



Current text of the <i>By-Laws</i>	Proposed amendments
PREAMBLE	PREAMBLE
<p>Pursuant to the corporate autonomy recognised by law, these By-Laws govern the corporate contract by which all shareholders of IBERDROLA, S.A. (the “Company”) are bound upon acquiring such status.</p>	<p>Pursuant to the corporate autonomy recognised by law, these By-Laws govern the corporate contract by which all shareholders of IBERDROLA, S.A. (the “Company”) are bound upon acquiring such status.</p>
<p>Having been approved in accordance with applicable law by the shareholders acting at a General Shareholders' Meeting, which is the highest governing body through which shareholders express their contractual will, they go far beyond the minimum requirements established by law and even the typical text of the by-laws of listed companies.</p>	<p>Having been approved in accordance with applicable law by the shareholders acting at a General Shareholders' Meeting, which is the highest governing body through which shareholders express their contractual will, they go far beyond the minimum requirements established by law and even the typical text of the by-laws of listed companies.</p>
<p>Along these lines, the preliminary title hereof first defines the fundamental pillars of the Company as an independent entity of an open nature, the holding company of an international industrial group that combines a decentralised decision-making structure, inspired by the principle of subsidiarity, with robust coordination mechanisms ensuring the global integration of all of the businesses of the Company's group, all on the basis of an effective system of checks and balances that prevents the centralisation of management power within a single governance body or a single person.</p>	<p>Along these lines, the preliminary title <u>Preliminary Title</u> hereof first defines the fundamental pillars of the Company as an independent and publicly listed of an open nature entity, the holding company of an international industrial group, <u>with broad geographic diversification of its business as a fundamental lever of risk management, that and which, based on its multi-level corporate structure,</u> combines a decentralised decision-making structure <u>system</u>, inspired by the principle of subsidiarity, with robust coordination mechanisms ensuring the global integration of all of the businesses of the Company's <u>companies within the Iberdrola group</u>, all on the basis of an effective system of checks and balances that prevents the centralisation of management power within a single governance body or a single person.</p>
<p>The provisions of the <i>By-Laws</i> regarding the corporate object, the purpose and values, and the corporate interest and social dividend, beyond the corporate aspects highlighted above, give shape to an electric power company focused on a clear “<i>purpose</i>” and certain clear “<i>values</i>” that make up its corporate philosophy and its ideological and axiological bases on which its corporate enterprise is based; thus they portray an all-encompassing company, which transcends its nature as purely and merely a mercantile company, which opens to and engages all of its Stakeholders and is fully committed to contributing to the achievement of the Sustainable Development Goals (SDGs) approved by the United Nations and the most demanding environmental,</p>	<p>The provisions of the <i>By-Laws</i> regarding the corporate object, the purpose and values, and the corporate interest and social dividend, beyond the corporate aspects highlighted above, give shape to an electric power a company focused on a clear “<i>purpose</i>” and certain clear “<i>values</i>” that make up its corporate philosophy and its <u>the</u> ideological and axiological bases on which its corporate enterprise is based.</p> <p>; thus they portray an integral company, which transcends its nature <u>In accordance therewith, the Company is defined by its By-Laws</u> as an all-encompassing company, which transcends its nature as purely and merely a mercantile company, which opens to and engages all of its Stakeholders and is</p>



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<p>social commitment and good governance (ESG) requirements, and ultimately distinguish it as a company and institutional reality, a player in the economic and social environment in which it does business.</p>	<p>fully committed to contributing to the achievement of the Sustainable Development Goals (SDGs) approved by the United Nations (UN) and the most demanding environmental, social commitment and goodcorporate governance (ESG) requirements, and ultimately distinguish it asin essence affirms itself to be a company and institutional reality, a player in the economic and social environment in which it does business.</p>
<p>In the case of the Company, the <i>By-Laws</i> thereof define and ultimately constitute the foundation on which is built and based the Governance and Sustainability System, that is, its own set of internal regulations, developed under the aforementioned corporate autonomy, to ensure by these rules its <i>raison d'être</i> and <i>way of being</i>, the construction of its identity, the achievement and implementation of the <i>Purpose and Values of the Iberdrola group</i>, the creation of sustainable value that satisfies the corporate interest, and makes feasible and real the <i>social dividend</i> that it shares with all of its Stakeholders.</p>	<p>In the case of the Company, theThe <i>By-Laws</i> thereof define and ultimatelyalso constitute the foundation on which the Company's Governance and Sustainability System is built and based the Governance and Sustainability System, that is, its own set of internal regulations, developed under the aforementioned corporate autonomy, to ensure by these rules its <i>raison d'être</i> and <i>way of being</i>, the construction of its identity, the achievement and implementation of the <i>Purpose and Values of the Iberdrola group</i>Group, the creation of sustainable value that satisfies the corporate interest, and makes feasible and real the <i>social dividend</i> that it shares with all of its Stakeholders.</p>
<p>In turn, the <i>Purpose and Values of the Iberdrola group</i> meet the most demanding standards in the areas of environmental protection and climate action, social commitment, and corporate governance, within the general framework of respect for and protection of human rights, the social market economy, and the ethical principles generally accepted in its sphere of activity.</p>	<p>In turn, the <i>Purpose and Values of the Iberdrola group</i>Group meet the most demanding standards in the areas of environmental protection and climate action, social commitment, andand regulatory compliance, within the general framework of respect for and protection of human rights, the social market economy, and the ethical principles generally accepted in its sphere of activity.</p>
	<p>Similarly, the By-Laws establish a well-developed Compliance System, which, integrated within the overall governance and sustainability system, is intended to prevent and manage the risk of regulatory or ethical violations or violations of the Governance and Sustainability System itself.</p>
<p>The by-law rules that arise from and are based on the internal sovereignty of the shareholders acting at a General Meeting also recognise the essential function performed by the Board of Directors as a governing body or structure that guides the realisation of the <i>Purpose and Values of the Iberdrola group</i>, ensures the assembly and coordination of all its Stakeholders within a company made up of them, and ultimately</p>	<p>The by-law rules that arise from and are based on the internal sovereignty of the shareholders acting at a General Shareholders' Meeting also recognise the essential function performed by the Board of Directors as a governing body or structure that guides the realisation of the <i>Purpose and Values of the Iberdrola group</i>Group, ensures the assembly and coordination of all its Stakeholders within a company made up of</p>



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<p>directs and supports the driving action of the Company as an enterprise and institutional reality in the communities of which it is a part and in today's globalised society as a whole.</p>	<p>them, and ultimately directs and supports the driving action of the Company as an enterprise and institutional reality in the communities of which it is a part and in today's globalised society as a whole.</p>
<p>To the extent applicable thereto, the <i>By-Laws</i> and the other provisions of the Company's Governance and Sustainability System bind its shareholders, the members of the Board of Directors and of senior management, and the other professionals of the Company and its group, as well as, generally, any persons validly connected thereto. All have the duty to comply with them, as well as the right to demand compliance therewith.</p>	<p>To the extent applicable thereto, the <i>By-Laws of the Company</i> and the other provisions of the Company's Governance and Sustainability System bind its shareholders, the members of the Board of Directors and of senior management, and <u>as well as</u> the other professionals of the Company and its <u>of the other companies of the Iberdrola group</u>, as well as <u>and</u> generally, any persons validly connected thereto. All have the duty to comply with them, as well as the right to demand compliance therewith.</p>
<p>PRELIMINARY TITLE. IBERDROLA, S.A. AND ITS GROUP</p>	<p>PRELIMINARY TITLE. <u>"IBERDROLA, S.A."</u> AND ITS <u>THE IBERDROLA</u> GROUP</p>
<p>Article 4. The Iberdrola group</p>	<p>Article 4. The Iberdrola group</p>
<p>1. The Company is configured as a listed holding company and is the controlling entity of a multinational group of companies (the "Group").</p>	<p>1. The Company is configured as a listed holding company and is the controlling entity of a multinational group of companies (the "Group").</p>
<p>2. The corporate and governance structure of the Group is defined based on the following:</p>	<p>1. 2. The corporate and governance structure of the Group of the Iberdrola Group is defined based on the following:</p>
<p>a) The Company has duties relating to the establishment, supervision and implementation of the policies and strategies of the Group, of the basic guidelines for the management thereof, and of decisions on matters of strategic importance at the Group level, as well as the design of the Governance and Sustainability System.</p>	<p>a) The Company, <u>which is a listed holding company, is the controlling entity of a multinational group of companies (the "Group")</u> and has duties relating to the establishment, <u>and</u> supervision and implementation of the policies and strategies of covering the Group, of the basic guidelines for the management thereof, and of decisions on matters of strategic importance at the Group level, as well as the design of the <u>its</u> Governance and Sustainability System.</p>
<p>b) Country subholding companies group together the equity stakes in the Group's head of business companies and carry out the function of organisation and coordination in relation to such countries and/or businesses as are decided by the Company's Board of Directors, disseminating, implementing and ensuring compliance with the policies, strategies and general guidelines of the Group based on the</p>	<p>b) Country subholding companies group together the equity stakes in the Group's head of business companies and carry out <u>strengthen</u> the function of <u>strategic supervision,</u> organisation and coordination in relation to such countries and/or businesses as are decided by the Company's Board of Directors, disseminating, implementing and ensuring compliance with the policies, strategies and general guidelines of at the Group <u>level</u> based on the characteristics and unique</p>



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<p>characteristics and unique aspects of their respective countries and/or businesses.</p> <p>The listed country subholding companies of the Group enjoy a special framework of strengthened autonomy that contemplates the measures that are appropriate to safeguard the interests of the minority shareholders of said companies.</p>	<p>aspects of their respective <u>territories</u>, countries and/or businesses.</p> <p>The listed country subholding companies of the Group enjoy a special framework of strengthened autonomy that contemplates the measures that are appropriate to safeguard the interests of the minority shareholders of said companies.</p>
<p>c) Finally, the head of business companies of the Group are in charge of the day-to-day administration and effective management of each of the Group's businesses within one or more countries, and of the day-to-day control thereof, without prejudice to observing the corporate autonomy of the subsidiaries of the head of business companies in accordance with law.</p>	<p>c) Finally, the head of business companies of the Group are in charge of the day-to-day administration and effective management of each of the Group's businesses within one or more countries, and of the day-to-day control thereof, without prejudice to observing the corporate autonomy of the subsidiaries of the head of business companies <u>thereof</u> in accordance with law.</p>
<p>3. All companies of the Group share the same corporate interest as well as the same purpose, corporate values and ethical principles.</p>	<p>2. 3.All companies of the Group share the same <u>a common</u> corporate interest as well as the same purpose, corporate values and ethical principles.</p>
<p>Article 8. Applicable Legal Provisions, Governance and Sustainability System and Compliance System</p>	<p>Article 8. Applicable Legal Provisions, Governance and Sustainability System and Compliance System</p>
<p>1. The Company is governed by the legal provisions relating to listed companies and other applicable laws and regulations, as well as by its Governance and Sustainability System.</p>	<p>1. The Company is governed by the legal provisions relating to listed companies and other applicable laws and regulations, as well as by its Governance and Sustainability System.</p>
<p>2. The Governance and Sustainability System is the Company's internal system of rules, which is configured in accordance with applicable law in the exercise of corporate autonomy supported thereby and applies to the entire Group. It is intended to ensure through rule-making the best implementation of the corporate contract that binds its shareholders, and especially the corporate object, the corporate interest and the social dividend, as defined in the preceding articles.</p>	<p>2. The Governance and Sustainability System is the Company's internal system of rules, which is configured in accordance with applicable law in the exercise of corporate autonomy supported thereby and applies to the entire Group. It is intended to ensure through rule-making the best implementation of the corporate contract that binds its shareholders, and especially the corporate object, the corporate interest and the social dividend, as defined in the preceding articles.</p> <p><u>For their part, the country subholding and head of business companies have their own Governance and Sustainability System, approved within the framework of the performance of their responsibilities and in the exercise of their powers.</u></p>



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	<u>This System constitutes its internal order and is consistent with that of the Company.</u>
<p>3. The Company's Governance and Sustainability System is made up of these <i>By-Laws</i>, the <i>Purpose and Values of the Iberdrola group</i>, the <i>Code of Ethics</i>, the corporate policies and other governance and compliance rules.</p>	<p>3. The <u>forementioned</u> Company's Governance and Sustainability System is made up of these <i>By-Laws</i>, the <i>Purpose and Values of the Iberdrola group</i><u>Group</u>, the <i>Code of Ethics</i>, the corporate policies, and <u>the</u> other governance, and <u>and market abuse prevention</u> rules.</p>
<p>4. The <i>Purpose and Values of the Iberdrola group</i> sets out its <i>raison d'être</i>, the ideological and axiological foundation of its corporate enterprise, which, due to its size and importance, is a focal point for many Stakeholders and for the economic and social environment in which its component entities do business.</p>	<p>4. The <i>Purpose and Values of the Iberdrola group</i><u>Group synthesises</u> sets out its <i>raison d'être</i>, the ideological and axiological foundation of its corporate enterprise, which, due to its size and importance, is a focal point for many Stakeholders and for the <u>environmental, social and</u> economic and social environment in which its component<u>the</u> entities <u>of the Group</u> do business.</p>
<p>5. The <i>Purpose and Values of the Iberdrola group</i> also inspires and takes form in the corporate policies and in the other rules of the Governance and Sustainability System, governing the day-to-day activities of all entities of the Group and guiding their strategy and all of their actions.</p>	<p>5. The <i>Purpose and Values of the Iberdrola group</i><u>Group</u> also inspires and takes form in the corporate policies and in the other rules of the Governance and Sustainability System, governing the day-to-day activities of all entities of the Group and guiding their strategy and all of their actions.</p>
<p>6. The shareholders acting at a General Shareholders' Meeting and the Board of Directors of the Company, within their respective purview, develop, apply and interpret the rules making up the Governance and Sustainability System in order to ensure compliance at all times with the purposes thereof and, particularly, the fulfilment of the corporate interest.</p>	<p>6. The shareholders acting at a General Shareholders' Meeting and the Board of Directors of the Company, within their respective purview, develop, apply and interpret the rules making up the Governance and Sustainability System in order to ensure compliance at all times with the purposes thereof and, particularly, the fulfilment of the corporate interest.</p>
<p>7. Full or summarised versions of the rules making up the Governance and Sustainability System can be viewed on the Company's corporate website.</p>	<p>7. Full or summarised versions of the rules making up the Governance and Sustainability System can be viewed on the Company's corporate website.</p>
<p>8. The Company also has a Compliance System, consisting of a structured set of rules, procedures and activities intended to prevent and manage the risk of regulatory and ethical breaches or breaches of the Governance and Sustainability System itself, as well as to contribute to the full realisation of the <i>Purpose and Values of the Iberdrola group</i> and the corporate interest.</p>	<p>8. The<u>Within the framework of the Governance and Compliance System, the</u> Company also has a Compliance System, consisting of a structured set of rules, procedures and activities intended to prevent and manage the risk of regulatory and ethical breaches or breaches of the Governance and Sustainability System itself, as well as to contribute to the full realisation of the <i>Purpose and</i></p>



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	<p>Values of the Iberdrola group<u>Group</u> and the corporate interest.</p> <p><u>The country subholding and head of business companies also have their own compliance function, which has full responsibility for managing their respective compliance systems.</u></p>
<p>9. The application and further development of the Company's compliance function and Compliance System is the responsibility of the Compliance Unit, an autonomous body linked to the Sustainable Development Committee of the Board of Directors.</p>	<p>9. The application and further development of the Company's compliance function and Compliance System is the responsibility of the Compliance Unit, an autonomous body <u>with the highest standards of independence and transparency that is</u> linked to the Sustainable Development Committee of the Board of Directors.</p>
<p>TITLE III. MANAGEMENT OF THE COMPANY</p>	<p>TITLE III. MANAGEMENT OF THE COMPANY</p>
<p>Chapter II. Board of Directors</p>	<p>Chapter II. Board of Directors</p>
<p>Article 32. Powers of the Board of Directors</p>	<p>Article 32. Powers of the Board of Directors</p>
<p>1. The Board of Directors has the power to adopt resolutions regarding all matters not assigned by law or the Governance and Sustainability System to the shareholders acting at a General Shareholders' Meeting.</p>	<p>1. The Board of Directors has the power to adopt resolutions regarding all matters not assigned by law or the Governance and Sustainability System to the shareholders acting at a General Shareholders' Meeting.</p>
<p>2. Although the Board of Directors has the broadest powers and authority to manage and represent the Company, as a general rule of good governance, the Board of Directors shall focus its activities, pursuant to the Governance and Sustainability System, on the definition and supervision of the general guidelines to be followed by the Company and the Group, attending to the following matters, among others:</p>	<p>2. Although the Board of Directors has the broadest powers and authority to manage and represent the Company, as a general rule of good governance, the Board of Directors shall focus its activities, pursuant to the Governance and Sustainability System, on the <u>strategic</u> definition and supervision of the general guidelines to be followed by the Company and<u>at</u> the Group <u>level</u>, attending to the following matters, among others:</p>
<p>a) Establish, within legal limits, the policies, strategies and guidelines of the Group, entrusting to the decision-making bodies and the management of the head of business companies of the Group the duties of day-to-day administration and effective management of each of the businesses.</p>	<p>a) Establish, within legal limits, the policies, strategies and guidelines of<u>covering</u> the Group, entrusting to the decision-making bodies and the management of the head of business companies of the Group the duties of day-to-day<u>effective</u> administration and effective<u>day-to-day</u> management of each of the businesses..</p>
<p>b) Supervise the general development of the aforementioned policies, strategies and</p>	<p>b) <u>Through the country subholding companies, supervise</u>Supervise the general development</p>



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<p>guidelines by the country subholding companies and by the head of business companies of the Group, establishing appropriate mechanisms of coordination and exchange of information in the interest of the Company and of the companies belonging to the Group.</p>	<p>of the aforementioned policies, strategies and guidelines by the country subholding companies and by the head of business companies of the Group <u>in relation to their respective territories, countries or businesses</u>, establishing appropriate mechanisms of coordination and exchange of information in the interest of the Company and of the <u>other</u> companies belonging to<u>within</u> the Group.</p>
<p>c) Decide on matters of strategic importance at the Group level.</p>	<p>c) Decide on matters of strategic importance at the Group level.</p>
<p>3. The Board of Directors shall generally entrust to its chairman, to the chief executive officers and to senior management the dissemination, coordination and general implementation of the Group's management guidelines, acting in furtherance of the interests of each and every one of the companies belonging thereto.</p>	<p>3. The Board of Directors shall generally entrust to its chairman, to the chief executive officers and to senior management the dissemination, coordination and general implementation of the Group's management guidelines <u>covering the Group</u>, acting in furtherance of the interests of each and every one of the companies belonging thereto.</p>
<p>4. The Board of Directors shall design, evaluate and continuously review the Governance and Sustainability System, shall approve the <i>Purpose and Values of the Iberdrola group</i> and shall pay special attention to the approval and updating of the corporate policies, which further develop the principles reflected in these <i>By-Laws</i> and in the other provisions of the Governance and Sustainability System and codify the guidelines that should govern the activities of the Company, its shareholders and the Group.</p> <p>In particular, the Board of Directors shall approve and regularly update a climate action plan to achieve neutrality in the emission of greenhouse gases by 2050. This plan shall set out the intermediate objectives, the strategy and the investment plan designed to meet these objectives and shall define the methodologies used to assess the implementation thereof.</p>	<p>4. The Board of Directors shall design, evaluate and continuously review the Governance and Sustainability System, shall approve the <i>Purpose and Values of the Iberdrola</i> group<u>Group</u> and shall pay special attention to the approval and updating of the corporate policies, which further develop the principles reflected in these <i>By-Laws</i> and in the other provisions of the Governance and Sustainability System and codify the guidelines that should govern the activities of the Company, its shareholders and the <u>other companies of the</u> Group</p> <p>In particular, the Board of Directors shall approve and regularly update a climate action plan to achieve neutrality in the emission of greenhouse gases by 2050. This plan shall set out the intermediate objectives, the strategy and the investment plan designed to meet these objectives and shall define the methodologies used to assess the implementation thereof.</p>
<p>5. The <i>Regulations of the Board of Directors</i> shall specify the powers reserved to such body, which may not be entrusted to the representative decision-making bodies or to the senior management of the Company.</p>	<p>5. The <i>Regulations of the Board of Directors</i> shall specify the powers reserved to such body, which may not be entrusted to the representative decision-making bodies or to the senior management of the Company.</p>