

IBERDROLA, S.A.

SHARE CAPITAL REDUCTION BY MEANS OF THE REDEMPTION OF OWN SHARES

Pursuant to section 319 of the Spanish Companies Act (*Ley de Sociedades de Capital*), we hereby inform you that the General Shareholders' Meeting of Iberdrola, S.A. ("**Iberdrola**" or the "**Company**"), held on 17 June 2022 (the "**General Shareholders' Meeting**"), approved, under item 13 of its agenda, a share capital reduction (the "**Share Capital Reduction**") by means of the redemption of (i) 152,083,819 treasury shares existing prior to the call of the General Shareholders' Meeting (the "**Existing Treasury Shares**") and (ii) a maximum of 45,479,181 treasury shares that would be acquired for their redemption both through: (a) the settlement, not later than 10 June 2022, of the derivatives entered into by the Company over its own shares prior to 10 May 2022, as well as (b) a buy-back program that was approved by the Board of Directors on 10 May 2022 (the "**Buy-back Program**"). The number of shares to be redeemed in the context of the Share Capital Reduction that were acquired in execution of the Buy-back Program and by virtue of the settlement of the referred derivatives may not exceed 45,479,181 treasury shares and 34,109,385.75 euros of total face value (the "**Joint Limit**"). Thus, it was approved that, in addition to the Existing Treasury Shares, the following shares would be redeemed: (i) all the treasury shares acquired in execution of the Buy-back Program, and (ii) in respect of the shares acquired pursuant to the settlement of the abovementioned derivatives, a number equivalent to the difference between the Joint Limit and the shares acquired in execution of the Buy-back Program.

The share capital reduction had to be implemented within the month following the expiration of the Buy-back Program.

The Board of Directors of the Company, at its meeting held on 17 June 2022 after the General Shareholders' Meeting, resolved to grant the chairman of the Board of Directors and chief executive officer of Iberdrola the power to declare the Share Capital Reduction closed and executed, in exercise of the powers granted to the Board of Directors by the General Shareholders' Meeting.

Using the powers mentioned above, on the date hereof, 1 July 2022, the chairman of the Board of Directors and chief executive officer of Iberdrola has decided to reduce the share capital of Iberdrola in the amount of 148,172,250.00 euros, by means of the redemption of 197,563,000 treasury shares. The share capital of the Company resulting from the reduction has been set at 4,680,000,000.00 euros, corresponding to 6,240,000,000 shares with a nominal value of 0.75 euros each.

The aim of the Share Capital Reduction is the redemption of treasury shares in order to further strengthen the Shareholder Remuneration Policy of Iberdrola.

The Share Capital Reduction has not entailed the return of contributions, since the Company itself was the holder of the redeemed shares. The Share Capital Reduction has been carried out with a charge to unrestricted reserves, by means of the funding of the redeemed capital reserve in an amount equal to the nominal value of the redeemed shares, which may only be used by complying with the same requirements as those applicable to a share capital reduction, pursuant to section 335 c) of the Companies Act (*Ley de Sociedades de Capital*). The aforementioned redeemed capital reserve will be charged against the unrestricted reserves account named "Retained earnings".

Consequently, in accordance with the provisions of such section, the Company's creditors will not be entitled to assert the right of objection contemplated by section 334 of the Companies Act (*Ley de Sociedades de Capital*) in connection with the Share Capital Reduction.

In addition, we hereby inform that Iberdrola will apply for the delisting of the redeemed shares in the Stock Exchanges of Madrid, Barcelona, Bilbao and Valencia, through the Automatic Quotation System (Continuous Market) and the cancellation of the redeemed shares in the accounting records held by

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“Sociedad de Gestión de los Sistemas de Registro, Compensación y Liquidación de Valores, S.A.”
(Sociedad Unipersonal) (IBERCLEAR).

This announcement is also available at the corporate website of Iberdrola, S.A. (www.iberdrola.com).

Madrid, 1 July 2022, Julián Martínez-Simancas Sánchez, Secretary to the Board of Directors of Iberdrola, S.A.

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