereof for outstanding shares of the Company, with the nature of the shares to be delivered being determined at the time of conversion or exchange, and may also elect to deliver a combination of newly-issued shares and existing shares of the Company and even to pay the difference in cash. In any event, the issuer shall afford equal treatment to all holders of fixed-income securities converting and/or exchanging their securities on the same date.
- (c) For purposes of the conversion and/or exchange, the securities shall be valued at the nominal amount thereof and the shares at the fixed exchange ratio established in the resolution of the Board of Directors making use of this authorisation, or at the variable ratio to be determined on the date or dates specified in the resolution of the Board, based on the listing price of the Company's shares on the date(s) or during the period(s) used as a reference in such resolution. In any event, the fixed ratio thus determined may not be less than the average exchange ratio for the shares on the Madrid, Barcelona, Bilbao and Valencia Stock Exchanges, through the Automated Quotation System (Continuous Market), in accordance with closing listing prices during a period to be set by the Board of Directors, which shall not be greater than three months or less than five calendar days prior to the date of approval by the Board of Directors of



the resolution providing for the issuance of the fixed-income securities or prior to the date of payment of the securities by the subscribers, at a premium or at a discount, as the case may be, on such price per share, provided, however, that if a discount on the price per share is established, it shall not be greater than 25% of the value of the shares used as a reference as set forth above.

- (d) It may also be resolved that the convertible and/or exchangeable fixed-income securities be issued at a variable conversion and/or exchange ratio. In such case, the price of the shares for purposes of the conversion and/or exchange shall be the arithmetic mean of the closing prices of the shares of the Company on the Continuous Market during a period to be determined by the Board of Directors, which shall not be greater than three months or less than five calendar days prior to the date of conversion and/or exchange, at a premium or at a discount, as the case may be, on such price per share. The premium or discount may be different for each date of conversion and/or exchange of each issuance (or for each tranche of an issuance, if any), provided, however, that if a discount is established on the price per share, it shall not be greater than 25% of the value of the shares used as a reference as set forth above.
- (e) Whenever a conversion and/or exchange is admissible, any fractional shares to be delivered to the holder of the debentures or bonds shall be rounded downwards by default to the immediately lower integer, and each holder shall receive in cash, if so provided in the terms of issuance, any difference that may arise in such case.
- (f) In no event may the value of the shares for purposes of the ratio for conversion of debentures into shares be less than the par value thereof. Furthermore, debentures may not be converted into shares if the nominal value of the former is less than that of the latter.
- (g) When approving an issuance of convertible and/or exchangeable debentures or bonds under the authorisation granted in this resolution, the Board of Directors shall issue a directors' report, elaborating on and specifying, on the basis of the standards described above, the basis and terms and conditions for conversion and/or exchange that are specifically applicable to the respective issuance. This report shall be accompanied by the corresponding audit report as provided by law.

## 6. Basis for and terms and conditions applicable to the exercise of warrants and other similar securities

In the case of issuance of warrants, it is resolved to establish the following standards:

- (a) In the case of issuances of warrants, to which the provisions of the *Companies Act* on convertible debentures shall apply by analogy, the Board of Directors is authorised to determine, in the broadest terms, in connection with the basis for and terms and conditions applicable to the exercise of such warrants, the standards applicable to the exercise of rights to subscribe for or acquire shares of the Company or of another company, or to a combination thereof, arising from the securities of this kind issued under this authorisation. The standards set forth in section 5 above shall apply to such issuances, with such adjustments as may be necessary in order to bring them into compliance with the legal and financial rules governing these kinds of securities.
- (b) The preceding standards shall apply, with any changes that may be required and to the extent applicable, to the issuance of fixed-income securities (or warrants) that are exchangeable for shares of other



companies. Where appropriate, all references to the Spanish Stock Exchanges shall be deemed made to the markets, if any, on which the respective shares are listed.

## 7. Admission to trading

The Company shall, when appropriate, make application for the admission to trading of the convertible and/or exchangeable debentures and/or bonds or warrants issued by the Company under this authorisation on Spanish or foreign, official or unofficial, organised or other secondary markets, and the Board of Directors shall be authorised as broadly as required to carry out all acts and formalities that may be required for admission to listing with the appropriate authorities of the various Spanish or foreign securities markets. It is expressly stated for the record that if application is subsequently made for delisting, it shall be made in compliance with the same formalities as the application for listing, to the extent any such formalities are required, and in such case, the interests of the shareholders or debenture-holders opposing or not voting in favour of the resolution shall be safeguarded as provided by applicable law.

In addition, it is expressly stated that the Company undertakes to abide by stock market regulations, whether now existing or as may hereafter be issued, particularly as regards trading, continued trading and removal from trading.

## 8. Guarantee in Support of Issuances of Convertible and/or Exchangeable Fixed-income Securities or Warrants by Subsidiaries

The Board of Directors is also authorised to guarantee, on behalf of the Company and within the limits set forth above, new issuances of convertible and/or exchangeable fixed-income securities or warrants carried out by subsidiaries during the effective period of this resolution.

## 9. Delegation of Powers to the Board of Directors

This authorisation to the Board of Directors also includes, without limitation, the delegation thereto of the following powers:

- (a) The power of the Board of Directors, pursuant to the provisions of Section 511 of the *Companies Act*, to totally or partially exclude the pre-emptive rights of the shareholders. In any event, if the Board of Directors decides to exclude the pre-emptive rights of the shareholders in connection with any specific issuance of convertible bonds or debentures, warrants and other securities similar thereto that it ultimately decides to effect under this authorisation, the Board shall issue, at the time of approval of the issuance and pursuant to applicable laws and regulations, a report setting forth the specific reasons based on the corporate interest that justify such measure, on which there shall be prepared the corresponding report of a statutory auditor appointed by the Commercial Registry other than the Company's auditor, as mentioned in Sections 414 and 511 of the *Companies Act*. Such reports shall be made available to the shareholders and disclosed at the first General Shareholders' Meeting that is held following approval of the resolution providing for the issuance. This power shall in any event be limited to those increases in capital carried out pursuant to this authorisation and to the authorisation contemplated in item 20 of the agenda up to a maximum amount equal, in the aggregate, to 10% of the share capital on the date of adoption of this resolution.





- (b) The power to increase share capital in the amount required to accommodate requests for conversion and/or for exercise of the right to subscribe for shares. Such power may only be exercised to the extent that the Board of Directors, adding the increase in capital effected to accommodate the issuance of convertible debentures, warrants and other similar securities and the other increases in capital approved under authorisations granted by the shareholders at this General Shareholders' Meeting, does not exceed the limit of one-half of the amount of the share capital provided by Section 297.1.b) of the *Companies Act*. This authorisation to increase capital includes the authorisation to issue and float, on one or more occasions, the shares representing such capital that are necessary to carry out the conversion and/or to exercise the right to subscribe for shares, as well as the power to amend the article of the *By-Laws* relating to the amount of the share capital and, if appropriate, to cancel the portion of such increase in capital that was not required for the conversion and/or the exercise of the right to subscribe for shares.
- (c) The power to elaborate on and specify the basis for and terms and conditions applicable to the conversion, exchange and/or exercise of the rights to subscribe for and/or acquire shares arising from the securities to be issued, taking into account the standards set out in sections 5 and 6 above.

Pursuant to the provisions of Section 249.2 of the *Companies Act*, to expressly authorise the Board of Directors to further delegate the powers referred to in this resolution.

## 10. Revocation of Current Authorisation

This resolution deprives of effect the authorisation to issue debentures or bonds that are exchangeable for and/or convertible into shares of the Company and warrants on newly-issued or outstanding shares of the Company granted to the Board of Directors by the shareholders at the General Shareholders' Meeting held on 2 April 2020 under item twenty-three on the agenda.

## ITEM 22 ON THE AGENDA

### Delegation of powers to formalise and to convert the resolutions adopted into a public instrument

#### RESOLUTION

Without prejudice to the powers delegated in the preceding resolutions, to authorise the Board of Directors, the Executive Committee, the executive chairman, the chief executive officer, the general secretary and secretary of the Board of Directors and the deputy secretary of the Board of Directors of "Iberdrola, S.A." (the "**Company**") such that any of them, acting severally, may:

- (a) Formalise and convert into public instruments the resolutions adopted by the shareholders at this General Shareholders' Meeting, further developing, clarifying, specifying, interpreting, completing and correcting them, carrying out such acts or legal transactions as may be necessary or appropriate for the implementation thereof, execute such public or private documents as they deem necessary or appropriate for the full effectiveness thereof, and correct all omissions, defects or errors, whether substantive or otherwise, that might prevent the recording thereof with the Commercial Registry.
- (b) Approve or vote in favour of the approval of the annual financial information for the financial year ended 31 December 2023 of the country subholding companies and the other subsidiaries of the Company, which form part of the scope of consolidation of its annual financial statements.



- (c) Deposit with the Commercial Registry the separate annual financial statements of the Company and the annual financial statements thereof consolidated with those of its subsidiaries, as well as the corresponding directors' and audit reports.
- (d) Deposit the *Statement of Non-Financial Information. Sustainability Report* for the financial year ended 31 December 2023 with the Commercial Registry as well as with the bodies it deems appropriate.
- (e) Prepare the restated text of the *By-Laws*, including the amendments approved at this General Shareholders' Meeting, as well as any textual adjustments required to align the content thereof.
- (f) In the exercise of the powers vested therein by the Governance and Sustainability System, approve the appropriate changes in the other internal rules and policies of the Company to conform the text thereof to the changes made to the *By-Laws*.
- (g) Manage the payment of the engagement dividend referred to in item 10 on the agenda.
- (h) Implement the resolutions regarding shareholder remuneration referred to in items 11, 12 and 13 on the agenda, in accordance with the provisions of the *Shareholder Remuneration Policy*.
- (i) Implement the resolution regarding the reduction in share capital referred to in item 14 on the agenda, in accordance with the provisions of the *Shareholder Remuneration Policy*.
- (j) Register with the Commercial Registry the resolutions regarding the composition of the Board of Directors referred to in items 16 to 18 on the agenda.
- (k) In compliance with the provisions of Article 16 of the *Regulations for the General Shareholders' Meeting*, donate to a non-profit organisation or allocate to any other social objective deemed appropriate any remaining promotional materials or gifts of symbolic value delivered to encourage shareholder participation in the General Meeting.
- (l) In accordance with the provisions of the Company's *Sustainable Management Policy*, obtain and become aware of the opinions and expectations of its shareholders and its other Stakeholders affected by the General Shareholders' Meeting regarding the organisation of the event and, if applicable, identify opportunities for improvement for the holding of subsequent meetings.
- (m) Determine all other circumstances that may be required, adopt and implement the necessary resolutions, publish the notices and provide the guarantees that may be appropriate for the purposes established by law, as well as formalise the required documents, carry out all necessary proceedings and comply with all requirements under the law for the full effectiveness of the resolutions adopted by the shareholders at this General Shareholders' Meeting.
- (n) Delegate all or any of the powers enumerated in this resolution and those expressly granted thereto by the shareholders at this General Shareholders' Meeting in the resolutions adopted under the foregoing items on the agenda, to the extent allowed by law, to the persons they deem appropriate.

In Bilbao, on 19 March 2024.