



# Corporate Tax Policy

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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.

The Board of Directors is also responsible for formulating the tax strategy and approving investments and transactions that are particularly important from a tax standpoint because of the high amount or special characteristics thereof.

In exercising these powers within the framework of legal provisions, the By-Laws and the Purpose and Values of the Iberdrola Group, as well as the Company’s sustainable development strategy, the Board of Directors hereby approves this Corporate Tax Policy (the “**Policy**”), which respects, further develops and adapts the Ethical and Basic Principles of Governance and Sustainability of the Iberdrola Group with respect to the Company.

## 1. Scope of Application

This Policy applies to the Company. Without prejudice to the foregoing, it includes basic principles that, in the tax area, complement those contained in the Ethical and Basic Principles of Governance and Sustainability of the Iberdrola Group and, to this extent, must inform the conduct and standards-setting implemented by the other companies of the Group in this area in the exercise of their powers and in accordance with their autonomy.

To the extent that listed country subholding companies form part of the Group, they and their subsidiaries, under their own special framework of enhanced autonomy, may establish principles and rules that must have content consistent with the principles of this Policy.

To the extent applicable, these principles must also inform the conduct of the foundations linked to the Group.

For companies that do not form part of the Group but in which the Company holds an interest, as well as for *joint ventures*, temporary *joint ventures* (*uniones temporales de empresas*) and other entities in which it assumes management, the Company shall also promote the alignment of its regulations with the basic principles regarding tax contained in this Policy.

## 2. Purpose

The purpose of this Policy is to establish the foundations for the definition of the Company’s tax strategy, based on excellence and a commitment to the application of good tax practices within the framework of the corporate and governance structure of the Group.

The tax strategy is based on three fundamental pillars: compliance with tax obligations, ongoing cooperation with the tax authorities, and transparency. Furthermore, the Company shall endeavour to ensure an appropriate coordination of the tax practices followed by the companies of the Group, all within the framework of fulfilling the corporate interest and supporting a long-term business strategy that avoids tax risks and inefficiencies in the implementation of business decisions.

To that end, the Company takes into account legitimate interests, including public interests, that converge in its business. In this regard, the taxes that the companies of the Group pay in the countries and territories in which they do business are their main contribution to the funding of public purpose needs and, accordingly, one of their main contributions to society.

## 3. Main Principles of Conduct

The Company’s compliance with its tax obligations and its relations with the tax authorities shall be governed by the Ethical and Basic Principles of Governance and Sustainability of the Iberdrola Group and also by the following main principles of conduct:



- a. Endeavour to ensure compliance with tax rules in the various countries and territories in which the companies of the Group operate, paying all taxes due in accordance with the legal system.
- b. Make decisions on tax matters based on a reasonable interpretation of applicable legal provisions and in close relationship to their activities.
- c. Prevent and reduce significant tax risks, ensuring that taxes bear an appropriate relationship to the structure and location of activities, human and material resources, and business risks.
- d. Strengthen a relationship with the tax authorities that is governed by the principles of lawfulness, transparency, fidelity, reliability, professionalism, cooperation, reciprocity and good faith, without prejudice to the legitimate disputes that, observing the aforementioned principles of conduct established in this section of the Policy and in the defence of the corporate interest, may arise with such authorities.
- e. Provide information to the management decision-making bodies on the main tax implications of the transactions or matters submitted to it for approval, when they are a significant factor in making a decision.

## 4. Good Tax Practices

In application of the main principles of conduct established in the preceding section of this Policy, the Company adopts and promotes the following good tax practices:

- a. Not to use artificial structures unrelated to their business for the sole purpose of reducing their tax burden or, in particular, enter into transactions with related entities solely to erode the tax basis or to transfer profits to low-tax territories.
- b. Avoid opaque structures for tax purposes, which are understood as structures calculated to prevent knowledge by the competent tax authorities of the party ultimately responsible for the activities or of the ultimate owner of the assets or rights involved.
- c. Not to directly or indirectly create or acquire companies resident in countries or territories that Spanish legal provisions deem to be tax havens or that are included in the EU blacklist of non-cooperative jurisdictions, with the sole exception of those cases in which it is forced to do so because there is an indirect acquisition in which the company in question is part of a group of companies that are being acquired, in which case the provisions of the Procedure for the Creation of or Acquisition of Equity Interests in Special Purpose Entities or Entities Domiciled in Tax Havens approved by the Board of Directors must be taken into account.

This procedure shall also apply in the case of creation or acquisition of entities residing in countries or territories not considered to be tax havens under Spanish legal provisions but included in the EU grey list of non-cooperative jurisdictions and with which Spain has not signed a treaty for the avoidance of double taxation.

- d. Cooperate with the competent tax authorities in the detection of and search for solutions for fraudulent tax practices of which the Company is aware that may be used in the markets in which the companies of the Group have a presence.
- e. Provide significant tax-related information and documents that may be requested by the competent tax authorities in the exercise of their powers, as soon as practicable and with the required scope.
- f. Notify the appropriate body of the tax authority and sufficiently discuss therewith all significant issues of fact of which it has notice, in order to commence the appropriate



investigative proceedings, if any, and to promote agreements and consents during the course of inspection proceedings, to the extent reasonably possible and without impairing good corporate management.

- g. Make available the reporting channels established in legal provisions to facilitate the reporting of conduct that may involve the commission of an improper act or an act contrary to law or the Governance and Sustainability System, particularly including the provisions of the Ethical and Basic Principles of Governance and Sustainability of the Iberdrola Group and of the Code of Conduct for Directors, Professionals and Suppliers and, as a result, conduct in the tax area.

In Spain, the Company has adhered to the Code of Good Tax Practices approved on 20 July 2010 by the full Forum of Large Businesses (*Foro de Grandes Empresas*) established on 10 July 2009 at the behest of the National Tax Administration Agency (*Agencia Estatal de administración tributaria*) (the “**Code of Good Tax Practices**”).

Without prejudice to any revision of this Policy by the Company’s Board of Directors within the framework of ongoing improvement and updating of the Governance and Sustainability System, the Company’s commitment concerning compliance with, further development, and implementation of the Code of Good Tax Practices shall extend to any other good tax practices that stem from the recommendations of the Code of Good Tax Practices in effect at any time, even if not expressly set forth in this Policy.

The Company is also committed to compliance with the OECD Guidelines for Multinational Enterprises in the area of taxation.

## 5. Implementation and Coordination of the Group-level Tax Strategy

The Board of Directors has the power to formulate the tax strategy and approve investments and transactions that are particularly important from a tax standpoint because of the high amount or special characteristics thereof.

For its part, the implementation and monitoring of the tax strategy established at the Group level by the Company’s Board of Directors is the responsibility of the various companies of the Group, in accordance with the corporate and governance structure defined in the Governance and Sustainability System, and particularly in the Foundations for the Definition and Coordination of the Iberdrola Group, and is put into practice respecting the principles of subsidiarity and decentralised management. In this regard:

- a. The Board of Directors of the Company, through its chairman and the chief executive officer, with technical support from the Operating Committee as well as from the management team, together with their corresponding supporting committees, where applicable, shall promote the supervision, organisation, coordination and monitoring of the principles of conduct and good tax practices set forth in sections 3 and 4 of this Policy by the companies forming part of the Group with significant activities in the tax area.

The head of business or country companies shall report to the country subholding companies on an annual basis regarding the level of compliance with the tax strategy that has been established at the Group level. In turn, the audit and compliance committees of the country subholding companies shall report to the Company’s Audit and Risk Supervision Committee on the level of compliance with the aforementioned tax strategy.

The Company’s Audit and Risk Supervision Committee shall, in accordance with the provisions of its regulations, provide the Board of Directors with annual information on the tax practices and standards applied by the Company and on the level of compliance with the tax strategy by the companies of the Group during the financial year. In addition, in the case of transactions or matters that must be submitted to the Board of Directors for



approval, it shall report thereto on the tax consequences thereof when they constitute a significant factor.

- b. The country subholding companies assume their own responsibilities with respect to compliance with tax obligations and in relation to the implementation in their respective countries, territories or businesses of the global tax strategy that is established at the Group level, respecting the principles and good tax practices established in sections 3 and 4 of this Policy, to the extent applicable thereto, endeavouring to ensure compliance with these principles and good practices according to the applicable legal provisions in each jurisdiction, and the needs and particularities thereof and assuming the responsibilities of supervising, organising and coordinating compliance, in the respective territories, countries or businesses in which they operate, with the standards that must be followed in the application of those taxes that, due to the nature thereof, affect more than one company of the Group.
- c. As well as being responsible for compliance with their tax obligations, in all events respecting the principles and good tax practices set out in sections 3 and 4 of this Policy and any standards established by the country subholding companies, the head of business or country companies shall endeavour to ensure compliance with the aforementioned principles and good practices by the companies of the Group through which they carry out their respective businesses.

The foregoing provision shall be without prejudice to the corporate autonomy of each of the companies of the Group, especially the special framework of strengthened autonomy of the listed country subholding companies, as well as, in the case of the head of business or country companies, full respect for the corporate autonomy of the subsidiaries of the head of business or country companies domiciled in countries or territories other than that of the parent company, or to their own responsibility in complying with their tax obligations while observing the principles and good tax practices set forth in sections 3 and 4 of this Policy.

The Company's Global Tax Division (or such division as assumes the powers thereof at any time) shall approve and periodically review guidelines for the evaluation and management of tax risk applicable to all companies of the Group, which shall include objective standards to classify transactions based on the tax risk thereof, as well as different procedures for the approval thereof. It shall also act as the body responsible for tax compliance within the Company, in coordination with the Company's Compliance Unit, proactively and independently endeavouring to ensure compliance with tax provisions and the tax strategy defined at the Group level.

## 6. Transparency

Without prejudice to applicable legal provisions and the provisions established in the preceding section 5 of this Policy, the management decision-making body of each company of the Group shall be responsible for ensuring that the information such company provides to comply with the tax obligations of the tax group to which it belongs complies with applicable tax provisions as well as the principles and tax practices established in sections 3 and 4 of this Policy. Said information shall in all cases be prepared in accordance with the standards set by each country subholding company pursuant to the provisions established by the tax divisions of each country, territory or business.

The Company's annual corporate governance report shall set forth the degree of effective compliance with the Code of Good Tax Practices by the Company, as well as with other similar codes or recommendations of other jurisdictions to which the companies of the Group have adhered, and shall report on the operation of the systems for controlling tax risks.

In addition, the Company shall disclose the most relevant information on the performance of the Group's companies in tax matters and their tax contribution to the maintenance of public



expenditures in the main countries and territories in which they operate, endeavouring to ensure that the information is clear, useful and truthful, all within the framework of its commitment to transparency in its engagement and communication with its Stakeholders.

## 7. Implementation and Monitoring

For the implementation and monitoring of the provisions of this Policy, the Board of Directors is assisted by the Global Tax Division (or such division as assumes the powers thereof at any time), which shall coordinate with the Company's Compliance Unit to proactively and independently endeavour to ensure compliance with the principles and good tax practices established in sections 3 and 4 of this Policy.

The Company's Audit and Risk Supervision Committee shall, in accordance with the provisions of its regulations, provide the Board of Directors with annual information on the Company's level of compliance with this Policy in each financial year.

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This Policy was initially approved by the Board of Directors on 14 December 2010 and was last amended on 25 March 2025.