

IBERDROLA, S.A.

SHARE CAPITAL REDUCTION BY MEANS OF THE RETIREMENT 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." (the "**Company**") held on 28 April 2023 (the "**General Shareholders' Meeting**"), approved, under item 12 of its agenda, a share capital reduction (the "**Share Capital Reduction**") by means of: (i) the acquisition of shares for their retirement through (a) 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 14 March 2023, which would be launched following the call to the General Shareholders' Meeting (the "**Buy-back Programme**"); and (b) 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) would launch the Buy-back Programme (the "**Derivatives**"); and (ii) the retirement of own shares held in treasury following the close of the trading session on the day prior to the date on which the Board of Directors (or the body acting by delegation therefrom) would launch the Buy-back Programme (the "**Treasury Shares**").

Following the General Shareholders' Meeting, the Board of Directors of the Company approved on 28 April the launch of the Buyback Programme and the implementation of the Share Capital Reduction through the retirement of: (i) 152,610,494 of the Treasury Shares existing at close of the trading session corresponding to 27 April 2023, and (ii) a maximum of 53,753,506 treasury shares that would be acquired for their retirement both through: (a) the settlement, not later than 12 June 2023, of the Derivatives entered into by the Company over its own shares prior to 28 April 2023, as well as (b) the implementation of the Buy-back Programme.

The number of shares to be retired in the context of the Share Capital Reduction that were acquired in execution of the Buy-back Programme and by virtue of the settlement of the Derivatives may not exceed 53,753,506 treasury shares and 40,315,129.50 euros of total face value (the "**Joint Limit**"). Thus, it was approved that, in addition to the Treasury Shares, the following shares would be retired: (i) all the treasury shares acquired in execution of the Buy-back Programme, and (ii) in respect of the shares acquired pursuant to the settlement of the Derivatives, a number equivalent to the difference between the Joint Limit and the shares acquired in execution of the Buy-back Programme.

The Share Capital Reduction had to be implemented within the month following the expiration of the Buy-back Programme.

The Board of Directors of the Company, at its meeting held on 20 June 2023, resolved: (a) to set on 27,639,190 the number of shares acquired under the Buy-back Programme to be retired; (b) to determine that, according to the Joint Limit, the number of shares to be retired through the settlement of the Derivatives amounts to 26,114,316; and (c) to grant the executive chairman of the Company 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, 3 July 2023, the executive chairman of the Company has decided to reduce the share capital of the Company in the amount of 154,773,000.00 euros, by means of the retirement of 206,364,000 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 retirement of treasury shares in order to further strengthen the Shareholder Remuneration Policy of the Company.

The Share Capital Reduction has not entailed the return of contributions, since the Company itself was the holder of the retired shares. The Share Capital Reduction has been carried out with a charge to

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unrestricted reserves, by means of the funding of the retired capital reserve in an amount equal to the nominal value of the retired 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 retired 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 the Company will apply for the delisting of the retired shares in the Stock Exchanges of Madrid, Barcelona, Bilbao and Valencia, through the Automatic Quotation System (Continuous Market) and the cancellation of the retired shares in the accounting records held by “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 the Company (www.iberdrola.com).

Madrid, 3 July 2023, Santiago Martínez Garrido, General secretary and secretary of the Board of Directors of Iberdrola, S.A.

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