



Policy on Respect for Human Rights



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The Board of Directors of IBERDROLA, S.A. (the “**Company**”) has the power to design, assess and continuously revise the Governance and Sustainability System, and specifically to approve and update the corporate policies, which contain the guidelines governing the conduct of the Company and of the companies belonging to the group of which the Company is the controlling entity, within the meaning established by law (the “**Group**”).

In fulfilling these responsibilities, and aware that respect for human rights is one of the main pillars on which the purpose and values of the Group’s companies rest and an aspect that is inextricably linked to the United Nations (UN) 2030 Agenda for Sustainable Development, the Board of Directors hereby approves this *Policy on Respect for Human Rights* (the “**Policy**”), which has been prepared taking into account the most stringent international standards.

1. Purpose

The purpose of this *Policy* is to formalise the commitment of the Group’s companies to the human rights recognised in domestic and international legislation and to define the principles that shall be applied within the boundary of the Group for due diligence in the area of human rights pursuant to the *Guiding Principles on Business and Human Rights*, the *OECD Guidelines for Multinational Enterprises*, the principles underpinning the *United Nations Global Compact*, the *Tripartite Declaration of Principles Concerning Multinational Enterprises and Social Policy*, the conventions of the International Labour Organization (including convention 169), the Sustainable Development Goals (SDGs) approved by the United Nations (UN), the Company’s *Code of Ethics*, as well as such documents and texts as may replace or supplement those mentioned above.

2. Scope of Application

This *Policy* applies to all companies of the Group, as well as to all investees not belonging to the Group over which the Company has effective control, within the limits established by law.

Without prejudice to the provisions of the preceding paragraph, listed country subholding companies and their subsidiaries, based on their own special framework of strengthened autonomy, may establish an equivalent policy, which must be in accord with the principles set forth in this *Policy* and in the other environmental, social and corporate governance and regulatory compliance policies of the Governance and Sustainability System.

At those companies in which the Company has an interest and to which this *Policy* does not apply, the Company will promote, through its representatives on the boards of directors of such companies, the alignment of their own policies with those of the Company.

This *Policy* shall also apply, to the extent relevant, to the joint ventures, temporary joint ventures (*uniones temporales de empresas*) and other equivalent associations, if the Company assumes the management thereof.

3. Main Principles of Conduct

To achieve the aforementioned goals and commitments, the following main principles that must govern the conduct of the companies comprising the Group in all areas are adopted and promoted at the Group level:

- a. Identify potential impacts that the operations and activities performed by the Group’s companies might have on human rights, either directly or through third parties.
- b. Have a due diligence system that identifies situations and activities with a higher risk of violating human rights, in order to develop mechanisms for the prevention and mitigation of such risk and to redress the impacts if they occur.
- c. Evaluate the effectiveness of the due diligence system on a regular basis using monitoring indicators, with a special focus on those centres of activity in which there might be a higher risk of violating human rights. This evaluation will rely on the internal control systems of the Group’s companies.
- d. Report the results of the evaluation of the effectiveness of the due diligence system in its annual public information, available on the Company’s corporate website.
- e. Advance a culture of respect for human rights and actions intended to promote awareness-raising in this field among its professionals within all companies of the Group.
- f. Have in place reporting and grievance mechanisms, equipped with adequate guarantees and settlement procedures, in order to respond to potential violations of human rights. These mechanisms must be sufficiently communicated both to the professionals of the Group’s companies and to persons and organisations outside of the Group. To this end, appropriate internal reporting procedures regarding the issues communicated shall be defined in order to allow for an evaluation of the due diligence systems.
- g. Adopt as soon as possible such measures as may be applicable in the event of detecting any violation of human rights at the facilities of the businesses of the Group’s companies or of their suppliers, and report thereon to the competent government authorities in order for them to take any appropriate action if such violation may amount to an administrative, criminal or any other type of offence.

4. Human Rights Regulatory Framework

In addition to this *Policy*, the following also form part of the Group’s regulatory framework on respect for human rights:

- a. the social policies, which cater to certain needs and expectations of the Company’s Stakeholders, and which particularly cover various issues relating to human rights, like occupational health and safety, equal opportunity, reconciliation and quality;

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- b. the *Personal Data Protection Policy*, which guarantees the right to the protection of data of all natural persons who establish relations with the companies belonging to the Group, particularly ensuring respect for the rights to reputation and to privacy in the processing of the various categories of personal data; and
- c. the *Purchasing Policy*, which includes the perspective of the Group's companies on shared responsibility with their suppliers as regards respect for human rights, in order to increase the number of suppliers subject to sustainable development policies and standards based on a human rights strategy.

Apart from what is already established in these policies and in the Governance and Sustainability System, the companies of the Group also explicitly make the following commitments:

- a. to reject child labour, forced or compulsory labour, and any form of modern slavery, endeavouring to ensure and encouraging the elimination of such situations within their supply chain;
- b. to respect freedom of association and collective bargaining;
- c. to respect the right to freedom of movement within each country;
- d. to not discriminate due to any condition or characteristics;
- e. to respect the rights of ethnic minorities and of indigenous peoples in the places in which they carry out their activities, and to favour an open dialogue that includes different cultural frameworks;
- f. to respect the right of all of the communities in which it operates to a clean, healthy and sustainable environment, considering their expectations and needs; and
- g. to understand access to energy as a right related and linked to other human rights, working with public institutions in the implementation of systems for the protection of vulnerable customers and on plans to extend service to communities that lack access to energy.

5. Relationship with Stakeholders

As to the relationship of the Company's Stakeholders with human rights, the following must be taken into account:

- a. Iberdrola's people: the professionals of the Group's companies must show strict respect for the human rights recognised under domestic and international law in the conduct of their activities in all countries in which the Group operates, and shall particularly endeavour to ensure compliance with this *Policy* and with the regulatory framework for human rights at the Group level. All professionals of the Group's companies are expected to act as a first line of defence for human rights, reporting any potential impact thereon or any breach of the Group's corporate policies through the channels activated by the Group's companies within their respective internal reporting systems to which reference is made in the *Compliance and Internal Reporting and Whistleblower Protection System Policy*.
- b. Supply chain: must also show strict respect for the human rights recognised under domestic and international law in the conduct of their activities. The Company believes that its suppliers are a key ally for compliance with this *Policy* and thus assume a shared responsibility with the companies of the Group. In particular, members of the supply chain must: (i) adopt such measures as may be needed to eliminate all forms or types of forced or compulsory labour and any form of modern slavery within their organisation, as well as promote the adoption thereof within their supply chain; (ii) expressly reject the use of child labour in their organisation as well as within their supply chain; (iii) respect their workers' freedom of trade association and right to collective bargaining by their professionals, avoiding all discriminatory practices due to any condition or characteristic in connection with employment and labour; and (iv) set the salaries of their professionals in accordance with applicable law, respecting minimum salaries, overtime and social welfare benefits.
- c. Communities: operations within the boundary of the Group must strengthen respect for the rights of ethnic minorities and of indigenous peoples in the places in which it carries out its activities and favour access to energy.
- d. In the case of investment partners with operational control over facilities in which the Group's companies have an interest, the alignment of their own policies with this *Policy* shall be promoted through its representatives on the management bodies.

6. Implementation and Update

The Company may draw on specialised external advice in order to conform the Group's operating procedures to the main principles of conduct set forth in this *Policy* and, if necessary, to monitor the *Policy* and update the text hereof.

The Company's Board of Directors, through the Sustainable Development Committee, will receive periodic information on the measures and procedures adopted within the Group to implement and monitor the provisions of this *Policy*.

This *Policy* was initially approved by the Board of Directors on 17 February 2015 and was last amended on 19 December 2023.