



Board of Directors Composition and Member Selection Policy

25 March 2025

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The Board of Directors of IBERDROLA, S.A. (the “**Company**”) has the power to design, assess and continuously revise the Company’s Governance and Sustainability System, and specifically to approve and update policies, which contain the guidelines governing the conduct of the Company, and furthermore, to the extent applicable, inform the policies that the companies belonging to the group of which the Company is the controlling entity, within the meaning established by law (the “**Group**”), decide to approve in the exercise of their autonomy.

In exercising these powers, within the framework of legal provisions and the By-Laws and recognising transparency in its activities, including the process for selecting candidates to hold the position of director of the Company and improvement of the composition of the Board of Directors as a whole, as one of the key elements of its corporate governance strategy, the Board of Directors hereby approves this Board of Directors Composition and Member Selection Policy (the “**Policy**”), which respects, further develops and adapts the Ethical and Basic Principles of Governance and Sustainability of the Iberdrola Group in relation to the Company. The text of this Policy shall be interpreted in accordance with the Sustainable Human Capital Management and Anti-Harassment Policy.

1. Scope of Application

This Policy applies to the composition of the Company’s Board of Directors, as well as to the selection of candidates for director of the Company.

2. Purpose

The purpose of this Policy is to ensure that the composition of the Company’s Board of Directors and that the proposed appointments of directors of the Company are based on a prior analysis of the composition and needs of such corporate decision-making body and promote the attainment of a multi-layered, independent, appropriate and balanced composition as a whole.

3. Skills Matrix

The Appointments Committee shall prepare a skills matrix with the required skills of the Board of Directors, which may include, among other matters, the definition of the qualifications and expertise of candidates for director, the duties corresponding to each of the positions to be filled on the Board of Directors, as well as the most appropriate skills, expertise and experience for each position. The Appointments Committee shall regularly review and update this skills matrix. Prior to the commencement of each selection process, the Appointments Committee shall take into account the skills matrix in order to analyse the profile and abilities required for the position as well as prior experience and knowledge and assess whether the candidates proposed or those on which it is required to report meet the requirements established in the aforementioned matrix.

The skills matrix shall include as requirements that candidates for director must satisfy at least those included in the following sections of this Policy, as well as criteria that allow for the attainment of a multi-layered, independent, appropriate and balanced composition of the Board of Directors as a whole in areas such as qualifications, abilities, knowledge, skills, experience, origin, nationality and age.

The criteria shall be chosen based on the nature and complexity of the businesses of the Group’s companies, as well as sustainability issues and the economic, social and environmental context where they have a presence. Other criteria may also be taken into consideration based on the needs of the Company’s Board of Directors.

4. Sources for the Identification of Candidates

The prior performance of executive duties, as well as duties as a director at the companies



of the Group, especially of country subholding companies and of head of business or country companies, provides a deep understanding of the activities that are carried out within the boundary of the Group and of its internal operations, which facilitates the rapid inclusion of the persons holding such positions into the dynamics of the operations of the Company's Board of Directors. In turn, it provides an understanding of their benchmark skills, work capacity, commitment to the position and potential to provide value.

For all of the foregoing reasons, candidates who have prior experience within the other companies of the Group shall be given preference in the selection of candidates, based on the following criteria:

- a. the identification of candidates for executive director shall first take into account management personnel who have been linked to the Company or other companies of the Group for at least five years; and
- b. the selection of candidates for independent director shall first consider external directors of companies of the Group.

In both cases, in the absence of suitable candidacies or when circumstances so justify, as acknowledged by the Appointments Committee, other profiles shall be evaluated that allow for the attainment of a multi-layered, independent, appropriate and balanced composition while covering the skills required.

In addition, any member of the Company's Board of Directors may suggest other candidates for director that meet the requirements established in this Policy.

For purposes of contributing to compliance with the provisions of this section, in the appointment of the external directors of the companies of the Group, the Company shall endeavour to take into account the provisions of this Policy, and particularly the aspects described in sections 5, 6 and 7 below, as well as the particularities of the countries, sectors and jurisdictions in effect at any time.

5. Requirements for Candidates

A search for profiles with knowledge, skills and experience in the main countries and sector in which the companies of the Group do or expect to do business shall be promoted in the process of selecting candidates for director of the Company.

All candidates for director of the Company must be respectable and qualified persons, widely recognised for their expertise, competence, experience, qualifications, training, availability and commitment to their duties. They must also have sufficient knowledge of the Spanish and English languages to be able to perform their duties.

In particular, they must be irreproachable professionals, whose professional conduct and background is aligned with the principles and guidelines of conduct set forth in the Code of Conduct for Directors, Professionals and Suppliers and with the corporate values contained in the Purpose and Values of the Iberdrola Group.

By way of guidance, the appropriateness shall be considered of candidates for director of the Company generally not exceeding the age of seventy years.

6. Grounds for Disqualification Provided by Law or the Governance and Sustainability System

Those persons that have incurred legal grounds for disqualification from the holding of their position, or that fail to meet any of the requirements to be a director established in the Governance and Sustainability System and, in particular, the following, shall be ineligible as candidates for director of the Company:



- a. Directors or members of senior management , or such persons, if any, as are proposed by them in their capacity as shareholders of domestic or foreign companies competing with the Company in the energy industry or other industries. For clarification purposes, the other companies of the Group shall not be deemed competitors of the Company.
- b. Persons serving as directors in more companies than are permitted under the provisions of the Regulations of the Board of Directors.
- c. Persons who, during the two years prior to their appointment, have occupied high-level positions in Spanish government administrations that are incompatible with the simultaneous performance of the duties of a director of a listed company under Spanish national or autonomous community law, or positions of responsibility with entities regulating the energy industry, the securities markets or other industries in which the companies of the Group operate.

In the case of candidates who have held high-level positions in the governments of other jurisdictions that are incompatible with the simultaneous performance of the duties of a director of a listed company, the Appointments Committee must take appropriate action to verify that the holding of such positions does not entail an impediment to the potential appointment of the candidate as a director of the Company.

- d. Persons that are under any other circumstance of disqualification or prohibition governed by provisions of a general nature, including those that have interests in any way opposed to those of the Company or the other companies of the Group.

7. Selection Process

The Board of Directors, with the advice of the Appointments Committee, shall endeavour to ensure that the processes of selecting candidates for director allows the attainment of a multi-layered, independent, diverse and balanced composition as a whole, which enriches decision-making and contributes multiple viewpoints to the discussion of the matters within its purview.

Selection processes shall be based on a prior analysis of the competencies and skills required by the Company's Board of Directors at any time and of its composition, so as to guarantee the proper functioning of the body. The Appointments Committee shall ensure that the aforementioned processes do not suffer from implicit biases that might entail any discrimination.

Along these lines, the Company's Board of Directors assumes the commitment to promote diversity in the composition thereof, and for this purpose, in selecting candidates for director, shall assess persons whose appointment favours other abilities, skills, knowledge, experience, gender, origin, nationality and age within the Board of Directors, in any case favouring a multi-layered, independent, appropriate and balanced composition of the Board of Directors as a whole.

The diversity criteria shall be chosen based on the nature and complexity of the businesses of the Group's companies, as well as the economic, social and environmental context where they have a presence, without prejudice to the Company at least meeting the requirements regarding the composition of the Board of Directors provided by applicable legal provisions and generally recognised good governance recommendations.

8. Dissemination

The annual corporate governance report shall include a detailed description of the content of this Policy, as well as the goals set in this regard, the measures adopted and the results obtained.



9. External Validation

The Company may rely on the assistance of independent external advisors to validate the suitability of persons nominated as directors of the Company in accordance with the provisions of this Policy. The Appointments Committee shall appropriately seek the independence of such advisor and endeavour to ensure that potential conflicts of interest do not prejudice the independence of the outside advice received.

10. Implementation and Monitoring

The Board of Directors, with the support of the Appointments Committee, shall periodically evaluate the level of compliance with and effectiveness of this *Policy* at the Company, and especially compliance with applicable legal provisions and generally recognised good governance recommendations in relation to the composition thereof.

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This Policy was initially approved by the Board of Directors on 25 March 2015 and was last amended on 25 March 2025.