



Annual Corporate Governance Report

Year 2024

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This “Annual Corporate Governance Report 2024” has been designed to be fully accessible, ensuring that everyone without exception can access its content regardless of their abilities, their age or the technology used.

Various measures have been implemented, including the use of a clear and legible format, the inclusion of alternative descriptions for images and charts, and, in the digital version, compatibility with assistive technologies.

Iberdrola’s commitment is to ensure that all users can understand and use the information.

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1. Introduction

1.1. Introductory letter



Ignacio S. Galán
Chairman

Financial year 2024 has witnessed the consolidation of electrification as an unstoppable process, thanks to increased electricity demand in the sectors of transport, climate control of buildings and industry, and the strong boost provided by digitalisation, data processing and artificial intelligence. The anticipated intensification of this phenomenon in the coming years has even led the International Energy Agency to announce the onset of a new “age of electricity”, which will entail huge investments and create positive impacts in energy security and autonomy, competitiveness, the creation of industry and employment, and conservation of the environment.

Iberdrola anticipated these trends almost 25 years ago, and since then we have invested over €160,000 million in electricity grids, renewable energy and energy storage. This has enabled us to achieve a new capitalisation record in 2024, consolidating our position as the largest electricity company in Europe and one of the top three worldwide, and to increase our ability to continue increasing shareholder return while we create progress and well-being in our environment.

Values, ethics and good governance have been essential in forging a model and a corporate culture that have now become true benchmarks at a global level. At Iberdrola we firmly believe that applying the highest standards of governance,

compliance, social commitment and environmental performance strengthens our strategy and maximises value for all our stakeholders.

As a result, as long ago as 2001 we created a Corporate Governance Division under the Office of the General Secretary and Secretary of the Board of Directors, which since then has been ensuring that our internal regulations are updated as part of the Governance and Sustainability System.

As a result of this ongoing improvement process, in 2024 the periodic review of the Board of Directors' skills matrix has been strengthened, and second-level internal governance has been optimised through the regulation of the committees that provide support to the management team in important areas such as risk control and management, sustainability, reputation, cybersecurity and resilience.

As regards the composition of the Board of Directors, following the appointment on an interim basis (co-option) of a new independent director to fill a vacancy, independent directors now make up over 91% of the Company's non-executive directors, and the gender balance achieved in 2021, five years ahead of applicable legal requirements, has been maintained.

Also of note this year is entrusting the position of lead independent director (previously held by the first vice-chair) to the chair of the Appointments Committee. The Board of Directors has thereby increased checks and balances by having two independent vice-chairs and a lead independent director.

In addition, the availability required of directors has been increased in line with the size, internationalisation and complexity of the Company, limiting to three the maximum number of listed companies at which directors can sit on the board, including the Company itself.

In order to offer a fuller and more transparent view of our governance model, this report has been produced in accordance with the "free format" for the first time, broadening the legally required content with other material, such as the vision of the corporate purpose and values, the corporate and governance structure, the review of the main milestones and outlook for the previous financial year, the keys to the internal control system for sustainability reporting, and the compliance system of the Group's companies.

This innovation makes it possible to simplify, streamline and facilitate access to all reports on corporate governance that the Company voluntarily publishes by compiling here, among other documents, the activities report of the Board of Directors and of the committees thereof, as well as the report on the application of the "Shareholder Engagement Policy", which marks its tenth anniversary this year.

I trust that this report will prove to be of interest and will provide you with a detailed understanding of the Company's performance in terms of governance during financial year 2024.

1.2. Links to additional documents and resources

This annual corporate governance report includes references to other documents that are available at the following links:

Reference	Link
Corporate governance section of the corporate website	See Iberdrola website [opens in new window].
General Shareholders' Meeting section of the	See Iberdrola website [opens in new window].
General Risk Control and Management Foundations of the Iberdrola Group	See Iberdrola website [opens in new window].
Foundations for the definition and coordination of the	See Iberdrola website [opens in new window].
Good Governance Code of Listed Companies of the National Securities Market Commission (<i>Comisión Nacional del Mercado de Valores</i>)	See document [PDF, opens in new window]
Code of Ethics	See document [PDF, opens in new window]
By-Laws	See document [PDF, opens in new window]
Corporate and Governance Structure of the Group	See Iberdrola website [opens in new window].
Basic Internal Audit Regulations	See document [PDF, opens in new window]
Corporate website	See Iberdrola website [opens in new window].
Anti-Corruption and Anti-Fraud Policy	See Iberdrola website [opens in new window].
Biodiversity Policy	See document [PDF, opens in new window]
Policy regarding Communication and Contacts with Shareholders, Institutional Investors and Proxy Advisors	See Iberdrola website [opens in new window].
Board of Directors Composition and Member Selection	See Iberdrola website [opens in new window].
Statutory Auditor Contracting and Relations Policy	See Iberdrola website [opens in new window].
Compliance and Internal Reporting and Whistleblower	See Iberdrola website [opens in new window].
General Sustainable Development Policy	See document [PDF, opens in new window]
Policy on the Responsible Development and Use of	See Iberdrola website [opens in new window].

Reference	Link
Iberdrola Group Financial Information Preparation Policy	See Iberdrola website [opens in new window] .
Iberdrola Group Non-Financial Information Preparation	See Iberdrola website [opens in new window] .
People Management Policy	See Iberdrola website [opens in new window] .
Equal Opportunity and Anti-Harassment Policy	See Iberdrola website [opens in new window] .
Shareholder Engagement Policy	See Iberdrola website [opens in new window] .
Corporate Governance Policy	See Iberdrola website [opens in new window] .
Stakeholder Engagement Policy	See document [PDF, opens in new window] .
Shareholder Remuneration Policy	See Iberdrola website [opens in new window] .
Director Remuneration Policy	See Iberdrola website [opens in new window] .
Operational Resiliency Policy	See Iberdrola website [opens in new window] .
Policy on Respect for Human Rights	See Iberdrola website [opens in new window] .
Security Policy	See Iberdrola website [opens in new window] .
Corporate Tax Policy	See Iberdrola website [opens in new window] .
Environmental Policy	See Iberdrola website [opens in new window] .
Purpose and Values of the Iberdrola Group	See document [PDF, opens in new window] .
Regulations of the Audit and Risk Supervision	See document [PDF, opens in new window] .
Regulations of the Sustainable Development Committee	See document [PDF, opens in new window] .
Regulations of the Appointments Committee	See document [PDF, opens in new window] .
Regulations of the Remuneration Committee	See document [PDF, opens in new window] .
Regulations for the General Shareholders' Meeting	See document [PDF, opens in new window] .
Regulations of the Board of Directors	See document [PDF, opens in new window] .
Governance and Sustainability System	See Iberdrola website [opens in new window] .

1.3. Executive summary

“Iberdrola, S.A.” (the “Company”) is a private company that does not have and has not had a majority or controlling shareholder, as defined in Article 42 of the “Commercial Code”, and which conceives of the corporate interest as the interest common to all shareholders of an independent company focused on the sustainable creation of value.

This report describes the application during financial year 2024 of the corporate governance model of the Company, which shares its corporate purpose and values with an international group of which it is the parent company (together, “Iberdrola”, the “Iberdrola Group” or the “Group”), combining a decentralised management model with the necessary coordination and an effective system of separation of functions, checks, balances and controls (section 2).

This is the basis for the implementation of a strategy aimed at the opportunities arising from electrification, commitment to financial strength and shareholder return, the supervision of which falls within the purview of the Board of Directors (section 3).

The Company’s shareholding structure is characterised by the fragmentation and dispersion of equity interests, with a large majority of international investors (70.3%) and a significant and stable presence of Spanish shareholders (29.7%). In addition to the permanent commitments to the shareholding policy made by those executive directors and officers who are beneficiaries of the systems for long-term variable remuneration in shares, in 2024 the Company introduced a commitment of this nature for directors in their capacity as such, which all members of the Board of Directors complied with by the end of the financial year. Apart from these limitations, the Company is not aware of any shareholders’ agreements and the Company’s shares are freely transferable in compliance with the requirements of applicable law, with a very high free float level (sections 4.1 and 4.2).

Based on a pioneering “Shareholder Engagement Policy” approved ten years ago by the Board of Directors, the Company maintains ongoing and effective dialogue with its shareholders, through the initiatives and communication channels that are described in the engagement report included in this report. In addition to periodic contact with analysts and rating agencies, over 700 meetings were held with around 1,600 equity, fixed-income and sustainable investors in 2024, and new campaigns were implemented with retail shareholders, whose involvement now exceeds 9.5% of the share capital (section 4.3).

The main milestone for this ongoing interaction is the General Shareholders’ Meeting, which reached a quorum of 75.52% of share capital in 2024, the highest level among Spanish peers with a similar shareholding structure, consolidating an extraordinary average level of participation in excess of 75% over the last 10 years. The proposals of the Board of Directors secured massive support (over 98% support on average out of the total votes in favour and against), further endorsed by the assurance regarding procedures provided through the engagement of an independent external firm (section 5).

In relation to the structure of the Board of Directors, the percentage of independent members rose from 83% to 91% of all external directors in 2024, and three consultative committees became entirely made up of independent directors, including the Appointments Committee, which coordinates the external evaluation of the governance bodies. Additionally, the chair of the Appointments Committee has been appointed as lead independent director (a position previously held by the first vice-chair), providing a further check and balance in addition to the two vice-chairs, all of whom are independent (section 6.1.1).

The orderly refreshment of the members of the Board of Directors takes place in accordance with succession plans and allows for combining high levels of qualifications with professional experience, as shown in the skills matrix included in this report, with the plurality inherent to external directors making up 86% of the total number of members and the presence of five nationalities. All of the foregoing is with a balanced presence of women and men (50/50 distribution of external directors of each gender and no gender with a representation of less than 43% of the total number of directors), having achieved in 2021 the 2026 objectives set by the legal provisions approved in 2024 (sections 6.1.2 and 6.1.3).

Of particular note is the absolute dedication the directors show to their duties, with an attendance level in excess of 99% at meetings of the Board of Directors and of 100% at all committees, with the governance bodies holding an overall total of 58 meetings in 2024 (section 6.1.3).

Detailed information is provided on the main activities performed by the Board of Directors and its committees, the appearances of officers and external advisors before these bodies, which demonstrates the depth of supervision of management, as well as the priorities identified for the current financial year (sections 6.1.6. and 6.1.7.).

The continuous improvement plan for the governance bodies is based on the annual external evaluation by an independent firm, the scope, methodology and results of which (with an achievement level above 98% of the indicators) are described in this report (section 6.1.8).

In terms of the management team, the Company has maintained the gender balance among senior management that it had already achieved in 2023, almost 3 years ahead of the obligations imposed on listed companies in Spain in this area, which will gradually become enforceable as from 30 June 2026 (section 6.2).

The information provided on remuneration of the members of the Board of Directors and of senior management is confined to the disclosures required by the National Securities Market Commission (*Comisión Nacional del Mercado de Valores*) ("CNMV") for this report, more details regarding which reference is made to the annual report on remuneration of directors and officers, the consistency between them having been verified (section 6.3).

In addition to confirming the absence of related-party transactions and including the required information on the statutory auditor, included for the first time are the reports of the Audit and Risk Supervision Committee on related-party transactions and on the independence of the external auditor (sections 7 and 9).

Along with the requested information on risk management and control (section 8.1) and the financial information control system (section 8.2), descriptions of the sustainability reporting control system (section 8.3) and of the compliance system (section 8.4) are voluntarily provided.

The final part of the report describes the degree of compliance with the 64 recommendations of the “Good Governance Code of Listed Companies”, 60 of which applied to the Company in 2024, of which it complied with 58 and explains 2. The Company’s good tax practices are also reported on (section 10).

The Governance and Sustainability System is regularly reviewed for the update and further development thereof and to contribute to its continuous improvement. For this purpose and coinciding with the formulation of this report, the Board of Directors has approved a reform that entails changing the name of some of the corporate rules and policies.

Therefore, to make it easier to follow, when the report refers to content of the Governance and Sustainability System, its new name will be stated so that it can be consulted on the Company’s corporate website.

2. Purpose and Structure of the Group

2.1. Corporate purpose, values and structure

Iberdrola’s corporate purpose reflects the strategy that the companies of the Group has been implementing for over twenty years, for the benefit of their shareholders and society as a whole, and their commitment to continue fighting, together with all their respective Stakeholders, for a real and global energy transition:

Our purpose is to continue building together each day a healthier, more accessible energy model, based on electricity.

Along with the purpose, the Company’s Board of Directors also establishes the values that must provide the inspiration and basis for the strategy and actions of all of the Group’s companies:

- Sustainable energy: because they must always be a model of inspiration, creating environmental, social and economic value throughout their surroundings, and with the future in mind. This value expresses commitment to responsibility, ethics, security and transparency.
- Integrating force: because they work by combining talents for a corporate purpose that is to be achieved by all and for all. This value expresses commitment to equal opportunity, dialogue, empathy and solidarity.
- Driving force: because they make small and large changes that make people’s lives easier while being efficient and self-demanding, and always seeking continuous improvement. This value expresses commitment to innovation, simplicity, agility and foresight.

Based on these foundations, the following priorities of Iberdrola’s sustainability roadmap were presented at the “Capital Markets Day” held on 21 March 2024:

Priorities of Iberdrola’s sustainability roadmap



The corporate governance model described in this report promotes and conveys the “Purpose and Values of the Iberdrola Group” throughout all the companies that comprise it.

2.2. Corporate and governance structure of the Group

“Iberdrola, S.A.” is the holding company of a multinational group present in Spain, the United States of America, the United Kingdom, Australia, Mexico, Brazil, Germany, France and other Member States of the European Union, among other countries.

International presence and key figures



Approximately **500,000** jobs sustained through our purchasing

Total net output 132,499 GWh	Total renewable installed capacity 44,478 MW	Distributed electricity 238,164 GWh	People in direct employment 42,208	Direct tax contribution €10,300 M
Total net installed capacity 56,668 MW	Power lines 1,294,765 Km	Gross organic investments €11,945 M	Millions of consumers 36	Purchases €17,853 M

Through the country subholding companies and the head of business companies, the Iberdrola Group combines a decentralised structure and management model with coordination mechanisms that ensure the global integration of all businesses and an effective system of separation of functions, checks and balances, and controls.

The governance structure based on this corporate configuration duly distinguishes between the functions of strategic definition, organisation, coordination and supervision, on the one hand, and day-to-day and effective management of the businesses, on the other:

Framework of the corporate and governance structure of the Group

Holding company

- Strategy definition at the Group level and organisational, coordination and supervision functions (see section 3 of this report).
 - Board of Directors, Executive Committee and consultative committees, the latter mainly or entirely made up of independent members (see section 6 of this report).
-

Country subholding companies

- Dissemination and implementation of and compliance with the Group-level strategies and general guidelines based on the characteristics and particularities of their respective territories, countries or businesses.
 - Strengthening the organisational, coordination and supervisory function of the head of business companies.
 - Boards of directors with chief executive officers (*consejeros delegados*), external directors and audit and compliance committees, in addition to internal audit divisions and compliance units.
-

Head of business companies

- Day-to-day administration and effective management of the businesses.
- Day-to-day control of the businesses.
- Boards of directors and specific management bodies, which may have their own audit and compliance committees, internal audit areas, and compliance units or divisions.

The positions held at each level of this structure are described in more detail below:

- The Board of Directors of “Iberdrola, S.A.” (holding company) is vested with powers relating to the approval of strategic goals at the Group level, the definition of its organisational model, as well as organisation, coordination and supervision.
- The chairman of the Board of Directors and the chief executive officer of “Iberdrola, S.A.” rely on the technical support of the Operating Committee and the rest of the management team, as well as the help of committees related to specific corporate or business areas, as well as cross-functional support committees linked to strategic functions.

- The country subholding companies are “Iberdrola España, S.A.” (Sociedad Unipersonal) (“Iberdrola España”), “Scottish Power Ltd.” (“Scottish Power”), “Avangrid, Inc.” (“Avangrid”), “Neoenergia S.A.” (“Neoenergia”), “Iberdrola México, S.A. de C.V.” (“Iberdrola México”) and “Iberdrola Energía Internacional, S.A.” (Sociedad Unipersonal).
- These entities strengthen organisation, coordination and supervision by disseminating, implementing and supervising the overall strategy and the basic management guidelines, grouping together equity stakes in the head of business companies, and one of their main functions is to centralise the provision of common services to these companies, as well as to represent them before domestic institutions.
- In addition, a special framework of enhanced autonomy is guaranteed for the listed country subholding companies in the regulatory, related-party transaction, and management areas (as at financial year-end 2024, only Neoenergia, listed in Brazil, had this status).¹
- The head of business companies assume executive responsibilities, carry out the day-to-day administration and effective management of the businesses, and are responsible for the day-to-day control thereof, without prejudice to the corporate autonomy of subsidiaries domiciled in different countries or territories.

An updated description of the corporate and governance structure of the Group is provided on the corporate website: [Go to Iberdrola website \[opens in new window\]](#).

¹ On 23 December 2024, the shares of the country subholding company in the United States of America (Avangrid) were delisted from the New York Stock Exchange, following which the Company became the owner of 100% of the share capital of Avangrid.

3. Strategy and Creation of Value

3.1. Business model and strategy

Iberdrola firmly believes that electrification is a great opportunity to increase energy autonomy and security, competitiveness, industrialisation and the generation of employment, at the same time as protecting the environment and human health.



“Electrification is unstoppable. More electricity grids will be needed to connect demand, more clean energy to replace fossil fuels, and more storage. Iberdrola is already well placed in these areas, and it has the expertise and opportunities to grow organically in our key markets.”

Ignacio S. Galán

Chairman

Two decades of growth built on solid strategic pillars that promote future growth

For this reason, for more than 20 years the Group has been firmly committed to grid expansion, renewable energy and storage, having invested over €160,000 million during this period.

Electricity transmission and distribution grids, which are essential for an electrified energy system, make it possible to integrate more renewable sources and guarantee the security and quality of supply.

The Group currently operates approximately 1.3 million kilometres of transmission and distribution grids, over 4,500 substations and over 1.6 million transformer stations, which provide a reliable high-quality service to a population of around 100 million people.

Iberdrola is also a world leader in renewable energy, with an installed capacity of over 44 GW at year-end 2024. In recent years, the Group has consolidated its leadership in onshore technologies and has strongly expanded into offshore wind, which has become one of the key growth drivers, with assets in the United States of America, the United Kingdom, France and Germany.

Iberdrola also has a storage capacity of over 100,000 MWh, mainly in hydroelectric pumped storage, but also in batteries. The increase in renewable penetration is providing increasing value to these technologies, bringing the necessary flexibility and security to the market.

This business model is focused on the sustainable creation of value, in accordance with the provisions of the “By-Laws” and with the corporate policies approved by the Board of Directors, which focuses its activity on the organisation, coordination and supervision of the general guidelines to be followed at the Group level.

3.2. Main milestones in 2024 and outlook

During financial year 2024, the Company developed its strategy of long-term creation of value, based on the following pillars:

- **Growth in networks**
The Group’s network asset base increased in 2024 by 8% to €45,206 million. Of this total, 31% corresponds to the United States of America, 25% to the United Kingdom, 23% to Brazil and 21% to Spain.
- **Selective focus on renewables**
In 2024, the Group installed 2.4 GW of renewables, mainly in offshore wind, notably including the start-up of Saint Brieuc, in France, and the completion of wind turbine installation at the Baltic Eagle wind farm in Germany.
- **Focus on countries with high credit ratings**
Thanks to growth in the contribution from the United States of America and the United Kingdom, 81% of recurring EBITDA in 2024 comes from countries with an “A” rating, with further potential to increase their contribution after the transactions described below.
- **Full commitment to financial strength**
Adjusted Funds from Operations (FFO), which increased by 7% (rising by up to 10% in recurring terms), and various asset rotations enabled the Group to close financial year 2024 with an FFO/debt ratio of 22.9% (25.3% excluding the extraordinary ENW and Avangrid operations described below), in the upper part of the range corresponding to a BBB+ rating level.
- **Increasing shareholder remuneration**
On 31 January 2025, an interim dividend of €0.231 per share was paid, with a year-on-year increase of 14.4%.
- **Creation of sustainable value for all Stakeholders**
The Company completed 25 consecutive years on the “Dow Jones Sustainability Index” in 2024, making it the only European utility included on this leading international sustainability index throughout that period.

Some of the key milestones recorded during the financial year are described below:

- Closing of the sale of power generation assets in Mexico

On 26 February 2024, following fulfilment of the conditions agreed between the parties, the sale was closed to a trust administered by “México Infrastructure Partners FF, S.A.P.I. de C.V.” of 100% of the shares of the companies owning 12 combined cycle plants and a wind farm in Mexico with an installed capacity of 8,539 MW, which represented approximately 55% of the gross operating profit (EBITDA) of Iberdrola México in 2023.

The total amount received in the sale was approximately US\$6,200 million (equivalent to €5,681 million), contributing a capital gain of €1,717 million to the results for 2024 (€1,165 million after taxes).

- Acquisition of ENW

On 2 August 2024, contracts were signed for the acquisition of 88% of the share capital of “Electricity North West Limited” (“ENW”), a British electricity distributor operating in the United Kingdom.

The acquisition was structured by means of a sale and purchase of equity interests representing approximately 85.6% of the share capital of ENW and a monetary capital increase for the acquisition of an additional stake of approximately 2.4% of the share capital. Following the consummation of the acquisition, the relevant shareholders’ agreement was signed with “KDM Power Limited”, a consortium led by the Japanese company “Kansai Electric Power Co”, which retains a stake of 12% in ENW.

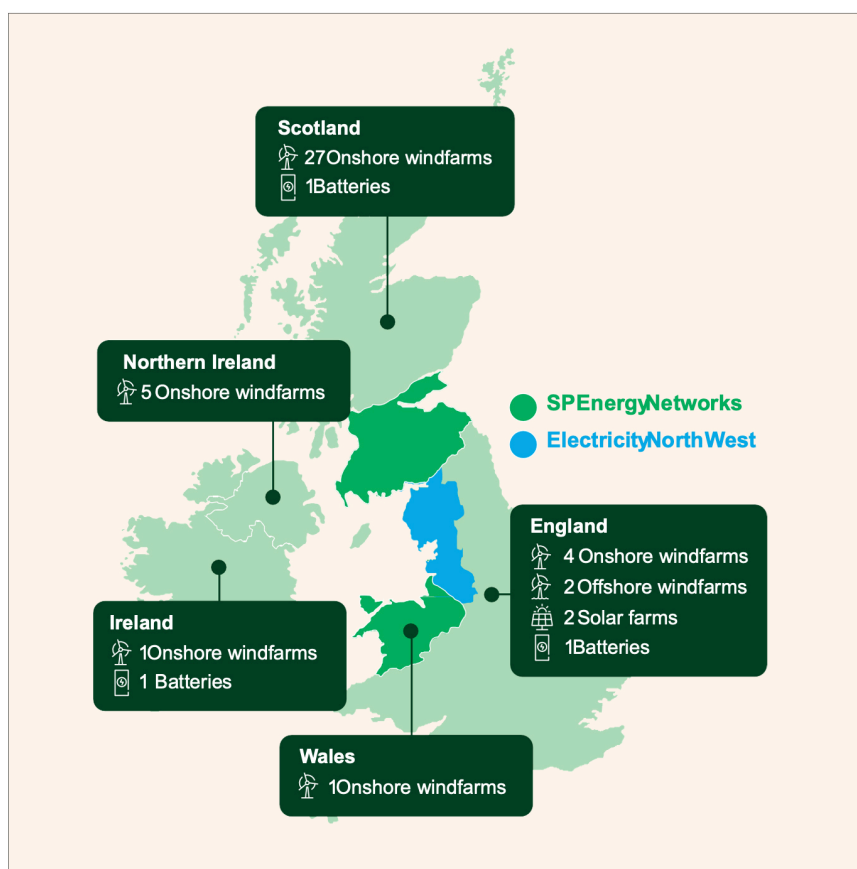
The acquisition closed on 22 October 2024 by means of the payment of approximately €2,619 million and an approximate enterprise value of €5,000 million. It has the mandatory approvals and is expected to receive a favourable resolution from the competition authorities in the first quarter of 2025.

As a result, the United Kingdom has become Iberdrola’s leading country by network asset base, with €14,000 million, followed by the United States of America with €13,300 million.

ENW distributes electricity to almost five million customers in the north-west of England, in cities such as Manchester, Lancaster and Barrow, with 60,000 km of electricity distribution networks, and it represents a unique opportunity for Iberdrola given its location between the transmission and distribution networks that the Group was already operating in Scotland and England through Scottish Power.

This acquisition accelerates the Iberdrola Group’s commitment to and growth in the networks business, making it the second-largest in the United Kingdom in regulated electricity transmission and distribution. Following the acquisition, the Group distributes electricity to some 12 million people and has over 170,000 km of networks in the United Kingdom.

Map of activities in the United Kingdom



- Increase of equity interest in Avangrid to 100% of share capital

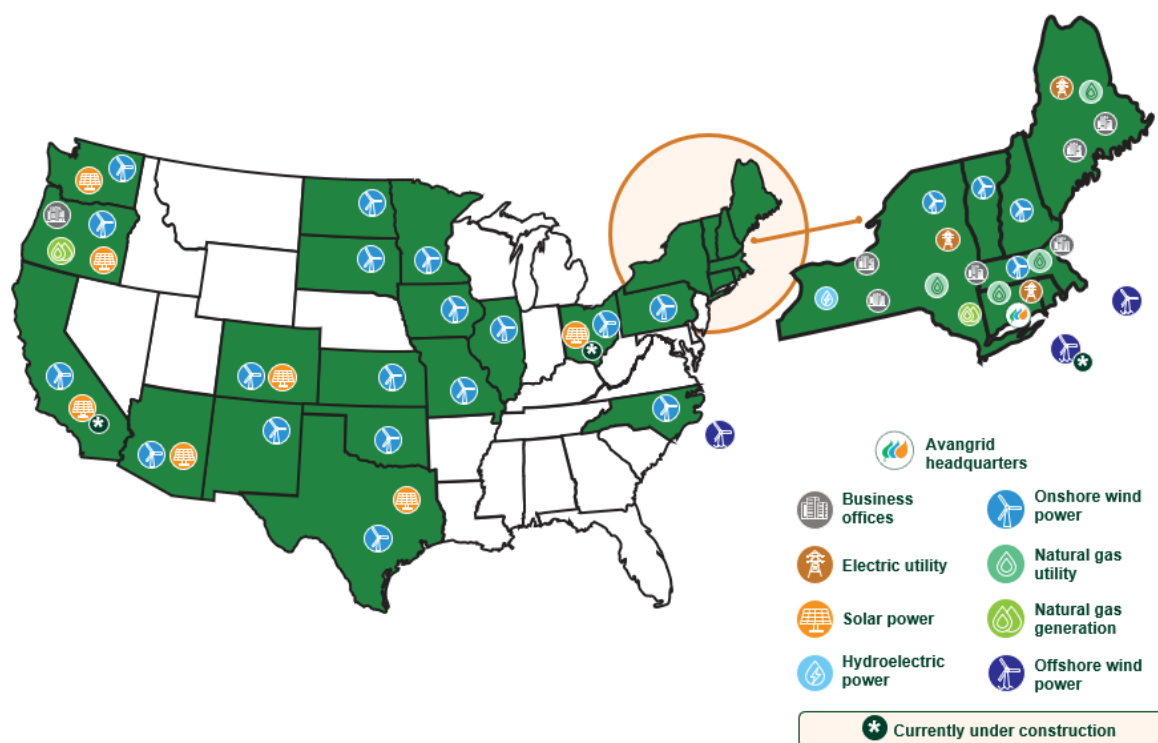
On 17 May 2024, the Company signed a merger agreement for the acquisition of 18.4% of the shares of Avangrid that it did not own, for an amount of €35.75 per share (a total of approximately €2,454 million), representing a premium of 15.2% over the average listing price of Avangrid in the 30 days prior to the announcement.

The agreement, which closed on 23 December 2024, was endorsed by over 99% of the votes cast at Avangrid's General Shareholders' Meeting and obtained prior authorisations from the Federal Energy Regulatory Commission, the regulator for the State of Maine and the regulator for the State of New York, following which Avangrid was delisted from the New York Stock Exchange.

With this agreement, Avangrid will have streamlined access to additional financial resources and be able to invest more efficiently in new energy infrastructure projects in the networks and renewable energy businesses, in order to create a more robust, resilient and reliable electricity network that will help to meet the growing demand from public service companies and data centres.

Thanks to the growth experienced by the company over the last decade, the Avangrid group distributes energy to a population of seven million people in the States of New York, Connecticut, Maine and Massachusetts, with installed renewable power capacity of 9,703 MW across 24 States and more than 8,000 employees.

Map of activities in the United States of America



- Co-investment agreements and strategic alliances.

On 16 January 2024, there was an expansion of the agreement reached in 2023 with “Norges Bank Investment Management” (“NBIM”) for the co-investment of over €2,000 million in renewable generation assets in Spain and Portugal, which could be expanded to other countries in the future.

The agreement provides for the acquisition by NBIM of a 49% stake in the share capital of several Group companies owning onshore wind and solar photovoltaic projects in Spain and Portugal, with a first phase amounting to 673.6 MW of projects in development, with the possibility of incorporating others up to a total of 1,316 MW. The valuation of 100% of this renewable project portfolio amounts to €627 million for the projects in the first phase.

On 8 March 2024, a subscription agreement was signed with “BP Energía España, S.A.U.” to co-invest 50% in the development, construction and operation of a green hydrogen plant with a capacity of 25 MW.

On 12 December 2024, an agreement was signed to sell to “Windanker Investco B.V.” (a company belonging to the Kansai group) a 49% stake in the company that owns the Windanker offshore wind farm in Germany, with 315 MW of installed capacity, currently under construction, for an estimated price of approximately €150 million, which for Iberdrola represents an implicit valuation of approximately €1,280 million in enterprise value, for 100% of the wind farm. Its implementation is subject to approval from the competent authorities and to the fulfilment of other conditions that are customary in this type of transaction.

These strategic alliances are added to those that Iberdrola maintains with other funds and groups such as “Mapfre” for joint investment in 1,000 MW of renewable generation in Spain; “Masdar” to co-invest €15,000 million in offshore wind energy and green hydrogen in Germany, the United Kingdom and the United States of America; “Government of Singapore Investment Corporation Private Limited” (“GIC”) for the expansion of transmission networks in Brazil amounting to €430 million; “BP” to roll out 11,700 fast charging points in Spain and Portugal; and “Energy Infrastructure Partners” to co-invest in the Wikingier offshore wind farm and strengthen their offshore wind energy portfolio.

- Power purchase agreements (PPAs)

Iberdrola’s long-term PPA portfolio continues to grow, with new agreements signed for more than 5 TWh per year, with an average term of 15 years and tier-1 customers from various industries, including the technology industry, to which the Group already supplies 10 TWh per year, the majority of which is allocated to meeting energy needs arising from data management and artificial intelligence, a major driver of future demand in relation to which Iberdrola already has a strong position.

Specifically, in 2024 Iberdrola extended its global alliance with “Amazon Inc.” by signing a PPA for 159 MW from East Anglia, the second-largest wind farm in the world, which is added to others already signed with the same customer for projects in Germany, the United States of America and the United Kingdom that total 54,000 GWh of renewable energy.

At the same time, the Company has been recognised in 2024, for the fourth consecutive year, as the world’s leading private utility in terms of investment in innovation and development, according to a benchmark analysis of the 2,000 largest companies in the world and the 800 largest in Europe published by the European Commission.²

² European Commission: Joint Research Centre, NINDL, E., NAPOLITANO, L., CONFRARIA, H., RENTOCCHINI, F., FAKO, P., GAVIGAN, J. and TUEBKE, A., The 2024 EU Industrial Rand Investment Scoreboard, Publications Office of the European Union, Luxembourg, 2024, <https://data.europa.eu/doi/10.2760/9892018>, JRC140129.

Planned investments will allow for 10,000 additional new hires by 2026 through our suppliers and continued job growth in the supply chain, which includes approximately 500,000 people.

In addition, along with maintaining best corporate governance practices, the ongoing review of Stakeholder relationships, and specifically of human rights due diligence, the application of which is intended to cover 90% of the Group's facilities by 2030, have been established as strategic goals.

In relation to natural capital, Iberdrola continues to move ahead with the aspiration of achieving carbon neutrality for scopes 1 and 2 by 2030, and for scope 3 before 2040.

Approximately 90% of CAPEX is in line with the European Union taxonomy and Iberdrola will continue to maximise the use of sustainable and green instruments, benefiting from its unique corporate profile, which was recognised by Fitch in 2024 with a green rating in its Transition Assessment Outcome.

3.3. Financial strength

The Company's strong foundations are based on a unique business and financial model that combines growth, predictability, shareholder return and financial strength.

To fund the expansion of its business activities while maintaining its strength, Iberdrola continues to apply a conservative model based on the following factors:

- Optimal risk profile with high income certainty and growth capacity.
- Recovery of the investment and its profitability through cash flows as a criterion.
- Fixed-rate financing with a long-term maturity profile and balanced revenue and interest rate structures.
- Active liquidity management.
- Minimisation of interest and exchange rate risks thanks to hedging strategy.
- Broad diversification of financing sources, maximising use of green financing as well as partnerships and asset rotation to provide options for higher growth.

In 2024, new financing transactions have been executed in the amount of €12,205 million, with bonds the main source of financing in the amount of €8,291 million, with strong diversification of markets and financial instruments at competitive prices.

A total of 94% of the agreed financing for organic investments is sustainable, mainly green (81%), making Iberdrola the leading private group worldwide in green bonds issued.

The Group's liquidity is in excess of €19,300 million (~22 months), mainly supported by available credit facilities and loans.

With adjusted net financial debt of €51,672 million at year-end 2024, Iberdrola maintains a BBB+ credit rating with a stable outlook, reflecting the impact of the corporate transactions implemented during the financial year as referred to above.

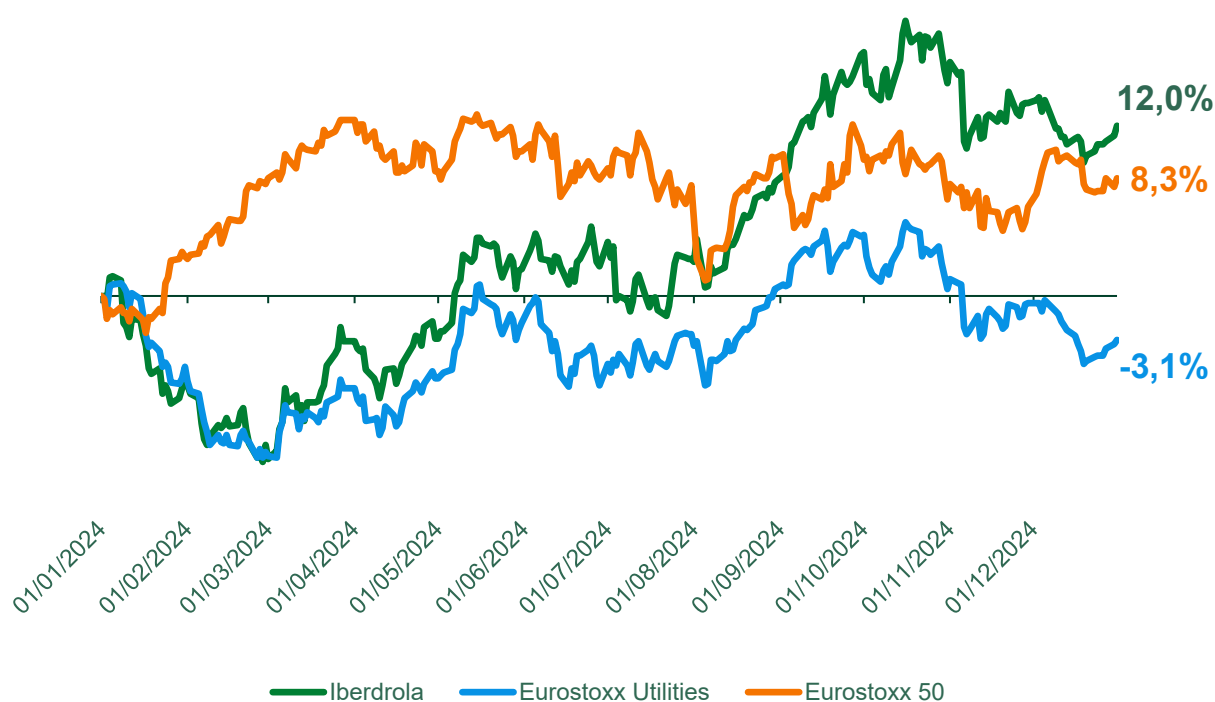
Capital allocation criteria are key to ensuring stable and recurring cash flow, return on investments and long-term creation of value, and such criteria are applied taking into account the business, geographic area, remuneration framework and profile of contribution to results.

3.4. Shareholder return

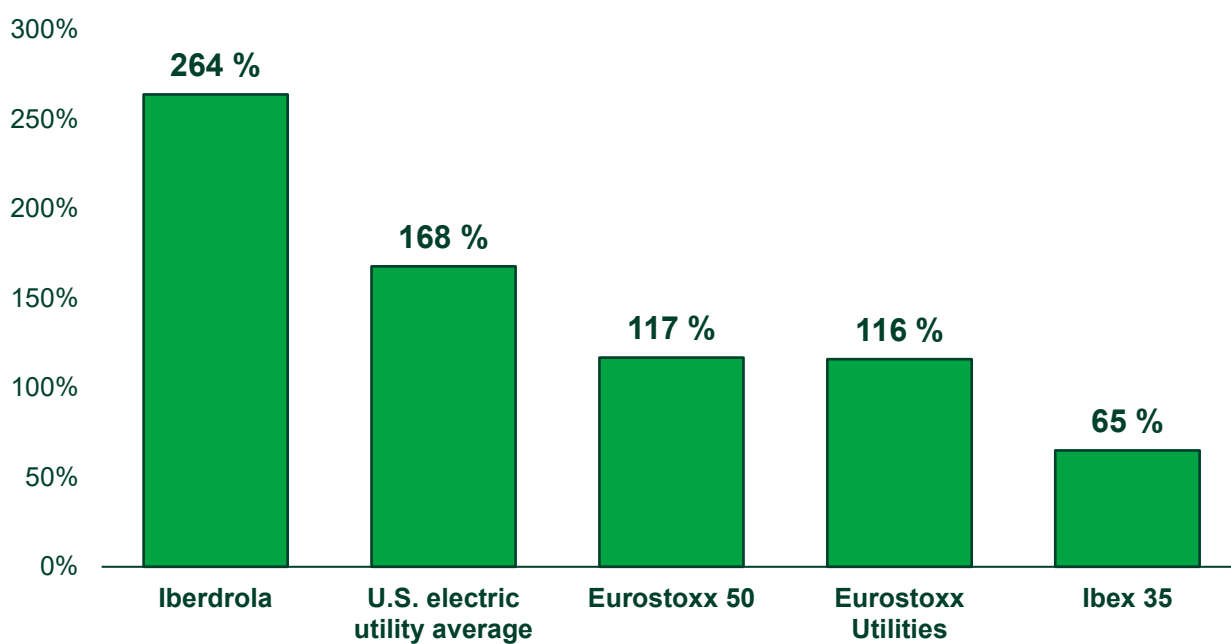
In financial year 2024, Iberdrola's share price increased to 12%.

After adding dividend yield, total shareholder return reached 16.7%, almost 15 points higher than the Eurostoxx Utilities sector index and around 5 points higher than the Eurostoxx 50 index, which includes the 50 leading companies in the European Union.

Stock development in 2024



The Company's total shareholder return over the last 10 years (including dividend reinvestment) is far higher than the average of the main U.S. utilities by capitalisation (+96 percentage points), that of the Eurostoxx 50 index (+147 percentage points), that of the Eurostoxx Utilities sector index (+148 percentage points), and that of the Ibex-35 index (+199 percentage points).

Total shareholder return over the last 10 years (2015-2024)

**NextEra Energy, Duke Energy, and The Southern Company.*

4. Ownership and Shareholder Structure

4.1. Share capital

Set out below is the information on the share capital of “Iberdrola, S.A.” at year-end 2024:

Reference date	Share capital	Par value (€)	Number of	Number of
31/12/2024	4,773,188,250.00	0.75	6,364,251,000	6,364,251,000

As of the date of approval of this report, the share capital comes to €4,830,420,750.00 and is represented by 6,440,561,000 ordinary shares having a nominal value of €0.75 each, belonging to a single class and series and fully subscribed and paid up, as a result of the implementation of the second increase in share capital by means of a scrip issue approved by the shareholders at the General Shareholders’ Meeting 2024.

The “By-Laws” do not include the possibility of issuing the loyalty voting shares with double voting rights provided for in Section 527 *ter* of the “Companies Act” (*Ley de Sociedades de Capital*).

All of the shares are represented by book-entries with the book-entry register being maintained by “Sociedad de Gestión de los Sistemas de Registro, Compensación y Liquidación de Valores, S.A.” (Sociedad Unipersonal) (“Iberclear”). They are also admitted to trading on the Madrid, Barcelona, Bilbao and Valencia Stock Exchanges, and are traded through the Stock Exchange Interconnection System (*Sistema de Interconexión Bursátil*) (Electronic Market), in the general trading segment.

4.1.1. Current approvals and limitations

Issue of new shares

At the General Shareholders’ Meeting held on 17 May 2024, the shareholders resolved to authorise the Board of Directors to increase share capital upon the terms and within the limits set forth in Section 297.1.b) of the “Companies Act” and to issue bonds exchangeable for and/or convertible into shares and warrants in an amount of up to €5,000 million.

Both authorisations were granted for a term of five years and include the power to exclude pre-emptive rights up to an overall maximum nominal amount of 10% of the share capital. The Company has never issued exchangeable or convertible bonds, nor has it exercised any of the authorisations to increase share capital granted by the shareholders since 2011.

Furthermore, the shareholders acting at the aforementioned General Shareholders’ Meeting approved the two customary increases in share capital by means of a scrip issue to implement the “Iberdrola Retribución Flexible” optional dividend system through the issuance of new bonus shares, together with the corresponding reduction

in share capital by means of the retirement of own shares in order for the number of outstanding shares to remain at around 6,240 million. Both the increases and the reduction in share capital have been implemented as of the date of approval of this report.

Acquisition of own shares

The shareholders acting at the General Shareholders' Meeting held on 17 June 2022 resolved to authorise the Board of Directors to carry out the acquisition of shares of "Iberdrola, S.A." on the following terms:

- a) Purchases may be made by "Iberdrola, S.A." directly, or indirectly through its subsidiaries, excluding those that carry out regulated activities pursuant to the provisions of the "Electricity Industry Act" (*Ley del Sector Eléctrico*) and the "Hydrocarbons Act" (*Ley de Hidrocarburos*).
- b) Purchases will be made using purchase/sale or swap transactions or any other means allowed by law.
- c) Purchases may be made up to the maximum sum permitted by law (i.e. 10% of the share capital).
- d) Purchases may not be made at a higher price than that quoted on the Stock Exchange or at a price lower than the share's nominal value.
- e) The authorisation was granted for a period not to exceed five years as from the approval of the resolution.
- f) As a result of the acquisition of shares, including those that the Company or the person acting in their own name but on behalf of the Company has previously acquired and holds in treasury, the resulting shareholders' equity cannot decrease to below the amount of the share capital plus the restricted reserves required under law or the By-Laws.

The shares purchased as a result of the aforementioned authorisation can be used for either transfer or retirement or can be applied to the remuneration systems provided for in the "Companies Act", as well as to the development of programmes fostering the acquisition of interests in the Company, such as dividend reinvestment plans, loyalty bonuses or similar instruments.

Transferability of shares of directors and officers

The shareholders at the General Shareholders' Meeting held on 17 May 2024 approved a new "Director Remuneration Policy" that establishes a shareholding policy requiring all directors in their capacity as such to hold an amount equivalent to at least 20% of annual fixed remuneration, to be maintained for a period of four years.

In addition, a shareholding policy is established for executive directors, members of senior management and the other officers who are beneficiaries of the long-term variable remuneration system payable in shares described in section 6.3 of this report, who will be required to hold the shares received for a period of four years,

unless they are holders of an amount of shares equivalent to at least twice their annual fixed remuneration.

As described in the results of the General Shareholders' Meeting 2024 set out in section 5.2.3 of this report, the aforementioned "Director Remuneration Policy" was approved by the shareholders with 95.64% of votes in favour (out of the total votes in favour and against).

Transferability of significant stakes

Pursuant to applicable legal provisions in Spain, prior government approval is required for the acquisition of a stake equal to or greater than 10% of the Company's share capital (Section 7 bis of "Law 19/2003 of 4 July on the legal regime governing capital flows and non-domestic economic transactions", introduced by Royal Decree-law 8/2020 of 17 March, and sole transitional provision of "Royal Decree-law 34/2020 of 17 November").

In addition, in view of the activities carried out by the companies of the Iberdrola Group outside Spain, the acquisition of a significant interest in the share capital of "Iberdrola, S.A." would also be subject to the provisions of the applicable laws of the following countries:

- a) United States of America: the acquisition of a stake resulting in ownership of an interest equal to or greater than 10% of the share capital of "Iberdrola, S.A." may be subject to prior approval by certain regulatory authorities.
- b) Australia: the acquisition of an interest of at least 20% of the share capital of "Iberdrola, S.A." by a person, whether alone or with one or more associates, will require approval by the Australian Treasurer, pursuant to Australia's Foreign Acquisitions and Takeovers Act 1975 (Cth).
- c) United Kingdom: in accordance with the "National Security and Investment Act 2021", the acquisition of a stake in "Iberdrola, S.A." could constitute an indirect acquisition of control in Scottish Power. Due to Scottish Power's activities in the energy sector, the acquisition of more than 25%, more than 50% or more than 75% of the voting rights or shares of "Iberdrola, S.A." requires a mandatory notification to the Chancellor of the Duchy of Lancaster, who must approve the acquisition prior to the closing thereof. A failure to comply with these notification and approval requirements will render the acquisition void, unless the transaction is subsequently approved with retroactive effect.
- d) Brazil: the takeover of "Iberdrola, S.A." would entail the indirect acquisition of control of Neoenergia, a listed company in Brazil, and its regulated subsidiaries dedicated to the hydroelectric generation, transmission and supply of electricity, which could give rise to the obligation to make a transfer of control takeover bid for the acquisition of the shares of the other shareholders of Neoenergia, and the need to request the prior approval of the National Electricity Agency for the takeover of such regulated companies and, if applicable, of the Administrative Council for Economic Defence and of creditors as applicable.

- e) Mexico: under Mexican competition law, the acquisition of control (by any act) of “Iberdrola, S.A.” would be considered a concentration with effects in Mexico. Concentrations must be reported to and authorised by the Federal Economic Competition Commission prior to consummation only if they exceed any of the monetary thresholds provided for by applicable law, which are updated annually and, as at the date of this report, are as follows: (i) if the concentration has a value or price in Mexico, in respect of shares or assets in Mexico, exceeding MXN\$2,036,520,000; (ii) if the concentration involves the direct or indirect acquisition of 35% or more of the shares or assets of a Mexican entity with annual sales or assets in Mexico with a value exceeding MXN\$2,036,520,000; and (iii) if the concentration involves the direct or indirect acquisition of assets or shares in Mexico with a value exceeding MXN\$905,120,000 and the parties to the transaction directly or indirectly have annual sales or assets in Mexico exceeding MXN\$5,430,720,000. A failure to report or obtain prior authorisation to consummate a concentration that exceeds the monetary thresholds is punishable by a fine of up to 5% of the cumulative revenues in Mexico of each of the parties to the concentration.

Voting rights

Pursuant to the provisions of Section 34 of Royal Decree-Law 6/2000 of 23 June on Urgent Measures to Intensify Competition in the Goods and Services Market, the individuals or legal entities having a direct or indirect interest equal to or greater than 3% of the capital or voting rights of two or more companies that have the status of principal operator of one of the economic markets or sectors in Spain contemplated in said legal provision (which includes the generation and supply of electricity, as well as the production and supply of natural gas, in which Iberdrola has the status of principal operator) may not exercise rights in excess of such percentage in more than one entity. However, this regulation includes the possibility of shareholders in such a situation asking the National Markets and Competition Commission (“CNMC”) for authorisation to be able to exercise voting rights above 3% in several companies.

Furthermore, Article 30.2 of the By-Laws provides that no shareholder may cast a number of votes greater than those corresponding to shares representing 10% of the share capital. In the case of a takeover bid, this restriction shall be deprived of effect if the bidder reaches the shareholding required by Section 527 of the “Companies Act” and Article 51 of the “By-Laws” and no other neutralisation measures have been adopted by the Company.

If there are shares subject to any of these limitations, the shareholding position of their holders will be fully taken into account in calculating the quorum for the General Meeting and the affected shares will be discounted from the voting quorum, for purposes of calculating the required majority for approval of resolutions according to the provisions of Article 42.3 of the “Regulations for the General Shareholders’ Meeting”.

4.1.2. Management of treasury shares and buy-back programmes

Each year for more than a decade, the Company has implemented a buy-back programme for shares, which are retired through the corresponding reduction in capital, in order to contribute to the “Shareholder Remuneration Policy”.

In accordance with the approvals and limitations for the acquisition of own shares established in section 4.1.1 of this report, on 19 March 2024, the Company’s Board of Directors approved a buy-back programme pursuant to which it acquired, between 24 April and 18 June 2024, a total of 11,095,656 own shares, representing 0.173% of the share capital, which were subsequently retired without return of contributions (the Company being the owner of the retired shares) by means of the reduction in capital executed on 28 June 2024.

In accordance with the provisions of applicable law, in financial year 2024, the Company periodically informed the CNMV of the acquisitions made under said buy-back programme, as well as the following updates to its treasury share position as a result of various changes in the number of voting rights arising from corporate transactions:

- On 7 February, coinciding with the increase in share capital carried out as a result of the “Iberdrola Retribución Flexible” programme, in implementation of the corresponding resolution approved by the shareholders at the General Shareholders’ Meeting on 28 April 2023, there was a communication of the subsequent update of the percentage of treasury shares due to the change in the number of voting rights of the Company, as well as certain direct acquisitions and transfers, which resulted in a total position of 122,212,482 shares (1.90%).
- On 15 July, coinciding with the reduction in share capital carried out in implementation of the corresponding resolution approved by the shareholders at the General Shareholders’ Meeting on 17 May 2024, there was a communication of the subsequent update of the percentage of treasury shares due to the change in the number of voting rights of the Company, as well as certain direct acquisitions and transfers, which resulted in a total position of 2,371,599 shares (0.04%); and
- On 2 October, coinciding with the increase in share capital carried out as a result of the “Iberdrola Retribución Flexible” programme, in implementation of the corresponding resolution approved by the shareholders at the General Shareholders’ Meeting on 17 May 2024, there was a communication of the subsequent update of the percentage of treasury shares due to the change in the number of voting rights of the Company, as well as certain direct acquisitions and transfers, which resulted in a total position of 9,198,691 shares (0.15%).

The Company also sent the CNMV two more notices related to treasury shares during 2024, arising from consecutive direct acquisitions of own shares that exceeded 1% of voting rights since the preceding notice:

- On 26 June, notice was provided of direct acquisitions of a total of 69,819,700 shares (1.09%).

- On 16 December, notice was provided of direct acquisitions of a total of 69,293,222 shares (1.09%).

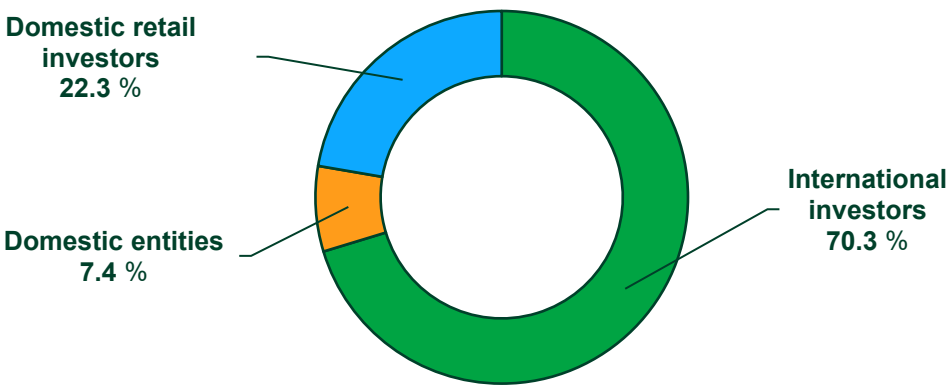
At financial year-end 2024, the Company held a treasury share position of 1.42% of share capital, through direct ownership of 90,376,098 own shares.

4.2. Shareholding structure

4.2.1. Direct and indirect significant shareholders

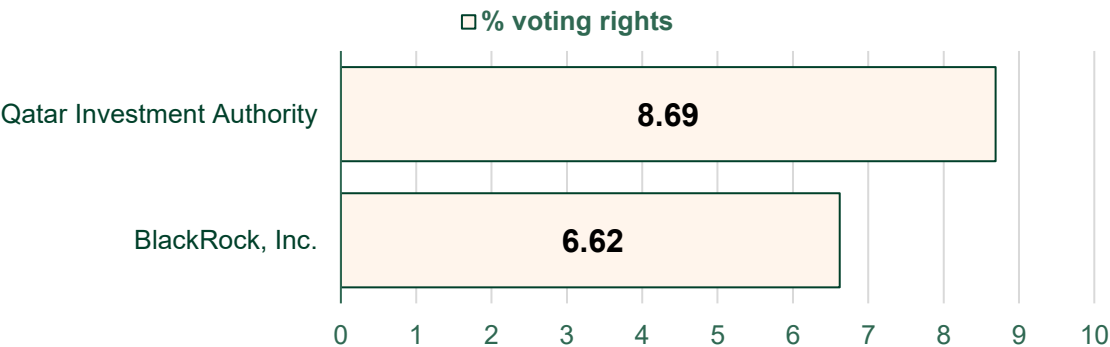
According to available information, the approximate breakdown of the interests in the share capital by type of shareholder at year-end 2024 is as follows:

Shareholding structure



The percentages of voting rights corresponding to the shares declared by the holders of significant shareholdings as at 31 December 2024, none of whom has nominated or proposed the nomination of a member of the Board of Directors, are set out below:

Significant shareholders



Details of significant shareholdings³:

Name or company name of the direct owner	Name or company name of the indirect owner	% of voting rights attached to the shares	% of voting rights through financial instruments	% of total voting rights
Qatar Investment Authority	Qatar Holding LLC	6.26	0.00	6.26
Qatar Investment	DIC Holding LLC	2.43	0.00	2.43
BlackRock, Inc.	BlackRock Group	6.49	0.13	6.62

On 4 December 2024, “Norges Bank” announced that its position had fallen below 3%, amounting to 2.934% of the share capital. According to the communications made since that date, its stake was also below the 3% threshold as at financial year-end.

The Company is not aware of the existence of family, commercial, contractual or corporate relationships between significant shareholders, or of any relationship between significant shareholders and the members of the Board of Directors, during financial year 2024.

4.2.2. Stakes of directors and officers

All the members of the Board of Directors are shareholders of the Company and, as a whole, they held 18,013,692 shares (0.283% of the share capital) as at financial year-end 2024. Positions amounting to at least 0.01% of the share capital are described in the following table:

Director's name	Total number of shares (direct and indirect)	% of total voting rights
José Ignacio Sánchez Galán	15,580,184	0.245
Juan Manuel González Serna	732,565	0.012
Íñigo Víctor de Oriol Ibarra	1,274,014	0.020

³ This information is based on the reports sent by the holders to the CNMV or to the Company itself. Pursuant to the provisions of Sections 23.1 and 32 of Royal Decree 1362/2007 of 19 October, it is deemed that the holder of a significant interest is a shareholder holding at least 3% of voting rights (or 1% if the party required to report resides in a tax haven or in a country or territory with no taxation or with which there is no effective exchange of tax information).

In accordance with the shareholding policy established in the “Director Remuneration Policy” approved in 2024, as at financial year-end all the members of the Board of Directors held a volume of investment in shares of the Company at least equivalent to 20% of their annual fixed remuneration, which they must retain for a period of 4 years. This commitment is applied per year in office on a cumulative basis.

For their part, in accordance with the shareholding policy, the executive directors, members of senior management and the other officers who are beneficiaries of the long-term variable remuneration system payable in shares indicated in section 6.3 of this report will not be able to transfer ownership of the shares received for a period of four years, unless they retain an amount equivalent to at least twice their fixed remuneration.

4.2.3. Shareholders’ agreements and free float

The Company is not aware of the existence of any shareholders’ agreements or of concerted actions among its shareholders.

Insofar as the shareholders have not given notice of any restriction on the transferability of their shareholdings, other than the shareholding policies assumed by the members of the Board of Directors and management, the other shares are freely transferable in accordance with the provisions of applicable law.

However, if we discount the shareholding positions of the significant shareholders and of members of the Board of Directors, as well as treasury shares, the estimated float at financial year-end 2024 would be 82.99% of share capital.

At 31 December 2024 there are bonds issued by companies of the Iberdrola Group, as well as loans and other agreements with financial institutions, the maturity of which could be affected or which would require additional security in the event of a takeover of the Company in accordance with the terms of each contract, the most significant of which are listed below:

- Bond issues in the amount of €15,140 million in the European market, US\$350 million (equivalent to €335 million) in the U.S. market and AUS\$750 million (equivalent to €447 million) in the Australian market.
- Loans arranged with the European Investment Bank and with the Official Credit Institute, totalling €5,413 million, and loans arranged with the European Investment Bank in the amount of US\$887 million (equivalent to €851 million).
- Bank and export credit agency loans in the amount of €3,345 million.
- Bond issues amounting to R\$23,671 million (equivalent to €3,659 million) and loans amounting to R\$27,914 million (equivalent to €4,315 million) corresponding to the Brazilian country subholding company Neoenergia and its subsidiaries.

4.3. Permanent information and participation channels

4.3.1. Shareholders' rights

The Company's framework for relations with shareholders is based on transparency, fostering of their informed and responsible participation in the General Meeting and the incorporation of the most advanced corporate governance practices, particularly as regards their engagement with the Company.

For over 10 years, the Company has had a "Shareholder Engagement Policy", approved upon a proposal from a committee that engaged the support of professionals with special qualifications and experience in corporate governance and shareholder movements.

As established in such policy, shareholder engagement is not limited to the holding of the General Meeting but is promoted throughout the year, by means of a constructive, ongoing and inclusive dialogue aimed at better understanding the interests of the holders of the shares.

To this end, the Company maintains permanent communication channels and instruments, which enable it to identify and respond to the opinions and concerns of shareholders, developing reciprocal and continuous feedback that contributes to decision-making that is more informed and aligned with the corporate interest.

In this continuous relationship with the shareholders, the Company uses innovation and new technologies to facilitate interaction and access to information, at the same time as offering the opportunity to continue using traditional channels so as to attend to all of them.

From the viewpoint of the shareholders, engagement extends and strengthens their rights to information and participation recognised in applicable law, as shown by the following measures that the Company has developed:

a) Transparency of corporate reporting

Thanks to direct knowledge of shareholder and investor expectations as a result of engagement, the Company's corporate reporting is ahead of good governance recommendations and even of legal requirements, as shown by the voluntary publication of the sustainability report 15 years before the statement of non-financial information became mandatory in Spain.

Currently, in addition to preparing the legally required financial, sustainability and corporate governance information, the Company assumes the commitment vis-à-vis its shareholders to publish the integrated report among others, as well as the content of this report prepared by the Audit and Risk Supervision Committee regarding the independence of the statutory auditor and related-party transactions.

In addition to the half-yearly and annual financial statements required by applicable law in Spain, the Company continues to publish information that ceased to be mandatory in 2021 regarding the results of "Iberdrola, S.A." and of its consolidated group at the end of each quarter, which is publicly disseminated by means of reports

and presentations for which calls to meeting and documentation are published via the CNMV.

The Company publishes all the foregoing documentation simultaneously in Spanish and, whenever possible, in English. In addition, the Company makes a commitment that the information available to its shareholders will be truthful, sufficient, relevant, correct, complete, clear, reliable and useful, and it must be available in accessible formats for consultation using the most frequently utilised electronic devices, including smart phones, tablets and computers, and so that in the majority of cases it can be easily downloaded and printed.

b) Ongoing attention and organisation of events and meetings with shareholders

The Company makes a commitment to continuously respond to shareholders' queries and suggestions, on the terms established in the "Shareholder Engagement Policy".

Specifically, all shareholders who are registered with the "OLS Shareholder's Club" channel may, confidentially or openly vis-à-vis other shareholders and at any time, request such information or clarifications as they deem appropriate, or submit such questions as they consider relevant, regarding the documentation published by the Company on its corporate website and mentioned in the preceding section, as well as regarding any other aspect that is relevant to their position as a shareholder.

The Company has undertaken to endeavour to respond to shareholders' requests, queries and petitions within a period of 48 hours following receipt thereof, and shall attempt to do so within fifteen business days in all cases.

The Company organises multiple corporate, cultural and leisure events throughout the year, the purpose of which is to facilitate and foster interaction and communication with its shareholders. To satisfy their expectations and concerns, the Company organises these events and meetings with the participation of representatives and experts, based on the topics to be examined, the features of the shareholders and the context in which they are held.

Section 4.3.2 of this report describes the operation of these channels of communication with shareholders in financial year 2024.

c) Promotion of participation in the General Shareholders' Meeting

The Board of Directors is responsible for actively promoting participation by the shareholders in General Meetings so that they can all exercise their rights in an informed and responsible manner, regardless of their place of residence.

For this purpose, the Company does not make the right to participate in the General Meeting subject to holding a minimum number of shares, and it has been a pioneer in implementing measures including the following:

- Call to the General Meeting with a notice period longer than that established by law.

- Direct delivery of proxy and absentee voting cards to all shareholders registered in the “OLS Shareholder’s Club” or whose e-mail addresses have been registered in IBERCLEAR.
- Publication of disclosures to facilitate an understanding of the items to be examined at the General Meeting, how to participate and the key dates in the participation process, including media campaigns.
- Opening of multiple channels (electronic, telephone and in-person) voluntarily created by the Company and having the corresponding authentication mechanisms to guarantee the identity of the shareholder.
- Support from the Shareholder’s Office beginning from the call to the General Meeting until its conclusion, with a specific site at the premises where the meeting is held in order to answer questions that the attendees may ask.
- Facilities for participation by shareholders of any age who need help to follow the meeting and exercise their information and voting rights.
- Facilities for participation by shareholders with visual impairments, such as the delivery of any other document published by the Company on occasion of the call to the General Shareholders’ Meeting in a format compatible with voice reading systems, as well as simultaneous interpreting into Spanish sign language and electronic subtitling of the meeting.
- Facilities for participation by shareholders with hearing impairments, such as audio description of the meeting.
- Premises with appropriate means of entry and exit for persons with reduced mobility or psychomotor function impairment.
- Dissemination of live and recorded broadcasts of the General Meeting.
- Ability to follow the meeting in Spanish with interpretation into other languages such as English.

Section 5.2 of this report describes the organisation and results of the 2024 General Shareholders’ Meeting.

d) Best practices in terms of corporate governance and defence of the corporate interest

All the aforementioned measures have been implemented taking into account the interests of shareholders, internationally recognised best corporate governance practices and the recommendations made in the guidelines of the leading proxy advisors.

Additionally, in relation to the proposals submitted to the shareholders at the General Shareholders’ Meeting, the Board of Directors has expressly assumed the following commitments related to the delegation of powers to issue shares or securities convertible into shares (section 9.2 of the “Policy regarding Communication and Contacts with Shareholders, Institutional Investors and Proxy Advisors”):

- To not propose the exclusion of pre-emptive rights in an amount exceeding 10% of the share capital at the time of delegation.

- To clearly state the duration of the authorisation that is requested at a General Meeting in the documentation published regarding the meeting.
- To prepare the corresponding proposals, which are at least aligned with Spanish market practice or the recommendations of the main proxy advisors for this market.

The ongoing improvement of the continuous and permanent engagement of the shareholders is also reflected in the proposals of the Board of Directors to continue promoting shareholder engagement in the “By-Laws” and the “Regulations for the General Shareholders’ Meeting”, which received over 99% support (out of the total votes in favour and against) at the 2024 General Shareholders’ Meeting, as described in section 5.2.3 of this report.

In turn, in accordance with the provisions of Article 13.2 of the “By-Laws”, the shareholders undertake to exercise their rights vis-à-vis the Company and the other shareholders, and to comply with their duties, acting with loyalty, in good faith and transparently, within the framework of the corporate interest as the paramount interest ahead of the private interest of each shareholder and in accordance with law and with the Governance and Sustainability System.

4.3.2. Channels of communication

Reported below is the application in financial year 2024 of the “Shareholder Engagement Policy” and the “Policy regarding Communication and Contacts with Shareholders, Institutional Investors and Proxy Advisors”, which establishes the following principles for the Company’s relations with the financial community:

- a) Take account of transparency, truthfulness, promptness, usefulness, clarity, reliability, symmetry and respect for the principle of equal treatment in the dissemination of information.
- b) Respect equal treatment in the acknowledgement and exercise of the rights of all shareholders in the same situation and who are not affected by any conflict of interest or competition, establishing appropriate measures to avoid the communication of information that might give some shareholders a privilege or advantage vis-à-vis others or that might damage the corporate interest.
- c) Promote ongoing and permanent provision of information to the shareholders throughout the year, and not only upon the call to and holding of the General Shareholders’ Meeting, by making available to them effective channels to keep them continuously informed of proposed resolutions that are expected to be submitted for the consideration thereof and of other issues that are considered to be most interesting or relevant for them, enable them to submit queries regarding the status of the Company or their shareholder status, and have sufficient information to exercise their rights.
- d) Implement communication of financial, non-financial and corporate information through the communication channels that have been activated, which contributes to maximising the dissemination and the quality of the information available to the market, to the financial community and to other Stakeholders of the Company.

- e) Prepare the financial information that the Company must publish such that it presents in all material respects a true and fair view of its equity, financial position and results.
- f) Prepare the non-financial information regarding the Company and the other companies of the Group such that it fully and accurately communicates the significant aspects, reflecting the performance thereof.
- g) Submit financial and non-financial information to established internal and external controls and supervision and assurance procedures prior to the dissemination thereof.
- h) Ensure that any periodic financial information published by the Company and any other information that may be prudent to make available to the securities markets is prepared in accordance with the same principles, standards and professional practices used to prepare the annual financial statements and is as reliable as such financial statements, which must be reviewed by the competent bodies.
- i) Establish mechanisms so that the shareholders may report potentially improper conduct or acts that are potentially illegal or contrary to law or to the Governance and Sustainability System with an impact on the Company, its contractual relationship with its suppliers, or the interests and image of the Company and of the other companies of the Group.
- j) Promote appropriate communication practices that avoid the manipulation of information and protect the integrity and authenticity thereof.
- k) Seek the cooperation of the shareholders in order for the practices regarding the provision of information and relations with the markets to be transparent, effective and in keeping with the corporate interest.
- l) Develop information-technology tools that allow the Company to capitalise on new technologies and digitalisation, keeping it at the forefront in the use of communication channels and innovative applications.
- m) Adopt measures to ensure that shareholders who have difficulties communicating using new technologies due to any circumstances can continue to interact with the Company without being adversely affected by the digitalisation processes implemented in accordance with the provisions of the preceding principle.
- n) Comply with the provisions of law and the Governance and Sustainability System, as well as with the principles of cooperation and transparency with all competent authorities, regulators and government agencies.

Based on these principles, the Company publishes the reports available on the corporate website and in the official registers of the CNMV as general information channels required of all listed companies and it maintains the following communication channels with shareholders and the investment community:

- **Shareholder's Office**

A permanent channel that is open to all shareholders, and particularly to those who have difficulties communicating using new technologies or who prefer to

continue interacting with the Company using traditional channels (telephone, postal mail and e-mail).

It responds at all times to the queries, questions or suggestions of the shareholders, offering them professional treatment and fluent communication.

- OLS Shareholder's Club

A permanent interactive system of communication available on the corporate website, which permits communication between the Company and those shareholders who voluntarily register therein, who will be provided with a user name and password to ask the questions they deem appropriate regarding the documentation published by the Company on its corporate website.

Shareholders registered in this system can also use it to ask for information 365 days per year, on the terms established in the "Shareholder Engagement Policy".

- Shareholder internal reporting system

Shareholders may report any information they deem relevant to the Company, as well as reporting potentially improper conduct or acts that are potentially illegal or contrary to law or the Governance and Sustainability System (particularly including any conduct that might constitute a criminal offence, a serious or very serious administrative offence, or a breach of European Union law), which will be handled by the Company's Compliance Unit in accordance with the provisions of the "Compliance and Internal Reporting and Whistleblower Protection System Policy".

- "Investor Relations App"

The Company makes this continuously updated multi-device channel available in Spanish and English to shareholders, institutional investors and the general public, so that they can access all significant information regarding the Company, favouring the immediacy of publication and the ability to subsequently access the information.

Among other functionalities, this channel allows for viewing results presentations in real time, as well as for viewing share price and share performance charts, financial documentation, press releases and communications of inside information or other relevant information.

- Investor Relations Office

Responsible for ongoing and tailored responses to the queries of analysts, institutional investors and rating agencies.

- Meetings with shareholders, institutional investors and analysts

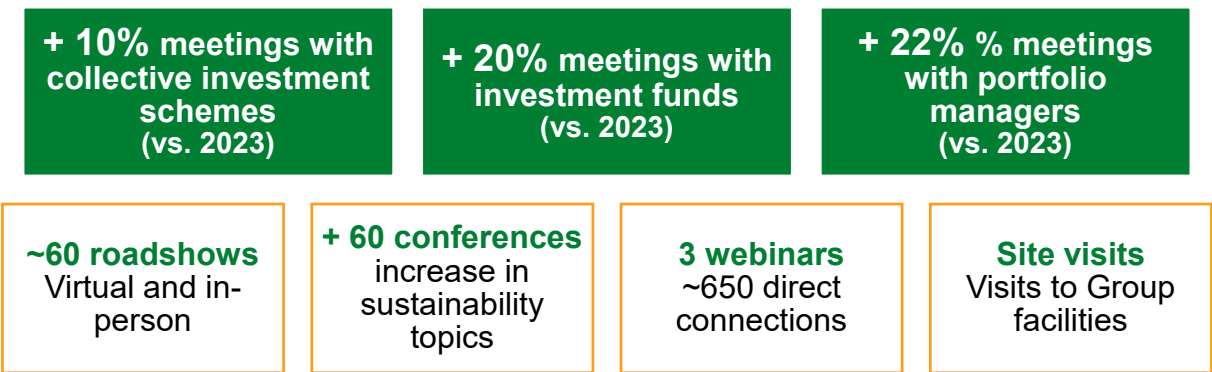
The Company organises symposia and participates in meetings with shareholders, institutional investors and analysts, events, conferences and roadshows that allow for the identification of the concerns and proposals of the investor community.

During 2024, the Finance, Control and Corporate Development Division, through the Investor Relations Division, handled requests for information and queries from shareholders, institutional investors, financial analysts, investment banks, proxy advisors and rating agencies, applying the principles indicated above.

The Company is also covered by analysts from leading investment banks and rating agencies, which have strict codes of conduct designed to preserve their independence and objectivity.

Engagement of institutional investors

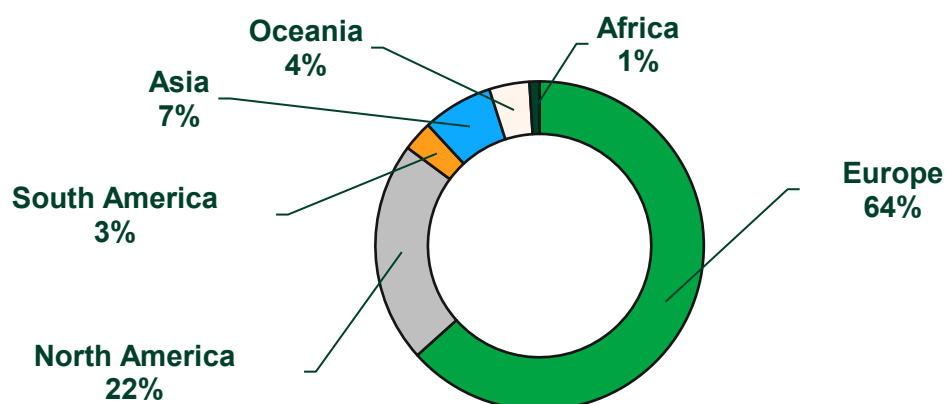
Over 700 meetings were held with around 1,600 equity, fixed-income and sustainable investors during 2024, in addition to periodic contact being maintained with analysts and rating agencies. Funds from 4 new countries were contacted during the financial year.



The activity with equity, fixed-income and sustainable investors covered 38 countries, with the majority of activity in-person (59%). Contact was maintained with funds mainly from Europe (64%) and North America (22%), and new contacts have been made in South America, South Africa, the Middle East and new countries of the Far East.

The majority of investors in Europe are from the United Kingdom, with the majority in North America from the United States of America. Investors from South America, Asia and Oceania have increased compared to 2023.

Presence of investors 2024



As the following initiatives show, this contact has involved diversification of formats and geographic areas, with a global and proactive approach:

- “Capital Markets Day”: held in London on 21 March 2024 to present the Strategic Plan 2024-2026, which the market very positively welcomed, with around 100 in-person attendees, 1,000 people attending via live webcast and over 1,300 people watching the recorded broadcast.
- Presentation of results: 4 live presentations, also available in recorded form via the corporate website, corresponding to each quarter of the financial year, with an average of over 600 people connected remotely.
- Virtual and in-person roadshows in North America, the United Kingdom, Mainland Europe, Middle East, Asia, South America, Australia and Far East.
- Corporate governance-focused roadshow with proxy advisors and institutional investors located in the European Union, the United Kingdom, North America, the Middle East, the Far East and Asia, in order to present the agenda for the General Shareholders’ Meeting and Iberdrola’s governance and sustainability model. The topics examined were mainly focused on the Board of Directors and its structure, the remuneration system, the climate action plan, strategic goals and protection of human rights.
- Both in-person and virtual conferences, typically held in North America, Australia, the United Kingdom, the European Union and Switzerland. Growing number of events with sustainability topics.
- Topic-specific webinars aimed at analysts, investors, rating agencies and financial institutions, on grids and supply chain (over 100 attendees), data centres (almost 300 attendees) and business strategy and sustainability (over 200 attendees).
- Site visits, visits with investors to the Group’s ongoing projects and productive facilities, with technologies with as offshore wind and green hydrogen, and to the Iberdrola Campus.

- Topic-specific meetings (grids, renewables, data centres, storage, supply chain, sustainability and green financing), reverse roadshows and continuous communication by telephone and e-mail via the Investor Relations Division.

In terms of governance and sustainability, conferences and roadshows have been held and there have been a growing number of events with sustainability topics. In addition, 3 webinars have been held with over 220 participants on the Company’s sustainability and leadership strategy. The corporate governance roadshow is of note, with the following details:

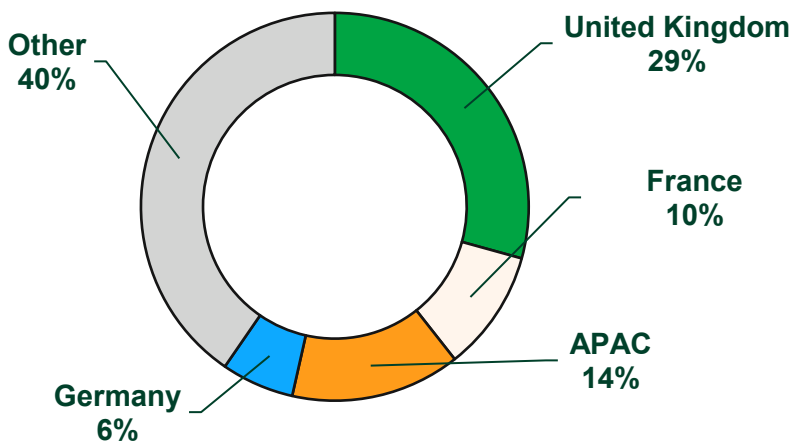


This roadshow preceded the holding of the General Shareholders’ Meeting, which had a quorum in excess of 75% of the share capital.

Finally, fixed-income activity for the year was characterised by a strong volume of bond issues, substantially higher than in previous financial years, and a noteworthy diversification in terms of currency, with issues in euros, pounds sterling, Swiss francs and Australian dollars (as opposed to 2022 and 2023, in which issues were only made in euros). This diversification has helped to broaden the investor base, acting as one of the catalysts for the strong subscription levels observed across all issues this year.

Investors are mainly from the United Kingdom, the European Union and the Asia-Pacific area (“APAC”), representing 60% of the investors with which there is most activity. It is also noteworthy that in line with previous years, approximately 75% of books have been covered with orders from sustainable investors.

Activity with investors



Engagement of retail shareholders



Permanent contact channels				
Shareholder Telephone Number Over 17,000 calls received (-5% due to improvement in clarity and communication)	OLS Shareholder's Club + 18.30% registered shareholders + 85% shareholder queries + 15.4% visits to this section	Corporate website + 64% website visits Dividends and financial information are the most visited sections	App 45,272 total users + 70% registered users + 4.80% visits	In-person + 5% of shareholders who have participated in events + 33% in number of in-person activities

Promotion of retail shareholder participation in the General Shareholders’ Meeting:

- Multichannel and complementary in nature, with multiple channels for participation at the shareholder’s discretion.
- Strengthening of digitalisation “without leaving anybody behind”: over 10,000 shareholders attending shareholder information desks or the Shareholder Day in person.
- Retail shareholder participation via the Company’s remote channels in excess of 11% of quorum (+ 31% vs. 2023).
- Potential availability of multiple channels allowing for proxy-granting and casting of absentee vote with an average survey score of over 9 points.
- Accessible monitoring from anywhere: with a live website audience of over 3,700 connections, 12% followed the broadcast in another language, in sign language or using subtitles.
- “MAS CERCA” (“CLOSER”) plan: 40% increase in communications to members of the OLS Shareholder’s Club (notices to the CNMV, financial reporting, invitations to events).
- Over 24,000 page visits in the Shareholder Month interactive space.

- Over 60 videos and live events available via Iberdrola News for members of the OLS Shareholder's Club.
- Four media campaigns: dividend, General Shareholders' Meeting, permanent engagement, and recruitment of members of OLS Shareholder's Club channel.
- Third consecutive year of payment of extra engagement dividend (€1 gross for every 200 shares) for having reached a quorum in excess of 70% of the share capital at the General Shareholders' Meeting.

Accolades and awards

The Investor Relations team received a total of 8 awards and 1 accolade during 2024.

"Iberdrola, S.A." was the highest-rated company on 7 occasions based on a survey conducted by "Extel" (previously "Institutional Investor Research") among investors and financial analysts in EMEA (Europe, Middle East and Africa). This recognition is based on the votes of the leading analysts of financial institutions and of institutional investors, who have evaluated the Investor Relations and management areas using over 20 qualitative criteria. Specifically, the Company received the following awards at the "Europe & Emerging EMEA Equities Awards 2024" for electricity and gas utilities:

- "Most Honoured Company" (all sectors)
- "Best Corporate in Investor Relations" – 1st prize
- "Best Team in Investor Relations" – 1st prize
- "Best Investor Day" – 1st prize
- "Best Board of Directors" – 1st prize
- "Best Chief Financial Officer" – 1st prize

It also received another award for best Iberian Investor Relations programme within the Energy sector, within the framework of the "Iberian Equity Awards" organised by the Spanish Investor Relations Association (*Asociación Española de Relación con Inversores*) (AERI).

Finally, the Company was recognised as being the only utility and the only Spanish company nominated for IR Magazine's "Best Overall IR Award".

5. General Shareholders' Meeting

5.1. Rules of operation

The principle guiding the rules for the Company's General Meeting is to promote shareholder participation, which takes form not only in the "Shareholder Engagement Policy" but also in Articles 16.2 of the "By-Laws" and 1.2 of the "Regulations for the General Shareholders' Meeting".

On this basis, the Company allows all shareholders to participate in the General Meeting without requiring a minimum number of shares and fosters their participation through the following specific rules and measures that frame the operation of this corporate decision-making body:

- **Permanent information:** in addition to the engagement channels referred to in the preceding section of this report, shareholders have a permanently available space on the corporate website regarding the General Meeting with information on their rights and the resolutions in the last five years, within the section dedicated to corporate governance.
- **Participation period:** to facilitate the maximum dissemination thereof and favour the participation of the highest possible number of shareholders during this period, the Company publishes the announcement of the call to meeting well in advance of the one-month notice period established in applicable law.
- **Participation channels:** on the occasion of the call to the General Meeting, the Board of Directors defines the means activated for shareholder participation, which combine innovative electronic systems implemented for real-time authentication via any device with internet access, the telephone and instant messaging channel, and traditional systems based on personalised attention.
- **Information and queries:** in addition to the mandatory documentation, the Company makes various means available to the shareholders to resolve any questions regarding participation in the General Meeting, which are described in the following section.
- **Accessibility measures:** the Company adopts the measures required to allow the participation of shareholders with hearing or visual impairments, such as simultaneous interpreting into Spanish sign language, electronic subtitling and audio description, and it attends to any need raised in this regard via the Shareholder's Office.
- **Participation incentives:** in addition to delivering gifts of symbolic value and organising prize draws, since 2022 the Company has paid all shareholders with the right to participate in the General Meeting the engagement dividend upon the terms described in the following section of this report.
- **Sustainable management:** as with any other activity carried out by Iberdrola, the General Meeting is organised in accordance with a sustainable management system that has been subject to external certification since 2016.

As a result of the application of these rules and measures, for over 10 years the level of participation in the General Shareholders' Meeting has broadly exceeded the legal quorum for validly holding the General Shareholders' Meeting and, as will be seen below in this report, it shows the massive support from the shareholder base for the proposals of the Board of Directors.

In accordance with the provisions of Article 17.2 of the "By-Laws", in addition to the matters established in the "Companies Act", the shareholders at a General Meeting are also able to decide on any matter that the Board of Directors or shareholders submit for the consideration thereof, upon the terms and with the requirements established by law and the Governance and Sustainability System.

The Company does not establish an increased quorum or a qualified majority for the adoption of resolutions on matters that are not legally subject to other special rules, some of which are expanded upon and further developed in the "By-Laws" as described below:

Matters	Quorum (% of share capital)	Majority
General rule (Sections 193 and 201.1 of the "Companies Act")	<ul style="list-style-type: none"> 25% on first call. Not required on second call. 	<ul style="list-style-type: none"> Simple (more votes in favour than against).
Transformation, merger, split-off, overall assignment of assets and liabilities, removal or limitation of pre-emptive rights, increase or reduction in capital, and any other amendment to the "By-Laws" other than those indicated in the following rows (Sections 194 and 201.2 of the "Companies Act").	<ul style="list-style-type: none"> 50% on first call. 25% on second call. 	<ul style="list-style-type: none"> Absolute (more than half of votes in favour, against, blank ballots and abstentions), if the capital present in person or by proxy exceeds 50% of the share capital. Two-thirds of the capital in attendance in person or by proxy, if it does not amount to 50% of the share capital.
Change in the object of the Company, transformation, total split-off, dissolution and the amendment of Article 22.2 (Article 22.2 of the "By-Laws").	<ul style="list-style-type: none"> 66.67% (two-thirds) on first call. 60% on second call. 	<ul style="list-style-type: none"> Same rules as in the above row.
Elimination or amendment of the provisions contained in Article 29, in sections 2 to 4 of Article 30 and in Title IV (Article 53 of the "By-Laws").	<ul style="list-style-type: none"> 50% on first call. 25% on second call. 	<ul style="list-style-type: none"> Three-fourths of the capital present in person or by proxy.

5.2. Information regarding the 2024 General Shareholders' Meeting


5.2.1. Information and participation process

On 19 March 2024, the Board of Directors called a General Shareholders' Meeting, which was held in hybrid form, with in-person and remote attendance, on first call, on 17 May.

Described below are the key milestones of the shareholder information and participation process, in which over 99.78% of those who participated in the General Meeting chose to cast an absentee vote or grant a proxy before the meeting:

- 23 February: 12 weeks before the meeting, the Company publishes the financial statements, the management reports, the statement of non-financial information - sustainability report, the annual corporate governance report and the annual director and officer remuneration report for financial year 2023.
- 22 March: 8 weeks before the meeting, the announcement of the call to meeting, the implementing rules and the other required documentation are made available to the shareholders, together with information tools such as the "Quick Guide to Participate in the Meeting", an explanatory video regarding the available channels for these purposes, a calendar with the key dates and an AI-based virtual assistant (chatbot), all of which are available on the corporate website.
- On the same date, the Company activates the channels to vote or grant a proxy via the corporate website, by telephone, by postal mail or e-mail, or by instant messaging.
- 27 March: the period to request the publication of a supplement to the call to meeting and to submit well-founded proposed resolutions ends without the Company having received any requests in this regard.
- Having confirmed the agenda established in the announcement of the call to meeting, the Company starts to send personalised communications to over 200,000 shareholders registered in the OLS Shareholder's Club or whose e-mail address is included in the book-entry register, to personally inform them of the call to the General Meeting and send them the corresponding proxy and absentee voting card, containing a QR code and a password to facilitate their participation.

Specimen card for 2024 Meeting



General Shareholders' Meeting 2024

[Space reserved for the bar code]

Form of Proxy and Absentee Voting Card

This card is valid for proxy-granting or absentee voting at the General Shareholders' Meeting of "Iberdrola, S.A.", which will be held on Friday 17 May 2024 at its registered office (Plaza Euskadi, 5, Bilbao), with the ability to attend remotely.

Holder(s):	Number of shares / voting rights:
	Minimum number of shares to attend: 1
Incentive: €0.005 (gross) per share (*)	Securities Account Number (CCV):

Incentives for participation:

- **(*) Engagement dividend:** all shareholders with the right to participate will receive €0.005 (gross) per share, subject to the quorum reaching 70% of the share capital and the shareholders approving the payment of this incentive.
- **Prize draw for 30 e-bikes** among individual shareholders participating through the corporate website (www.iberdrola.com) or the telephone channel before 17 May (**options 1 and 2**).
- **Commemorative gift** for those who visit the shareholder information desks (**option 3**).

Options for participating prior to the Meeting (choose one):

1. Scan the **QR code** of this card or go to votojunta.iberdrola.com and register according to the instructions on the corporate website.
2. Call the free phone number **900 100 019** and authenticate yourself with the **password** indicated next to the QR code of this card.
3. Visit the **shareholder information desks** at the places, on the dates and at the times to be announced on the corporate website.
4. Sign this card and send the original or a copy through your **depositary** or by **post** (apartado de correos 1.113, 48080 Bilbao), **e-mail** (Junta2024@iberdrola.es), **WhatsApp** (+34 639 000 639) or **Telegram** ([Junta Iberdrola](https://t.me/JuntaIberdrola)). In this case:

You can **vote** by checking this box:

You can **grant your proxy** to any person, even if they are not a shareholder. If the proxy representative is not a director, include their full name and ID (DNI) number below to identify them:

I grant my proxy to:

If you do not identify anyone, your proxy representative will be the chairman of the Board of Directors.

Signature of **shareholder** (only if using this card):

Signature of **proxy representative** (only if proxy representative sends the card):

The form for absentee voting or giving voting instructions to your proxy on each agenda item is included on the back. If you do not fill it out, it will be deemed that you vote, or give specific instructions to vote, in favour of all proposals made by the Board of Directors.

Attendance at the Meeting:

- **Date and time of the meeting:** Friday **17 May 2024** (first call), at **11:00 a.m.**
- **Remote attendance:** prior registration through votojunta.iberdrola.com **between 08:00 a.m. and 10:15 a.m. on 17 May**, with the ability to authenticate oneself in advance. Registration to attend remotely by telephone will not be possible.
- **Physical attendance:** reserve a seat through the Shareholder's Office or the corporate website (www.iberdrola.com) **before 10:15 a.m. on 17 May**.

- 27 March onwards: the Company confirms the agenda of the call to meeting and provides the depositaries with the specimen proxy and absentee voting card.
- 19 April: opening of Shareholder Month space on the corporate website with interviews, information and links to participate in the General Meeting.
- 8 May: opening of shareholder information desks, visited by over 10,000 shareholders to grant a proxy or vote and collect the commemorative gift at premises made available in various cities.

- 14 May: Shareholder Day, with over 1,000 participants able to meet and talk directly with members of the management team to examine the Company's activities and strategy.
- 16 May: closure of shareholder information desks and end of period to grant a proxy and cast an absentee vote.
- 17 May, 11:00 a.m.: holding of the General Shareholders' Meeting on first call, with the meeting broadcast through the corporate website with over 3,700 live connections and remaining available in recorded form until the call to the next General Meeting.

During this information and participation process, the corporate website recorded over 1 million page views and the Company conducted various media campaigns to promote shareholder participation:

Media campaign for 2024 Meeting

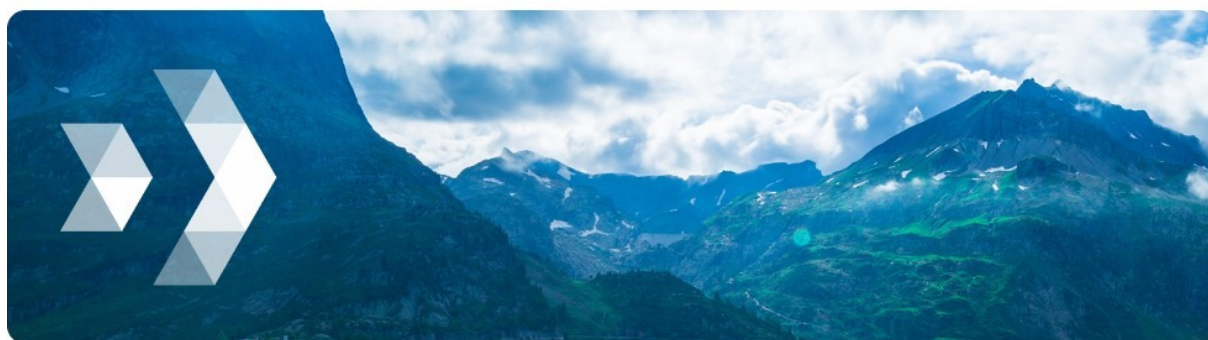


Move forward.
Anticipate.
Faster, sooner.

We took a step forward, paving the way for clean, responsible, and sustainable energy. We kept moving forward, ensuring that, in addition, it would bring improvements to people's lives, to society, to everyone.

Today, we continue to anticipate, both in the financial context and in the context of sustainability.

Move forward. Anticipate. Faster, sooner.



At the same time, a roadshow was held with proxy advisors and institutional investors to present the proposed resolutions, at which the Company met with holders of approximately 40% of the share capital.

Incentives for participation

In accordance with the provisions of the “Shareholder Engagement Policy”, the Company maintains a stable practice of participation incentives, particularly emphasising the engagement dividend.

Since 2022, this incentive has been used to offer shareholders the opportunity to receive €0.005 gross per share (€1 gross for each 200 shares), subject to the quorum reaching at least 70% of share capital.

The engagement dividend is paid to all shareholders with the right to participate in the General Meeting (i.e. whose shares are registered in the book-entry register five days before the meeting), even if they do not exercise that right, thereby avoiding any prejudice to those shareholders who cannot participate for any reason.

Together with this incentive, a prize draw is customarily held among shareholders who participate via the corporate website or the telephone channel, in addition to the delivery of a commemorative gift at the shareholder information desks to each shareholder who has participated and attends to collect it.

Prize Draw for 2024 Meeting



5.2.2. Quorum

Taking into account all the items submitted for a vote at the General Shareholders' Meeting 2024, the legal requirement for a valid quorum was 50% of the share capital, on first call, and 25% on second call.

Despite the dispersion of the shareholder structure of the Company, which does not have a controlling shareholder or group, the engagement measures applied made it possible to hold the General Meeting on first call, with the participation of a total of 4,851,100,316 shares, reaching a quorum of 75.52% of share capital, broken down as follows:

- In-person and remote attendance: 8.90% of share capital
- Absentee vote before the meeting: 24.95% of share capital
- Proxy representation: 41.67% of share capital



Therefore, all shareholders with the right to participate in this General Meeting received the engagement dividend due to the quorum exceeding the threshold of 70% of the share capital, which was the condition for the payment of this incentive, as approved by the shareholders at the General Meeting.

This level of participation in the General Meeting has been sustained and stable, with an average quorum in excess of 75% of share capital over the last 10 years, dominated by participation before the meeting as shown by the following data:

Date	Capital attending (%)	Capital casting an absentee vote before the meeting (%)	Capital represented by proxy (%)	Total (%)
29/03/2019	9.00	3.72	61.40	74.12
02/04/2020	0.11	7.23	69.69	77.04
18/06/2021	0.14	6.31	59.37	65.83
17/06/2022	0.26	21.92	49.95	72.13
28/04/2023	8.96	22.27	40.74	71.97
17/05/2024	8.90	24.95	41.67	75.52

If the participation of members of the Board of Directors, who are obliged to attend the meeting, is discounted, as well as the positions of significant shareholders and treasury shares, the data for the latest general shareholders' meetings further confirm the trend for participation before the meeting by part of the free float:

Date	Free float attending (%)	Free float casting an absentee vote before the meeting (%)	Free float represented by proxy (%)	Total free float (%)
29/03/2019	0.55	3.72	61.17	65.44
02/04/2020	0.00	7.23	58.01	65.24
18/06/2021	0.01	6.31	47.63	53.95
17/06/2022	0.09	21.92	41.28	63.29
28/04/2023	0.21	22.27	37.28	59.76
17/05/2024	0.28	24.77	38.60	63.65

By number of shareholders, 76.21% of participants in this General Meeting granted their proxy, 23.57% cast absentee votes and 0.22% attended the meeting.

The meeting was publicly broadcast online, with over 3,700 connections.

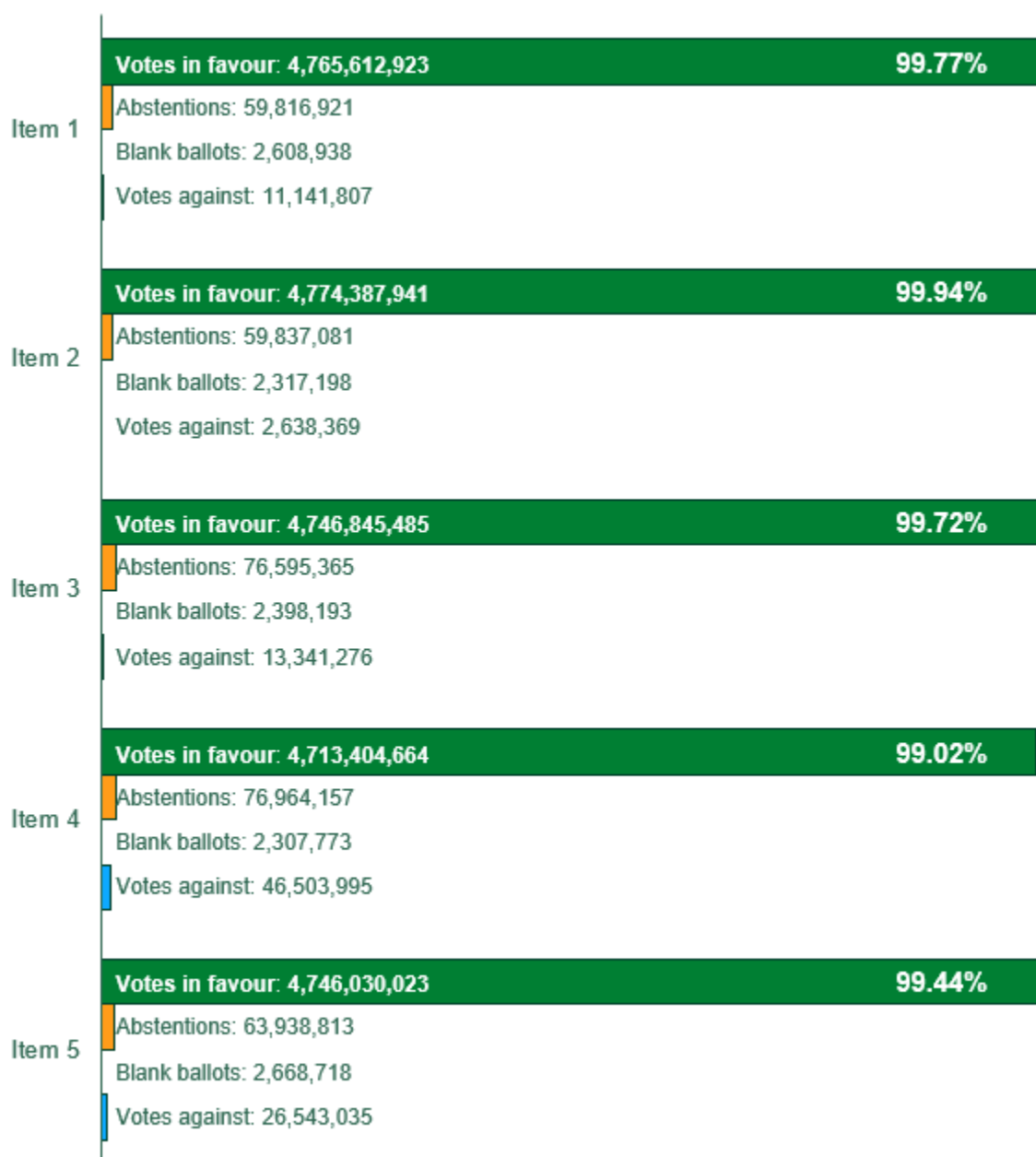
5.2.3. Results of votes

With a total average of 98.24% of votes in favour out of the total votes in favour and against, the shareholders at the General Meeting approved all the proposals made by the Board of Directors, with no additional or alternative proposals being submitted.

The agenda is transcribed below, including the number of votes in favour, abstentions, votes in blank and votes against each proposal, as well as the percentage support out of the total votes in favour and against.

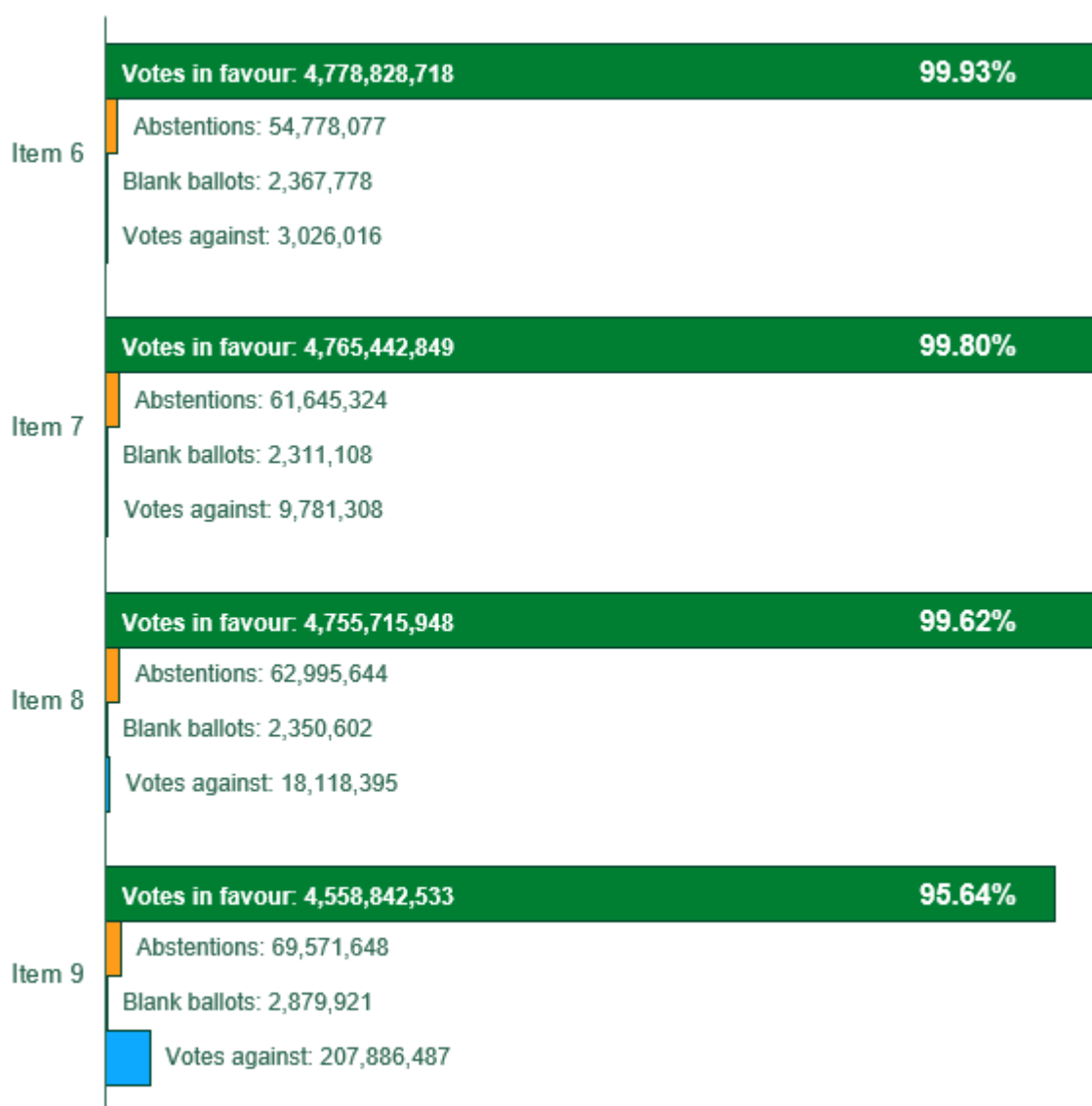
Management results and statutory audit

1. Annual financial statements 2023.
2. Directors' reports 2023.
3. Statement of non-financial information 2023.
4. Corporate management and activities of the Board of Directors in 2023.
5. Re-election of "KPMG Auditores, S.L." as statutory auditor.



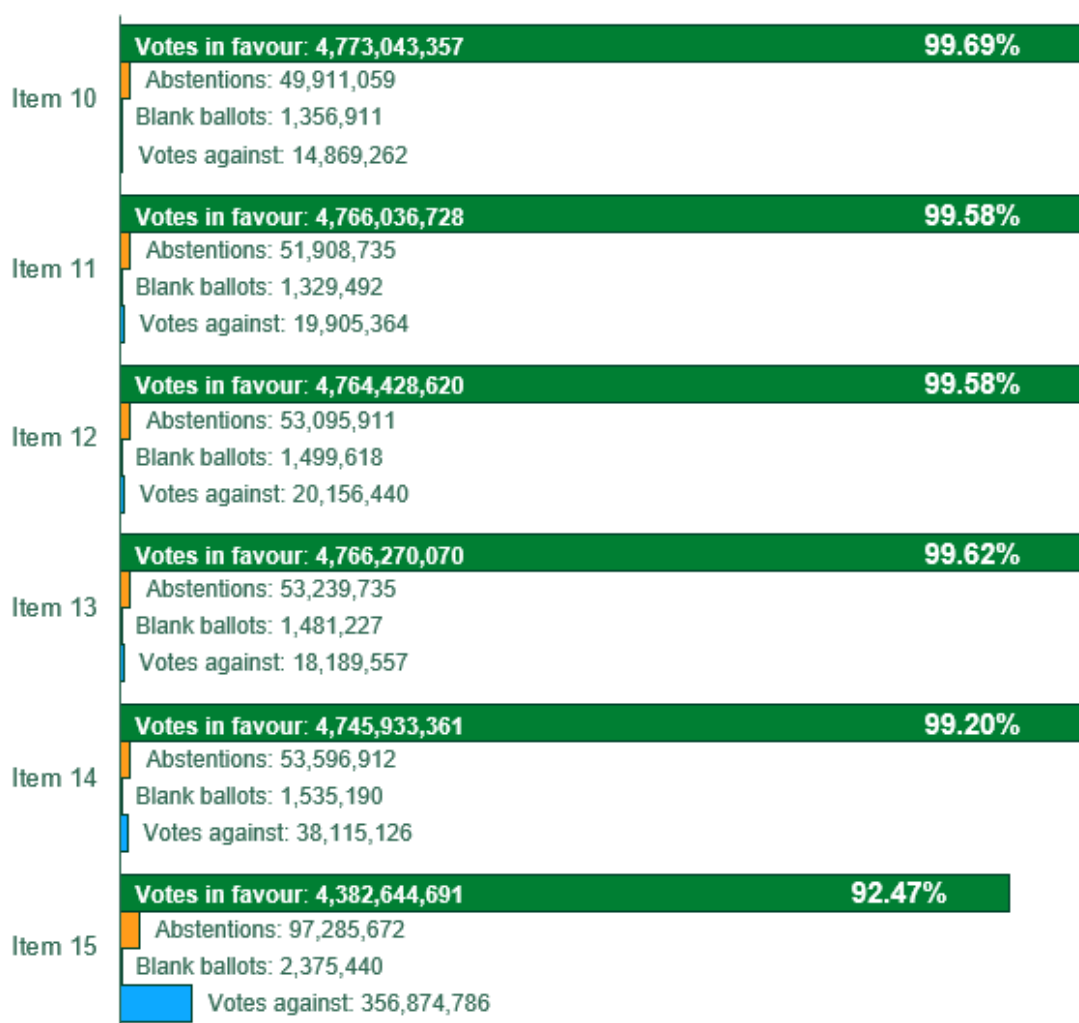
Governance and Sustainability System

6. Amendment of the Preamble and of the current Articles 1, 4, 6, 7 and 8 of the “By-Laws” and addition of a new Article 9 to more clearly differentiate the references to “Iberdrola, S.A.” and to the “Iberdrola Group”.
7. Amendment of the current Articles 9, 12, 13, 14, 16, 18, 19, 22, 23, 27, 56 and 60 of the “By-Laws”, and addition of two new Articles 14 and 19, all to strengthen the continuous and ongoing engagement of the shareholders in company life and to encourage their effective and sustainable involvement in the Company.
8. Amendment of Articles 10, 11, 12, 14, 16, 19, 20, 21, 22, 23, 27 and 40 of the “Regulations for the General Shareholders' Meeting” in order to revise the rules governing attendance at the General Shareholders' Meeting.
9. “Director Remuneration Policy”.



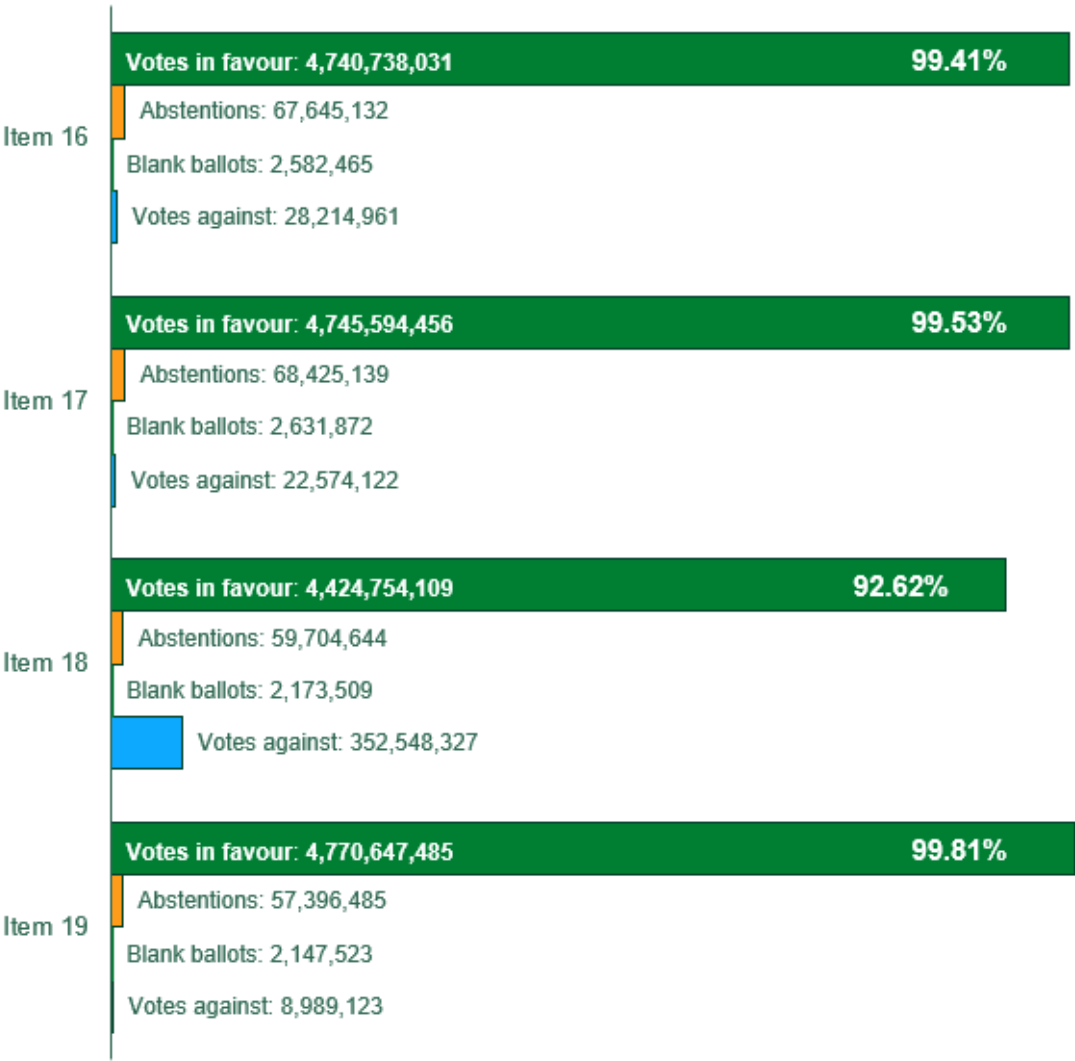
Remuneration

10. Engagement dividend: approval and payment.
11. Allocation of profits/losses and 2023 dividends: approval and supplementary payment that will be made within the framework of the “Iberdrola Retribución Flexible” optional dividend system.
12. First increase in capital by means of a scrip issue at a maximum reference market value of €2,600 million in order to implement the “Iberdrola Retribución Flexible” optional dividend system.
13. Second increase in capital by means of a scrip issue at a maximum reference market value of €1,700 million in order to implement the “Iberdrola Retribución Flexible” optional dividend system.
14. Reduction in capital by means of the retirement of a maximum of 183,299,000 own shares (2.854% of the share capital).
15. Consultative vote on the “Annual Director and Officer Remuneration Report 2023”.



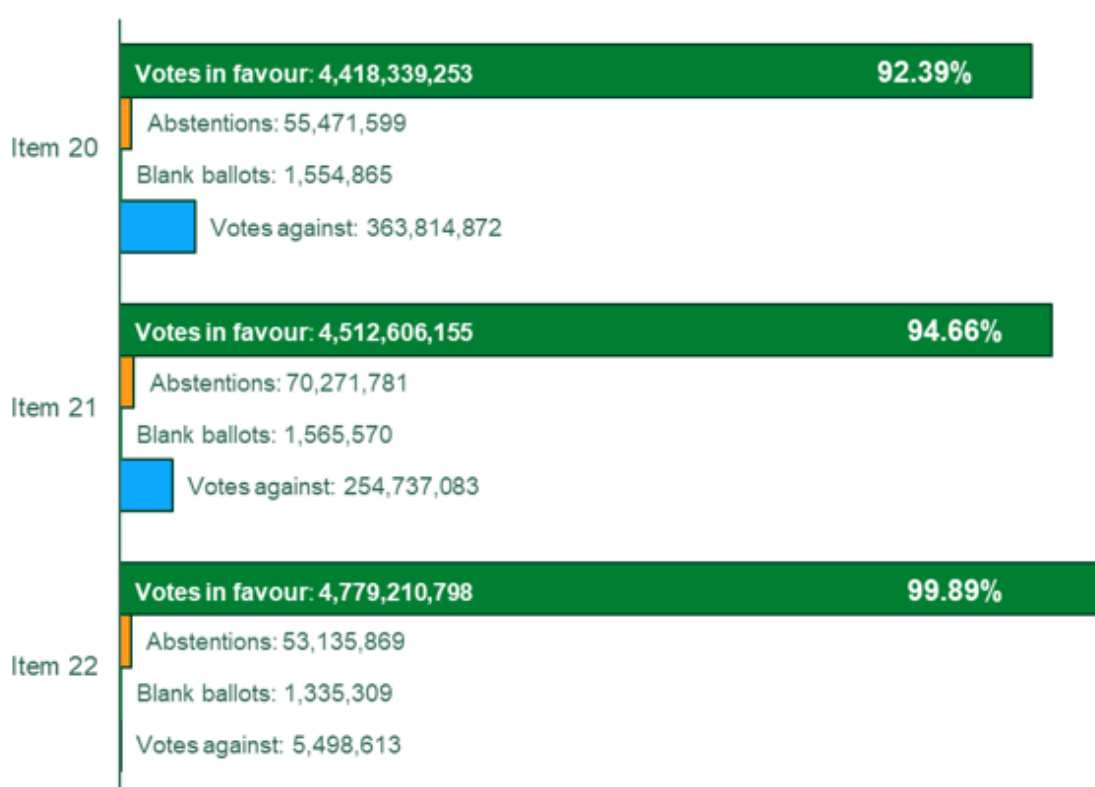
Board of Directors

- 16. Re-election of Ms Nicola Mary Brewer as an independent director.
- 17. Re-election of Ms Regina Helena Jorge Nunes as an independent director.
- 18. Re-election of Mr Iñigo Víctor de Oriol Ibarra as an external director.
- 19. Setting of the number of members of the Board of Directors at fourteen.



Approvals and delegation of powers

20. Authorisation to increase the share capital on the terms and within the limits provided by law, for a maximum term of five years and with the power to exclude pre-emptive rights, limited to an aggregate maximum of 10% of the share capital.
21. Authorisation to issue bonds exchangeable and/or convertible into shares and warrants, in an amount of up to €5,000 million and a maximum term of five years, with the power to exclude pre-emptive rights, limited to an aggregate maximum of 10% of the share capital.
22. Delegation of powers to formalise and to convert the resolutions adopted into a public instrument.



5.2.4. External assurance

For over 15 years, as a guarantee of reliability and transparency, the Company has voluntarily submitted the management of each General Shareholders' Meeting to external assurance regarding the application of the management procedures of this corporate body and the results of the quorum and votes.

For this purpose, together with the call to the General Meeting 2024, the Board of Directors resolved to engage the independent firm "Deloitte Technology & Transformation, S.L." to provide assurance regarding the procedures comprising the full process of the General Meeting, from its call to the publication of the results and including the preparation and holding of the meeting, according to the terms

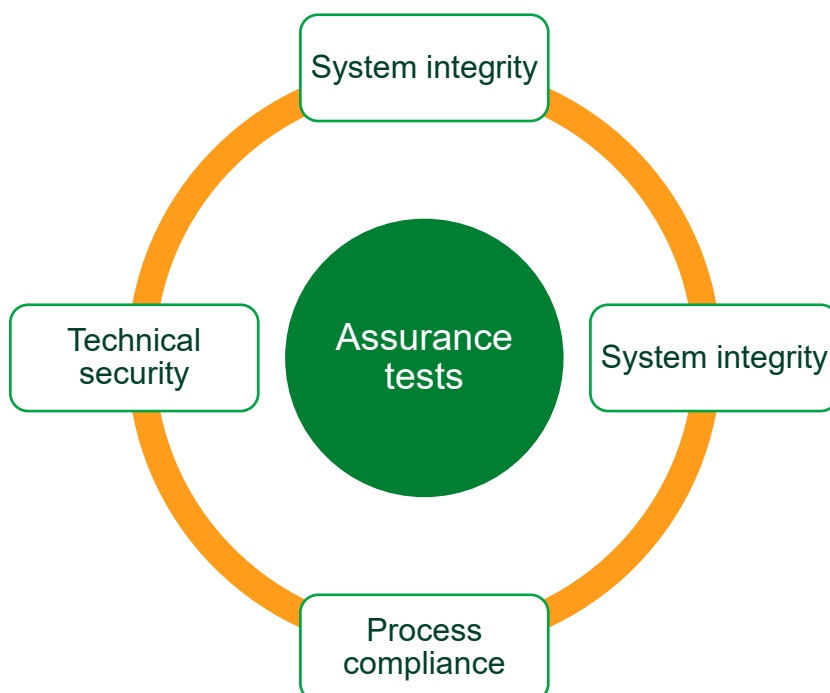
described in the “By-Laws”, the “Regulations for the General Shareholders' Meeting” and the procedures associated therewith.

As with all previous general meetings, the main aim of this assurance was to safeguard the integrity of the management of the General Meeting and the shareholders' rights, by means of tests that are classified into the following groups based on their purpose:

- **Availability:** validating the availability of information in the systems related to the General Meeting, according to the time periods established in the associated procedures.
- **Integrity:** guaranteeing the proper operation of information systems and the accuracy of their data, particularly to ensure the reliability of the quorum and of the voting results published by the Company.
- **Security:** checking that the information systems supporting the management of the General Meeting are properly protected, by carrying out cybersecurity tests on the main systems.
- **Compliance:** ensuring the proper application of the procedures set out in the regulation regarding the General Meeting, particularly in relation to shareholders' requests for information and to exercise absentee voting, proxy and attendance rights.

In turn, these tests gave rise to the implementation of over 250 controls that included the following, among other checks: (i) validation of the integrity of the texts included in the various mechanisms for disseminating the announcement of the call to meeting; (ii) confirmation of the proper configuration of the application for registering to participate in accordance with the procedures defined by the Company and described within the framework for management of the General Meeting; (iii) assurance of the integrity of the votes and proxies across all existing electronic, telephone and in-person channels; (iv) review of the security of the IT environments supporting the participation channels, information requests and the electronic shareholders' forum; (v) supervision of the pre-registration procedure for reserving seats on the day of the General Meeting; (vi) confirmation of compliance with procedures during the meeting, including the conditions for the shareholders attending the General Meeting to exercise their rights and access control; (vii) review of the quorum and of the results of votes and their publication within the required period and in the established form; and (viii) confirmation of payment of the engagement dividend and the proper management of other incentives to participate in the General Meeting.

Specifically, the Company received over 144,000 voting and proxy cards at this General Meeting, which were made available to the assurance provider after being received through the Company's participation channels (corporate website, information desks, telephone channel, instant messaging systems, postal mail and hand delivery) or via the depositary entities.



The conclusion of this assurance was that all significant aspects of the procedures for conduct established by the Company in relation to the 2024 General Meeting had been applied, as was communicated during the meeting.

5.3. Next General Shareholders' Meeting

The Board of Directors will be required to call a General Shareholders' Meeting to be held within the first six months of this financial year, i.e. no later than 30 June 2025.

Together with the publication of this report, the financial and non-financial information that will be submitted for approval at the next General Meeting, as well as the director and officer remuneration report that will be submitted for a consultative vote, are made available to the shareholders.

Prior to the General Meeting, the Company has started a round of meetings between members of the management team and retail shareholders in Spain, within the framework of the tenth anniversary of the "Shareholder Engagement Policy", the first of which was held in Valencia to explain the measures that Iberdrola is implementing in the Valencian Community to reconstruct the electricity grid affected by the DANA (high-altitude isolated depression).

Once the results for financial year 2024 have been published, in addition to the customary presentation aimed at investors and analysts, it is planned to organise meetings that will be announced through the corporate website to explain this information to the retail shareholders.

6. Management and Leadership Structure

The content of this section comprises the activities report of the Board of Directors and of the committees thereof provided for in Article 14.3.c) of the “Regulations for the General Shareholders’ Meeting”, which is included in the annual corporate governance report in order to bring its publication forward without waiting for the call to the next General Meeting and to simplify the documentation made available to the shareholders.

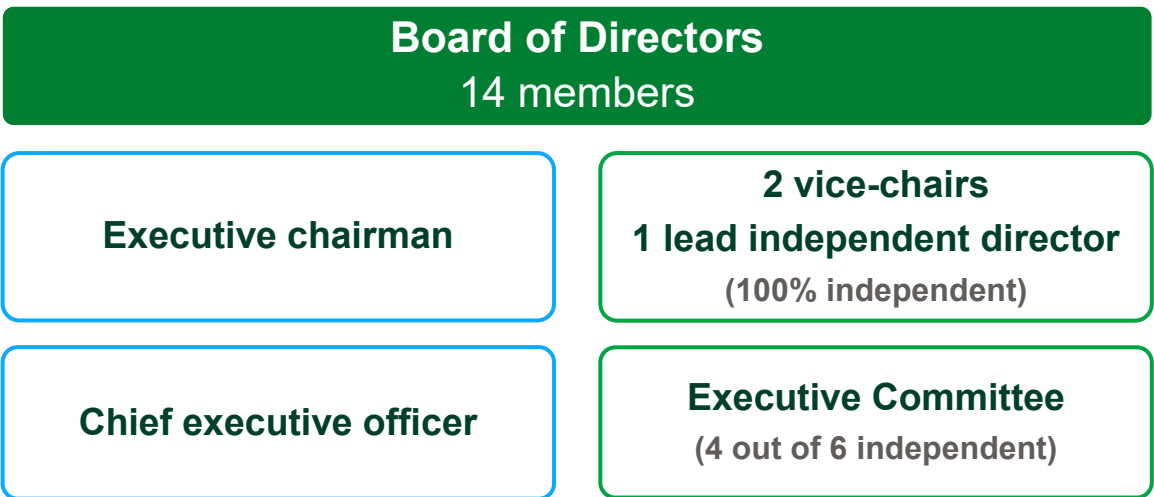
6.1. Board of Directors

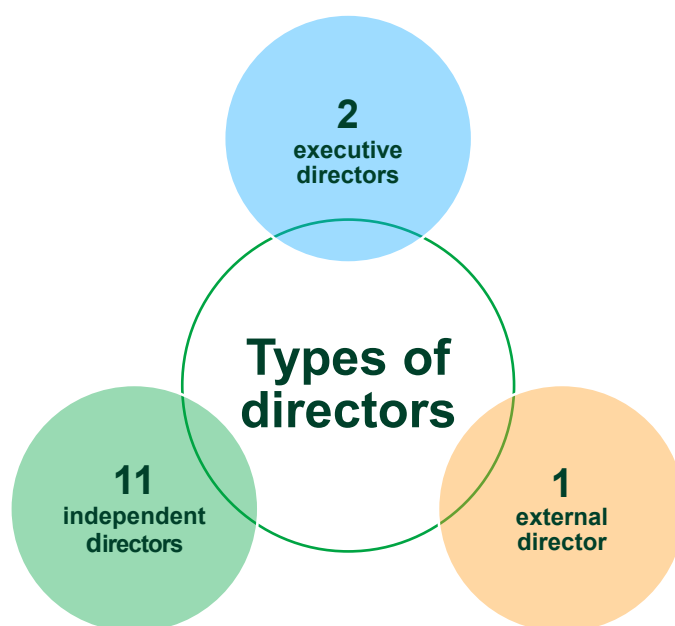
The Board of Directors is governed by the provisions set forth in the law, in Title III- chapter II of the “By-Laws”, in the “Regulations of the Board of Directors” and in other applicable provisions of the Governance and Sustainability System.

6.1.1. Structure and composition

The structure of the Board of Directors, with a broad majority of independent directors and an appropriate separation of duties among various positions and committees, articulates a system of checks and balances ensuring that none of the executive members has decision-making power that is not subject to appropriate checks and balances, guaranteeing that they are under effective supervision:

Structure of the Board of Directors





Consultative committees

<p>Audit and Risk Supervision Committee</p> <p>100% independent</p>	<p>Sustainable Development Committee</p> <p>100% independent</p>	<p>Remuneration Committee</p> <p>2 out of 3 independent, including the chair</p>	<p>Appointments Committee</p> <p>100% independent</p>
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The Board of Directors has only 2 executive directors (the chairman and the chief executive officer), which means that 86% of its members are classified as external directors. In turn, 91% of the external directors meet the requirements to be classified as independent in accordance with the “Companies Act”. Only 1 of the 12 external directors does not maintain independent director status solely due to the fact of having exceeded 12 years in the position, with no other circumstance that could affect their independence of judgement.

In particular, the first and second vice-chairs, as well as the lead independent director, who also chairs the Appointments Committee, are all independent members of the Board of Directors and ensure that the conduct of the executive chairman is subject to an appropriate system of controls, checks and balances.

There is also a clear separation between the duties of the chairman and the chief executive officer, with the former having all the duties that are not expressly allocated to the chief executive officer, who has overall responsibility for coordinating the management of the businesses of the companies of the Group, with the highest executive duties in that area.

In any event, such executive duties are constrained in accordance with the role corresponding to the Company and its management bodies within the corporate and governance structure of the Group described in section 2.2 of this report, which ensures that management power is decentralised among the boards of directors of the head of business companies, with the Company having responsibility for organisation and coordination at the Group level.

Pursuant to the provisions of the Governance and Sustainability System, the Board of Directors must be made up of a minimum of 9 and a maximum of 14 members appointed by the shareholders at a General Shareholders' Meeting, who also expressly determine the exact number of directors, currently set at 14, each year.

The composition of the Board of Directors as at 31 December 2024 is set out below:

Members	Position	Type	First appointment	Last appointment	Skills and experience
José Ignacio Sánchez Galán	Chairman	Executive	21/05/2001	28/04/2023	Curriculum vitae [PDF, opens in new window]
Armando Martínez Martínez	Chief Executive Officer	Executive	25/10/2022	28/04/2023	Curriculum vitae [PDF, opens in new window]
Juan Manuel González Serna	First vice-chair	Independent	31/03/2017	18/06/2021	Curriculum vitae [PDF, opens in new window]
Anthony L. Gardner	Second vice-chair	Independent	13/04/2018	17/06/2022	Curriculum vitae [PDF, opens in new window]
Ángel Jesús Acebes Paniagua	Lead independent director	Independent	20/10/2020	18/06/2021	Curriculum vitae [PDF, opens in new window]
Íñigo Víctor de Oriol Ibarra	Member	Other external	26-04-2006	17/05/2024	Curriculum vitae [PDF, opens in new window]
Manuel Moreu Munaiz	Member	Independent	17/02/2015	28/04/2023	Curriculum vitae [PDF, opens in new window]
Xabier Sagredo Ormaza	Member	Independent	08/04/2016	28/04/2023	Curriculum vitae [PDF, opens in new window]
Sara de la Rica Goiricelaya	Member	Independent	29/03/2019	28/04/2023	Curriculum vitae [PDF, opens in new window]
Nicola Mary Brewer	Member	Independent	02/04/2020	17/05/2024	Curriculum vitae [PDF, opens in new window]
Regina Helena Jorge Nunes	Member	Independent	02/04/2020	17/05/2024	Curriculum vitae [PDF, opens in new window]

Members	Position	Type	First appointment	Last appointment	Skills and experience
María Ángeles Alcalá Díaz	Member	Independent	26-10-2021	17-6-2022	Curriculum vitae [PDF, opens in new window]
Isabel García Tejerina	Member	Independent	16-12-2021	17/06/2022	Curriculum vitae [PDF, opens in new window]
Ana Colonques García-Planas	Member	Independent	17-12-2024	17-12-2024	Curriculum vitae [PDF, opens in new window]
Santiago Martínez Garrido	Secretary (non-director)	-	01/01/2023	-	Curriculum vitae [PDF, opens in new window]
Ainara de Elejoste Echebarria	Deputy secretary (non-director)	-	01/04/2020	-	Curriculum vitae [PDF, opens in new window]
Rafael Sebastián Quetglas	Counsel to the Board	-	21/02/2023	-	Curriculum vitae [PDF, opens in new window]

At the meeting held by the Board of Directors on 17 December 2024, the director Ms María Helena Antolín Raybaud (who had submitted her resignation, for personal reasons, by letter sent to the chair) formally tendered her resignation from the position of director and, therefore, from the position of member of the Appointments Committee.

To fill the vacancy, the Board of Directors resolved to appoint Ms Ana Colonques García-Planas as a new independent director on an interim basis (co-option procedure), as well as to appoint her as a member of the Appointments Committee. All the other directors have been appointed or re-elected by the shareholders at a General Shareholders' Meeting.

On that same date, the lead independent director Mr Juan Manuel González Serna (who had submitted his resignation from the position of lead independent director by letter sent to the chair) formally resigned from the position of lead independent director of the Company. The Board of Directors resolved to appoint the independent director and chair of the Appointments Committee Mr Ángel Jesús Acebes Paniagua as the new lead independent director.

The proposed appointments of Ms Colonques García-Planas and Mr Acebes Paniagua were approved by the Appointments Committee.

6.1.2. Selection and skills of directors

The composition of the Board of Directors is a key element of good corporate governance, as it affects its effectiveness and influences the quality of its decisions and its ability to effectively promote the corporate interest.

Accordingly, the Company encourages this body to have an independent, plural and balanced composition, with regular and staggered refreshment of its members, whose complementariness reflects the social and cultural reality of Iberdrola and enriches the deliberations of and resolutions adopted by the Board of Directors and its committees through the contribution of plural viewpoints on the matters within their purview.

The Company has had a “Board of Directors Composition and Member Selection Policy” since 2015 in order to expressly promote the search for candidates whose appointment favours an appropriate combination of skills, knowledge, experience, origin, nationality, age and gender among the members of the Board of Directors.

For these purposes, said corporate policy provides that there shall be an avoidance of any type of bias that might entail any discrimination, and particularly one that hinders the appointment of female directors, and also the goal of meeting at least the minimum percentages for the gender less represented on the Board of Directors that are established by applicable legal provisions or by generally accepted good governance recommendations.

These criteria have been applied via the succession plan for non-executive directors described in section 6.1.4 of this report, which has permitted the implementation of a staggered refreshment so that each year the shareholders at the General Shareholders’ Meeting decide on the appointment or re-election of approximately one-fourth of the directors.

Therefore, new members have been progressively incorporated to ensure the stability of the Board of Directors by combining the acquired experience and contributions of the successive additions, as reflected in the skills matrix included later in this section.

As a result of this orderly refreshment process, 86% of the directors have held their position for 10 years or less (and 57% for 5 years or less), and the Board of Directors has directors with remarkable professional qualifications and experience, who offer a great wealth of knowledge, approaches and viewpoints, reflected in the following factors:

- The existence of a large majority of external directors (86%), and particularly of independent directors, who have been selected in view of their varied professional skills, knowledge and backgrounds.
- The existence of five nationalities (Spain, the United States of America, the United Kingdom, Brazil and Italy) including the main countries and markets in which the Group’s companies operate.
- A balanced presence of women and men (50/50 distribution of external directors of each gender and no gender with a representation of less than 42.86% of the total number of directors).

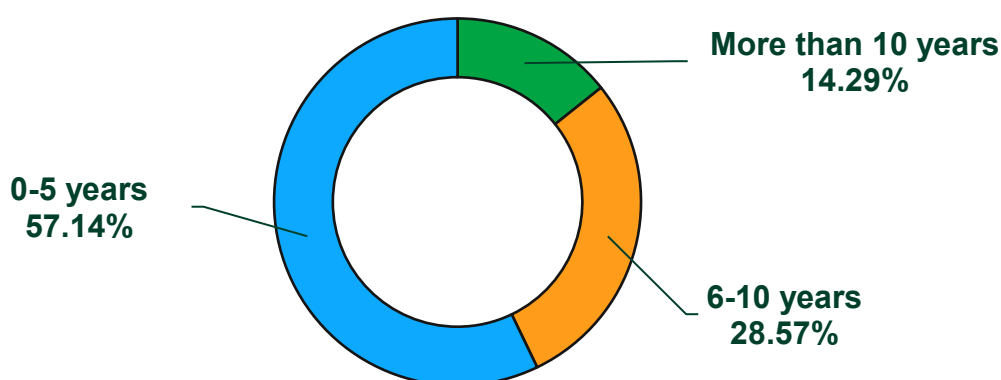
Particularly noteworthy is the Company’s early implementation of including women on the Board of Directors since 2006, i.e. before any legal recommendation or requirement in this regard, as well as members of international origin since 2008, which has permitted the integration of these factors with the necessary qualifications and experience.

The Company was thus ahead of its obligations in terms of compliance with applicable gender balance requirements, and it is again ahead of the minimum percentages of presence of each gender enforceable as from 30 June 2026, which the Company has continuously complied with since 2021.⁴

The Company exceeded the average percentage of women on Ibex-35 companies' boards of directors by over 8.5 percentage points at financial year-end 2021, and it still maintained a gap in excess of 2.5 points at financial year-end 2023.⁵

Seniority of directors and gender balance

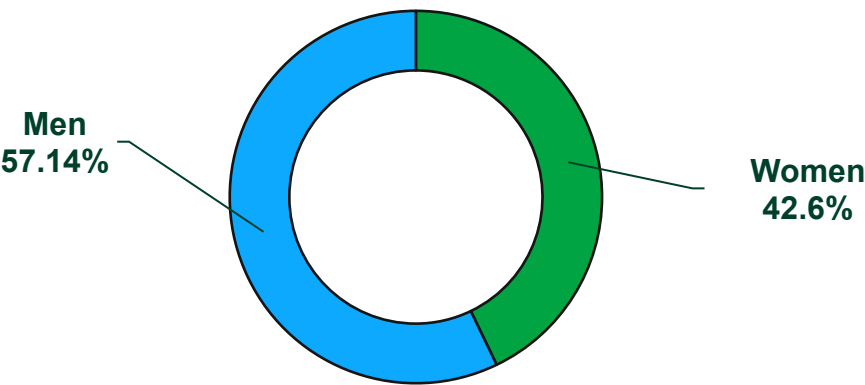
Seniority of directors



⁴ “Directive (EU) 2022/2381 of the European Parliament and of the Council of 23 November 2022 on improving the gender balance among directors of listed companies and related measures” and “Organic Law 2/2024 of 1 August on equal representation and gender balance”.

⁵ Information on the presence of women on boards of directors and in the senior management of listed companies is available on the CNMV website: [Go to CNMV website](#) [opens in new window].

Gender balance



Nationalities



As a result of the aforementioned refreshment process, led by the Appointments Committee, the members of the Board of Directors possess a wide range of knowledge, skills and experience that is appropriate not only to the matters required for the performance of their duties but also to industry needs and the competitive position of the Company.

Key skills by director:

Member	Committee membership	Powers
José Ignacio Sánchez Galán	Chairman: Executive Committee	<ul style="list-style-type: none">• Industry experience• Management and Strategy• Audit, Finance and Risk Management• Global Markets and Geopolitics• Capital Allocation• Legal and Regulatory• Sustainability (including climate change)• Digitalisation and Cybersecurity• Operations and Supply Chain

Member	Committee membership	Powers
Armando Martínez Martínez	Member: Executive Committee	<ul style="list-style-type: none"> • Industry experience • Management and Strategy • Audit, Finance and Risk Management • Legal and Regulatory • Sustainability (including climate change) • Digitalisation and Cybersecurity • Operations and Supply Chain
Juan Manuel González Serna	Member: Executive Committee Chair: Remuneration Committee	<ul style="list-style-type: none"> • Industry experience • Management and Strategy • Audit, Finance and Risk Management • Global Markets and Geopolitics • Capital Allocation • Legal and Regulatory • Sustainability (including climate change) • Digitalisation and Cybersecurity • Operations and Supply Chain
Anthony L. Gardner	Member: Executive Committee Member: Appointments Committee	<ul style="list-style-type: none"> • Industry experience • Management and Strategy • Audit, Finance and Risk Management • Global Markets and Geopolitics • Capital Allocation • Legal and Regulatory • Sustainability (including climate change) • Digitalisation and Cybersecurity
Ángel Jesús Acebes Paniagua	Member: Executive Committee Chair: Appointments Committee	<ul style="list-style-type: none"> • Industry experience • Management and Strategy • Audit, Finance and Risk Management • Global Markets and Geopolitics • Capital Allocation • Legal and Regulatory • Digitalisation and Cybersecurity • Operations and Supply Chain

Member	Committee membership	Powers
Íñigo Víctor de Oriol Ibarra	Member: Remuneration Committee	<ul style="list-style-type: none"> • Industry experience • Management and Strategy • Audit, Finance and Risk Management • Global Markets and Geopolitics • Capital Allocation • Legal and Regulatory • Sustainability (including climate change) • Operations and Supply Chain
Manuel Moreu Munaiz	Member: Executive Committee Member: Remuneration Committee	<ul style="list-style-type: none"> • Industry experience • Management and Strategy • Audit, Finance and Risk Management • Global Markets and Geopolitics • Capital Allocation • Sustainability (including climate change) • Digitalisation and Cybersecurity • Operations and Supply Chain
Xabier Sagredo Ormaza	Chair: Audit and Risk Supervision Committee	<ul style="list-style-type: none"> • Industry experience • Management and Strategy • Audit, Finance and Risk Management • Global Markets and Geopolitics • Capital Allocation • Legal and Regulatory • Sustainability (including climate change) • Digitalisation and Cybersecurity
Sara de la Rica Goiricelaya	Chair: Sustainable Development Committee	<ul style="list-style-type: none"> • Industry experience • Audit, Finance and Risk Management • Global Markets and Geopolitics • Legal and Regulatory • Sustainability (including climate change) • Digitalisation and Cybersecurity
Nicola Mary Brewer	Member: Sustainable Development Committee	<ul style="list-style-type: none"> • Industry experience • Management and Strategy • Audit, Finance and Risk Management • Global Markets and Geopolitics • Legal and Regulatory • Sustainability (including climate change)

Member	Committee membership	Powers
Regina Helena Jorge Nunes	Member: Audit and Risk Supervision Committee	<ul style="list-style-type: none"> • Industry experience • Management and Strategy • Audit, Finance and Risk Management • Global Markets and Geopolitics • Capital Allocation • Legal and Regulatory • Sustainability (including climate change)
María Ángeles Alcalá Díaz	Member: Audit and Risk Supervision Committee	<ul style="list-style-type: none"> • Industry experience • Audit, Finance and Risk Management • Capital Allocation • Legal and Regulatory • Sustainability (including climate change)
Isabel García Tejerina	Member: Sustainable Development Committee	<ul style="list-style-type: none"> • Industry experience • Management and Strategy • Global Markets and Geopolitics • Capital Allocation • Legal and Regulatory • Sustainability (including climate change) • Digitalisation and Cybersecurity • Operations and Supply Chain
Ana Colonques García-Planas	Member: Appointments Committee	<ul style="list-style-type: none"> • Industry experience • Management and Strategy • Audit, Finance and Risk Management • Capital Allocation • Sustainability (including climate change) • Digitalisation and Cybersecurity • Operations and Supply Chain

Definition of key skills:

Skill	Definition	Number of directors
Industry experience	Directors who have acquired experience in the industry in which Iberdrola operates through direct employment, positions on boards of directors (including non-executive positions), or other leadership positions, including companies of the Group.	14
Management and Strategy	Directors with experience in executive positions or on the board of directors of listed companies, as well as at large companies in the industry in which Iberdrola operates, including companies of the Group. Positions at small undertakings are excluded.	12
Audit, Finance and Risk Management	Directors with audit or finance functions (e.g. financial reporting responsibilities), who have the ability to report and interpret financial data. Also, those senior executives with financial management responsibilities (e.g. CFO). Directors with practical experience in corporate risk management, including enterprise risk management, crisis management and regulatory compliance.	13
Global Markets and Geopolitics	Directors with experience in senior executive positions or on boards of companies with a global presence and international reach. Directors with a solid understanding of global political trends and their impact on the businesses, contributing to international strategic planning and risk assessment (excluding purely academic experience). This can include political experience, international bodies, involvement in industry groups or in industry groups or executive positions.	11
Capital Allocation	Directors with experience in financial markets, including equity, debt and equity capital raising processes, excluding exclusively accounting and auditing expertise. Directors with specific experience in overseeing large-scale corporate transactions, such as mergers, acquisitions or spin-offs. These may be executive or advisory positions (such as investment banking, asset management, financial advisory or corporate finance).	11
Legal and Regulatory	Directors with advanced legal qualifications, experience in a corporate legal environment or professional activity, or with direct exposure to regulators or governmental organisations.	12
Sustainability (including climate change)	Directors with experience in management roles relating to sustainability issues (e.g. sustainability officer), or with significant personal affiliations with environmental and social causes. Directors with experience in HR-related management roles (e.g. HR manager), or who have directly overseen the development of human capital as a primary duty at a previous position.	13
Digitalisation and Cybersecurity	Directors with significant experience in IT management and digital transformation, including through advisory roles or direct involvement. This also includes directors knowledgeable about cybersecurity threats and protection measures, with experience in safeguarding digital assets and data integrity.	10

Skill	Definition	Number of directors
Operations and Supply Chain	Expertise in managing the full lifecycle of product development and delivery, including sourcing, manufacturing, logistics and inventory management, to optimise performance and meet strategic business objectives.	8

6.1.3. Guarantees of suitability and dedication of directors

As shown by the activities of the Board of Directors and of the committees thereof, which are described in sections 6.1.6 and 6.1.7 of this report, performing the duties of director requires very considerable dedication for all the directors of this Company.

Therefore, the Company's Governance and Sustainability System imposes a number of requirements in addition to those established by law, to ensure that those selected as members of the Board of Directors have the necessary availability and, moreover, are not subject to potential conflicts that could detract from their serving as directors in accordance with the duties of diligence and loyalty.

For this purpose, Article 18 of the "Regulations of the Board of Directors" establishes that the following, among others, may not be appointed as directors: (i) those who hold the position of director or who are members of senior management of domestic or foreign companies competing with the Company in the energy industry or other industries, or such persons, if any, as are proposed by them in their capacity as shareholders; (ii) those serving as directors in more than five companies, with a maximum of three listed companies including the Company; and (iii) those who, during the two years prior to their appointment, have occupied high-level positions in Spanish government administrations that are incompatible with the simultaneous performance of the duties of a director of a listed company under Spanish national or autonomous community law, or positions of responsibility with entities regulating the energy industry, the securities markets or other industries in which the Group operates.

These guarantees of dedication were strengthened in 2024, with the Company included in the calculation of the maximum number of listed companies at which the directors can serve as board members, as stated in point (ii) of the preceding paragraph.

Section 12 of this report describes the positions that the members of the Board of Directors hold at other entities, subject to these limitations, as well as the other remunerated activities that they perform.

Together with these prohibitions, the following obligations are established to reinforce the duties established by applicable law:

- Properly prepare the meetings of the Board of Directors and, if applicable, the meetings of the committees of which the director is a member, for which purposes the director must diligently become apprised of the running of the Company and the matters to be discussed at such meetings (Article 41.3.a of the "Regulations of the Board of Directors").

For this purpose, on the occasion of the call to each meeting of the Board of Directors, which is published on the directors' website with an average of 7 days' notice, the materials deemed appropriate for the preparation of the meeting are progressively incorporated, including the following materials, among others:

- Minutes of the meetings held by the Board of Directors and the committees thereof, resolutions adopted in writing without a meeting, and decisions made by the executive chairman since the previous meeting of the Board of Directors.
- Note summarising the main proposed resolutions that will be submitted for the consideration of the Board of Directors.
- Verbatim text of the proposed resolutions that will be subject to certification.
- Report providing a rationale for proposed reforms of the Governance and Sustainability System and specific changes submitted to the Board of Directors.
- Documents or reports that will be subject to approval by the Board of Directors (financial statements, half-yearly financial report, reports on results, annual reports, etc.).
- Any presentations will be shown at meetings of management decision-making bodies regarding any issues deemed to be of interest or which are requested by the directors.
- Reports issued by external consultants or advisors.

A total of 58 meetings of the Board of Directors and its committees were held in financial year 2024, for the preparation of which over 620 documents were made available to the members of the Board of Directors on the directors' website.

At each meeting of the Board of Directors, each Board member is provided with a note listing the documentation that has been made available to them and the date from when it has been published on the directors' website, all of which is stated for the record in the corresponding minutes.

- Attend and actively participate in each meeting (Article 41.3.b of the "Regulations of the Board of Directors").

As a general rule, meetings are held in person and, on an exceptional basis, one or more directors may be authorised to attend the meeting by using remote connection systems that permit their recognition and identification, permanent communication with the place where the meeting is held, and their participation therein and the casting of votes, all in real time (Annex II of the "Corporate Governance Policy").

If a director cannot personally attend a meeting, they must grant their proxy to another director, to whom they must give the appropriate instructions, with no maximum number of proxies per director being established.

The proxy granted shall be a special proxy for the Board meeting in question and may be communicated by any means allowing for the receipt thereof. Non-executive directors may only grant a proxy in favour of another non-executive director, and no director may cast their vote or grant a proxy in connection with matters in respect of which they have any conflict of interest (Article 37.2 of the “Regulations of the Board of Directors”).

In preparing proposals and reports regarding the re-election of directors, the Appointments Committee takes into consideration, among other things, the number of meetings that the candidate for re-election has attended during their previous term of office, in order to assess their dedication to their position. This shall take into account the minimum level of attendance at the meetings of these bodies that the main international institutional investors and proxy advisors provide for in their voting policies, which is generally 75% of the meetings held during the year (Section 5.4 of the “Corporate Governance Policy”).

The average level of attendance at meetings of the Board of Directors and of the committees thereof in financial year 2024 was over 99%, and the information for each director is set out further below.

- Inform the Company of any judicial, administrative or other proceedings instituted against the director which, because of the significance or nature thereof, may seriously affect the reputation of the Company, as well as of any fact or event that may be relevant to their holding of office as a director (Article 49.2.c) and d) of the “Regulations of the Board of Directors”).

In particular, every director must inform the Company in the event that the director is subject to an investigation, arrested, or an order for the commencement of an oral criminal trial is issued against the director for the commission for any crime, and of the occurrence of any significant procedural steps in such proceedings.

In such instance, the Board of Directors shall review this circumstance as soon as practicable and, following a report of the Appointments Committee, shall adopt the decisions it deems fit taking into account the interests of the Company.

During financial year 2024, the Board of Directors was not informed of and did not become aware of any situation affecting any of the members of the Board of Directors that could harm the Company's good standing or reputation.

As explained below, compliance with these requirements and obligations is subject to verification on the occasion of each proposal to appoint and, where applicable, re-elect directors.

Appointment of directors

The Appointments Committee regularly reviews the composition of the Board of Directors, particularly when vacancies arise, for which purpose it analyses the criteria for the selection of candidates for director and assists the Board of Directors in defining the profiles that these candidates must meet, in view of the needs of the management decision-making body and based on the areas that should be strengthened, endeavouring to ensure in any event that the selection procedures do not suffer from implicit biases that could entail any discrimination.

For these purposes, prior to the commencement of each selection process for directors or positions on the Board of Directors, the Appointments Committee, taking into account the skills matrix, specifies the profile and abilities required for the position and assesses whether the proposed candidates or those on which it is required to report meet the requirements established in the aforementioned matrix.

It also falls upon the Appointments Committee to propose the independent directors, as well as to report upon proposals relating to the other classes of directors. In this regard, during the selection process, the chairman or one of the members of the Appointments Committee shall meet with each of the candidates for director before the issuance of its report or proposal. If the Board of Directors deviates from the proposals and reports of the Appointments Committee, it shall give reasons for so acting and shall record such reasons in the minutes.

It is important to note that the Appointments Committee also performs duties in the appointment of external directors of the Iberdrola Group's unlisted country subholding companies and acknowledges the appointment of the external directors of their respective head of business companies, in accordance with the corporate and governance structure described in section 2.2 of this report. Therefore, in its proposals for appointment at the Company, it can take into consideration the directors appointed at other companies of the Group, which gives it first-hand knowledge of the skills, working capacity, commitment to the position and potential for the contribution of value of the candidates for director, as well as ensuring their knowledge of Iberdrola's sector, strategy and governance model.

In any event, the Board of Directors and the Appointments Committee shall endeavour to ensure that the candidates proposed are respectable and qualified persons, widely recognised for their expertise, competence, experience, qualifications, training, availability, and commitment to their duties.

Orientation programme

For new directors to become rapidly and adequately acquainted with the Company and the Iberdrola Group, such that they can actively perform their duties following their appointment as such and, if so appointed, as members of any of the committees of the Board of Directors, an orientation programme is developed that presents, among other things, the business model and activities of the Iberdrola Group, its main operating, financial and sustainability data, its strategic goals, its corporate and governance structure, as well as the main members of the management team.

New directors are also expressly informed of the transparency obligations applicable to the Company and to each of the directors, within the framework of the duties of diligence and loyalty applicable to the members of the Board of Directors.

Re-election of directors

In the case of re-election of directors, the Appointments Committee shall evaluate the quality of the work and dedication to the position of the directors proposed during the previous term of office, and expressly their respectability, suitability, expertise, competence, availability and commitment to their duties. Prior to the expiry of the term for which a director has been appointed, the Appointments Committee shall also examine the advisability of the re-election thereof.

During financial year 2024, three directors were proposed for re-election by the shareholders at the General Shareholders' Meeting, who approved these proposals with an average of over 97% of favourable votes out of the total votes in favour and against.

Cessation of office of directors

Directors serve in their position for a term of four years, so long as the shareholders acting at the General Shareholders' Meeting do not resolve to remove them and they do not resign from their position.

Directors must submit their resignation from the position and formally resign from their position upon the occurrence of any of the instances of disqualification, lack of competence, structural and permanent conflict of interest or prohibition against performing the duties of director provided by law or the Governance and Sustainability System.

In this connection, the "Regulations of the Board of Directors" provide that the directors must submit their resignation to the Board of Directors in the following cases:

- 1) When, due to supervening circumstances, they are involved in any circumstance of disqualification or prohibition provided by law or the Governance and Sustainability System.
- 2) When, as a result of any acts or conduct attributable to the director, serious damage is caused to the value or reputation of the Company or there is a risk of criminal liability for the Company or any of the companies of the Iberdrola Group.
- 3) When there are situations that affect them, whether or not related to their conduct within the Company itself, that might harm the good standing or reputation thereof.
- 4) When they cease to deserve the respectability or to have the capability, expertise, competence, availability or commitment to their duties required to be a director of the Company.

In particular, when the activities performed by the director, or the companies that the director directly or indirectly controls, or the individual or corporate

shareholders or those related to any of them, might compromise the suitability thereof.

- 5) When they are seriously reprimanded by the Board of Directors because they have breached any of their duties as directors.
- 6) When remaining on the Board of Directors might jeopardise the loyal and diligent exercise of their duties in accordance with the corporate interest for any reason, whether directly, indirectly or through persons related thereto.
- 7) When the reasons why the director was appointed cease to exist and, in particular, in the case of proprietary directors, when the shareholder or shareholders who proposed, requested or decided the appointment thereof totally or partially sell or transfer their equity interest, with the result that such equity interest ceases to be significant or sufficient to justify the appointment.
- 8) When an independent director unexpectedly falls under supervening circumstances that prevent the director from being considered as such pursuant to the provisions of law.

The resignation provisions set forth under points 6 and 7 above shall not apply when, after a report from the Appointments Committee, the Board of Directors believes that there are reasons that justify the director's continuance in office, without prejudice to the effect that the new supervening circumstances may have on the classification of the director.

The Board of Directors may propose the removal of an independent director before the passage of the period provided for in the By-Laws only upon sufficient grounds, evaluated by the Board of Directors after a report from the Appointments Committee, or as a consequence of takeover bids, mergers or other similar corporate transactions resulting in a significant change in the shareholding structure of the Company, as recommended by the CNMV's "Good Governance Code of Listed Companies".

The Appointments Committee must inform the Board of Directors regarding proposed removals due to breach of the duties inherent to the position of director or due to a director becoming affected by supervening circumstances of mandatory resignation or withdrawal. It may also propose the removal of directors in the event of disqualification, structural conflict of interest or any other reason for resignation or cessation of office, pursuant to law or the Governance and Sustainability System.

6.1.4. Succession planning

Succession plan for non-executive directors

The Company has a succession plan for non-executive directors, which attempts to ensure that the refreshment thereof occurs on a staggered and orderly basis, anticipating expected vacancies (due to reaching the indicative age of 70 years established for these directors as the age after which the Board of Directors will evaluate the continuation thereof or due to exceeding 12 years of continuous time in office, which means that they cannot be classified as independent).

For this purpose, each of the non-executive directors undertakes to tender their resignation to the Board of Directors at the first meeting it holds after they reach 70 years of age or 12 years as a director of the Company. Cessation in office of a director for this reason will not give rise to the right to receive any severance payment in this respect.

On a periodic basis, and at least once per year, the Appointments Committee shall review whether it can be expected that any of the non-executive directors might cease to perform their duties during the financial year due to issues of age or time in office or for any other reason. In such case, the Appointments Committee shall drive the selection process established in the “Board of Directors Composition and Member Selection Policy” to identify a candidate in replacement thereof with sufficient time to ensure an orderly succession.

Succession plan for the executive chairman

Transcribed below is the content of the succession plan established in Annex I of the Company’s “Corporate Governance Policy” for cases in which the executive chairman gives early notice of his desire to resign from the position or there is a non-occasional and unexpected non-availability thereof:

“1.2.A) Advance notice

If the executive chairman of the Board of Directors gives early notice of his desire to resign from the position, the succession thereof shall be planned and coordinated by a specific committee, which shall be convened and chaired by the lead independent director and shall be made up of the lead independent director, the chairs of the Appointments Committee and of the Remuneration Committee and the executive chairman himself.

The committee shall have the support of the Appointments Committee and may contract for the advice of an independent expert to be paid for by the Company.

Within a period of not more than thirty days from the date that the executive chairman gives early notice of his desire to resign from the position, the committee shall provide to the Board of Directors a specific proposal regarding the replacement thereof, which must take into consideration the special personal and professional skills of the candidate.

In addition, if the committee proposes that the chairman of the Board of Directors continue to have the status of executive chairman, the committee must consider the candidate’s ability to lead the development and implementation of the current strategic plan in regards to the duties it proposes be carried out.

The committee shall favourably assess those candidates that are directors or members of the management team of the Company or of other companies of the Group and that have been linked thereto as directors or professionals.

Unless otherwise stated by the chairman of the Board of Directors, the chairman shall continue to perform all of the duties thereof until the Board of Directors appoints a new chairman.

1.2.B) Non-occasional and unexpected non-availability

In the event of non-occasional or unexpected unavailability of the chairman of the Board of Directors, the non-executive vice-chair, or if one has not been appointed the lead independent director, or in the absence thereof, the director having the longest length of service, and if equal lengths of service, the oldest, shall temporarily assume the chairmanship of the Board of Directors, which must be convened to meet within a period of not more than forty-eight hours from the time that such unavailability becomes known. The agenda of said meeting shall include the identification of the person who must temporarily assume the duties of chairman of the Board of Directors, and the planning of the definitive succession shall be entrusted to a specific committee upon the terms described in section 1.2.A) above.

If there is more than one vice-chair, the executive chairman shall be replaced by the one that is expressly appointed by the Board of Directors for such purpose, or in the absence thereof the vice-chair having the longest length of service in office, and in case of equal lengths, the oldest.”

Succession plan for the chief executive officer

Transcribed below is the content of the succession plan established in Annex I of the Company’s “Corporate Governance Policy” for cases in which the chief executive officer gives early notice of his desire to resign from the position or ceases to hold office due to non-occasional and unexpected non-availability thereof:

“1.3.A) Advance notice

If the chief executive officer gives early notice of the chief executive officer’s desire to resign from the position, the succession thereof shall be planned and coordinated by the Appointments Committee, which may contract for the advice of an independent expert to be paid for by the Company.

Within a period of not more than thirty days from the date that the chief executive officer gives early notice of his or her desire to resign from the position, the Appointments Committee shall provide to the Board of Directors a proposal regarding the replacement thereof. To this end, it must take into particular account the candidate(s) presented by the chairman of the Board of Directors. In making its proposal, the Appointments Committee must also weigh the particular personal and professional skills of the candidate.

The Appointments Committee shall favourably assess those candidates that are directors or members of the management team of the Company or of other companies of the Group and that have been linked thereto as directors or professionals.

Unless otherwise stated by the chief executive officer, the chief executive officer may continue to perform all of the duties thereof if so decided by the Board of Directors, until a new chief executive officer is appointed.

1.3.B) Non-occasional and unexpected non-availability

In the event of non-occasional or unexpected unavailability of the chief executive officer, the duties thereof shall be temporarily assumed by the chairman of the Board of Directors (or if the chairman is unable to do so for any reason, they shall be assumed by the person appointed in accordance with section 1.2.B above), who must call to meeting (or request the call to meeting) of the Board of Directors to meet within a period of not more than forty-eight hours from the time that such unavailability becomes known. The agenda of said meeting shall include the identification of the person who must temporarily assume the duties of chief executive officer, and the planning of the definitive succession shall be entrusted to the Appointments Committee upon the terms described in section 1.3.A) above.”

Succession plan for the executive chairman and the chief executive officer (simultaneous cessation of office)

Transcribed below is the content of the succession plan established in Annex I of the Company’s “Corporate Governance Policy” for cases in which the executive chairman and the chief executive officer cease to hold their respective offices simultaneously:

“In the event that the executive chairman and the chief executive officer cease to hold their respective offices simultaneously, the duties of the chairman of the Board of Directors shall be assumed by the person appointed as indicated in section 1.2.B) above and those of the chief executive officer by the same person, and the process provided in section 1.2.A) for the appointment of the chairman of the Board of Directors shall commence and, upon the conclusion thereof, the process provided in section 1.3.A) for the appointment of the chief executive officer shall commence. In this case, the appointments of the executive chairman and the chief executive officer must be approved within a period of no more than ten days from the date on which they definitively cease to hold their respective offices.”

As stated in the “Corporate Governance Policy”, both the executive chairman of the Board of Directors and the chief executive officer as well as the members of senior management and the persons holding key positions have a person who can replace them in their duties in the event of a limited absence. Each of the replacements has been chosen based on the personal and professional competence thereof.

6.1.5. Training

The Company has a training and development programme for directors that responds to the Board of Directors’ needs for refreshment of knowledge.

Directors also receive continuous training regarding significant issues relating to the Iberdrola Group and its businesses, as well as the environment in which they operate, which are supplemented by reports, articles and other information of interest.

For this purpose, a space is used at Board meetings to present geopolitical, financial, regulatory and current topics considered to be of interest to the Company’s directors and specific content is prepared for directors that is made available through the training section of the directors’ website.

In addition to training materials and sessions for all directors, the members of each of the committees have specific training plans in the area covered by the relevant committee.

In particular, all of the consultative committees take part in in-person training and development activities on current issues related to their respective purviews. By way of example, in financial year 2024, the Audit and Risk Supervision Committee's training plan included sessions on the reporting and internal control of non-financial information, as well as the management of climate risks; the Appointments Committee's plan included sessions on remuneration systems, incentives and pensions; and that of the Sustainable Development Committee included the latest trends in the area of sustainability, corporate reputation, the most significant compliance risks, and best corporate governance practices in the international markets.

The presentations and training content provided to the directors throughout financial year 2024 involved the participation of the following experts, among others:

- Accenture, S.L.
- Corporate Excellence - Centre for Reputation Leadership
- Cuatrecasas Gonçalves Pereira, S.L.P.
- Ernst & Young, S.L.
- Headland Consultancy
- J&A Garrigues, S.L.P.
- National Economic Consulting National Economic Research Associates Inc (NERA)
- PricewaterhouseCoopers Asesores de Negocios, S.L.
- Top Employers Institute
- Uría Menéndez Abogados, S.L.P.

This training content examined the following topics, among other issues deemed to be of interest by the directors in the evaluation of the Board of Directors, or due to the current nature thereof:

- Application of artificial intelligence, its new regulation in the European Union and liability for harm caused by the use of such technology.
- Effects of the draft law on corporate sustainability reporting.
- Sustainability “greenwashing” and the proposed EU Directive on “Green Claims” (“Proposal for a Directive on substantiation and communication of explicit environmental claims”).
- Trends, outlook and internal control over non-financial reporting.
- Incentives and pensions in the context of mergers and acquisitions.

- International best practices regarding the recruitment, retention, management and promotion of talent.
- International best practices in evaluation processes for boards of directors, their committees and directors.
- New Directive on human rights and environmental due diligence.
- New Spanish legislation on equal representation and gender balance.
- New United Kingdom corporate governance code.
- Reform of European securities market regulation (“EU Listing Act”).
- Climate risks.
- Corporate governance and compliance trends, including anti-corruption content.
- Reputational risk, corporate purpose and comparable international trends in corporate reputation.
- Remuneration systems to recruit and retain digital talent.
- Comparative advantages of renewable energy in Spain.

The training activities of the Board of Directors and of the committees thereof involved the mandatory attendance of the directors at approximately 20 in-person sessions, forming part of the meetings of the corresponding corporate decision-making bodies, as well as the delivery of 17 documents to all directors via the directors’ website.

6.1.6. Operation of the Board of Directors in 2024

In accordance with the provisions of its Regulations, the Board of Directors meets with the frequency that its chairman deems appropriate and at least 8 times per year, and must hold at least one meeting each calendar quarter.

The Board of Directors held a total of 9 meetings in financial year 2024, which had an average duration of 3 hours:

Number of meetings held during the financial year	Number of procedures for adopting resolutions in writing without a meeting	Number of Board meetings held without the chairman’s presence
9	0	0

The directors showed absolute dedication and commitment to their duties in 2024, as in previous years, and a good example of this is the average percentage of attendance of the members at meetings of the Board of Directors, which stood at over 99%.

An average attendance of 100% was not achieved as a result of the proven inability of one of the directors to attend one meeting for reasons of force majeure, for which meeting which the director granted their proxy in favour of another Board member with specific voting instructions.

The attendance of each of the directors at the meetings held during financial year 2024 is set out below:

Members	Attendance at meetings	% attendance
José Ignacio Sánchez Galán	9 of 9	100%
Armando Martínez Martínez	9 of 9	100%
Juan Manuel González Serna	9 of 9	100%
Anthony L. Gardner	9 of 9	100%
Ángel Jesús Acebes Paniagua	9 of 9	100%
Íñigo Víctor de Oriol Ibarra	9 of 9	100%
Manuel Moreu Munaiz	9 of 9	100%
Xabier Sagredo Ormaza	9 of 9	100%
Sara de la Rica Goiricelaya	8 of 9	89%
Nicola Mary Brewer	9 of 9	100%
Regina Helena Jorge Nunes	9 of 9	100%
María Ángeles Alcalá Díaz	9 of 9	100%
Isabel García Tejerina	9 of 9	100%
Ana Colonques García Planas	Not applicable	Not applicable

The director Ms Ana Colonques García-Planas was appointed independent director by the interim appointment (co-option) procedure at the meeting of the Board of Directors held on 17 December 2024, replacing Ms María Helena Antolín Raybaud, who attended all meetings of the Board of Directors in financial year 2024.

The Board of Directors has the power to adopt resolutions regarding all matters not assigned by law or the “By-Laws” to the shareholders acting at a General Shareholders’ Meeting, focusing its activity on approving strategic goals at the Group level, on defining its organisational model, and on supervising compliance therewith and further development thereof.

In accordance with the provisions of Article 37.6 of its Regulations, the Board of Directors adopts its resolutions by absolute majority of votes cast in person or by

proxy, unless other majorities are provided by law or the Governance and Sustainability System.

In this regard, the “Regulations of the Board of Directors” require a majority of at least two-thirds of the directors present in person and by proxy for approval of their amendment (Article 5.1), as well as the favourable vote of at least two-thirds of the directors to require a Board member to submit their resignation to the Board of Directors due to being seriously reprimanded for having breached any of their duties as a director (Article 21.3.(f)), for the appointment of an executive director as chairman of the Board of Directors (Article 37.7.(a)), and for the permanent delegation of powers and the appointment of directors to exercise them, as well as for the approval of the contracts with the executive directors (Article 37.7(b)).

The most significant recurring activities of the Board of Directors in financial year 2024 are stated below, in order of the classification of their duties established in Article 13.8 of the “Regulations of the Board of Directors”:

- a) With respect to the engagement of the shareholders in corporate life and with the General Shareholders’ Meeting
 - Information on the composition of the shareholders.
 - Analysis of changes in share price, shareholder return, credit rating and opinions of main financial analysts.
 - Analysis of opinions expressed and information requested by retail shareholders and institutional investors through the engagement channels intended for active listening to the shareholder base.
 - Call to the General Shareholders’ Meeting held on 17 May 2024 and monitoring of the roadshow with institutional investors, of the quorum, of the results of votes, as well as of the external assurance process described in section 5.2 of this report.
- b) With respect to the policies and strategies of the Company and of the other companies of the Group and the corporate and governance structure thereof
 - Supervision of the implementation of the Strategic Plan 2023-2025 and updating of the Strategic Plan for the 2024-2026 period.
 - Monitoring of the level of achievement of the Sustainable Development Plan 2023-2025 and of the updating of goals.
 - Supervision of performance and forecasts for each of the Iberdrola Group’s businesses, as well as the strategic issues that affect them.
 - Supervision and assessment of risks with greatest potential impact on the implementation of the Group’s strategy, acknowledging the periodic risk reports submitted by the Audit and Risk Supervision Committee.
 - Monitoring of macroeconomic environment (interest rates, inflation, unemployment rate, economic growth rate, etc.) and of the political situation in the countries in which the companies of the Group operate.

- Analysis of current issues in the energy sector in the countries in which the companies of the Iberdrola Group operate.
 - Legislative or regulatory changes and processes with an impact on its activities.
 - Approval of 2025 budgets.
- c) With respect to the organisation of the Board of Directors and the delegation of powers and the granting of powers of representation
- Update of composition and structure of the Board of Directors with the amendments described in section 6.1.1 of this report.
 - Monitoring of the activities of the committees of the Board of Directors and of the Compliance Unit.
 - Acknowledgement of results of the evaluation for financial year 2023, as well as approval of Continuous Improvement Plan and of guidelines for the evaluation process for financial year 2024.
- d) With respect to the information to be provided by the Company
- Monitoring of results, preparation of the financial statements and approval of quarterly and half-yearly results.
 - Preparation of statement of non-financial information - sustainability report and of annual corporate governance report.
 - Approval of annual report on remuneration of directors and officers, as well as the activities report of the Board of Directors and of the committees thereof.
 - Approvals relating to the integrated report, the tax transparency report.
 - Information on main awards and rankings.
- e) With respect to the directors and members of senior management
- Monitoring of institutional activity by the chairman and the chief executive officer.
- f) Other powers
- Acquisition of own shares for the application of programmes to foster participation in the share capital and to be offered as part of the remuneration systems for professionals of the Group's companies in Spain.

Key issues for the Board of Directors in 2024

The specific issues examined in financial year 2024 included the following:

- Update to Strategic Plan for the 2024-2026 period, structuring goals into 5 thematic priorities presented at the “Capital Markets Day” 2024: (i) promoting energy as a clean, stand-alone, local, stable, safe and competitive source of energy; (ii) protecting nature and fostering the efficient use of resources; (iii)

sustainable value chain; (iv) strengthening human and social capital; and (v) culture of ethics, transparency and good governance.

- Corporate transactions and strategic alliances formalised by companies of the Iberdrola Group.
- From October onwards, monitoring of impact of the DANA (high-altitude isolated depression) in Valencia and recovery of supply.
- Acknowledgement of compliance with commitments under the shareholding policy established in the new “Director Remuneration Policy”.
- Appointment of independent assurance provider responsible for assurance of the statement of non-financial information - sustainability report for financial year 2024.
- Review and continuous improvement of the Governance and Sustainability System, with the following notable changes directly approved by the Board of Directors or submitted to the shareholders at the General Shareholders’ Meeting:

Month	Affected rules	Main improvements
February	<p>“Policy on the Responsible Development and Use of Artificial Intelligence Tools”</p> <p>“Corporate Security Policy”</p> <p>“Foundations for the definition and coordination of the Iberdrola Group”</p> <p>“Statutory Auditor Contracting and Relations Policy”</p> <p>“Regulations of the Audit and Risk Supervision Committee”</p> <p>“Basic Internal Audit Regulations”</p> <p>“Operational Resiliency Policy” (new)</p> <p>“Risk Policies”</p>	<p>Continued promotion of the digital transformation and addressing of risks, technological advances and regulatory changes in this area.</p> <p>Reflecting the Company’s commitment to the highest security standards in response to increasingly sophisticated threats and updating the main principles on this issue at the Group’s companies.</p> <p>Strengthening of coordination mechanisms for the corporate functions and businesses of the Group companies via global practice groups.</p> <p>Updating rules affected by the creation of the Internal Audit and Risk Division.</p> <p>Formalising the main principles of the Company’s Operational Resiliency Model to be able to provide a consistent, planned and coordinated response to internal or external disruptive circumstances or events or crises, of any nature, that might unexpectedly involve a significant degradation or disruption in the normal operations of the Group’s companies.</p> <p>Updating the risk indicators and limits.</p>

Month	Affected rules	Main improvements
March	<p>“Environmental Policy”</p> <p>“Biodiversity Policy”</p> <p>“People Management Policy”</p> <p>“Selection and Hiring Policy”</p> <p>“Equal Opportunity and Anti-Harassment Policy”</p> <p>“Purchasing Policy”</p>	<p>Strengthening the commitment of the Group’s companies to the protection of the environment, the prevention of pollution and the promotion of environmental sustainability.</p> <p>Incorporating references to the 2022 Kunming-Montreal Global Biodiversity Framework and to the evaluation of alignment of new projects with the “Do No Significant Harm” requirement established by the EU Taxonomy Regulation.</p> <p>Promoting a preventive anti-harassment culture, protection of affected persons and exemplary conduct by professionals of the Group.</p>
May (General Shareholders’ Meeting)	<p>“By-Laws”</p> <p>“Regulations for the General Shareholders’ Meeting”</p> <p>“Director Remuneration Policy”</p>	<p>More clearly differentiating the references to “Iberdrola, S.A.” and to the “Iberdrola Group”.</p> <p>Strengthening the continuous and ongoing engagement of the shareholders in company life and encouraging their effective and sustainable involvement in the Company.</p> <p>Reviewing the regulations for the General Shareholders’ Meeting.</p> <p>Updating the “Director Remuneration Policy”.</p>
June	<p>“Code of Ethics”</p>	<p>Updating the main equal opportunity and anti-harassment and anti-discrimination principles in line with the international standards of the Business & Human Rights Resource Centre (BHRRC).</p> <p>Reflecting the application of the Just Transition principles to the management of potential impacts of decarbonisation of the economy on the Stakeholders.</p> <p>Including principles established in the Directive of the European Parliament and of the Council on corporate sustainability due diligence.</p>

Month	Affected rules	Main improvements
December	"Regulations of the Board of Directors"	<p>Reflecting second-level internal governance through committees to support the management team, of a cross-functional scope and linked to strategic functions.</p> <p>Limiting to 3 the maximum number of listed companies at which directors can sit on the board, including the Company.</p> <p>Expressly allocating to the Appointments Committee the duties it was already performing in practice regarding the preparation, review and periodic update of the skills matrix of the Board of Directors.</p> <p>Establishing that the position of chair of the Appointments, Remuneration and Sustainable Development Committees will be held for a maximum term of 4 years, and the chair may be re-elected on one or more occasions for terms of the same length.</p>

Members of the management team of the Group's companies appear regularly before the Board of Directors to contribute to better informing the directors and to facilitate their direct and personalised dealings with the management team.

Noteworthy appearances in financial year 2024 came from the Chief Financial Officer and the Head of Corporate Development to monitor various corporate transactions, as well as the Director of Control to explain the information on results.

The divisions of the Company or of other Group companies and their respective officers invited to meetings of the Board of Directors are listed below in order of number of appearances, as well as the presentations by outside advisors:

Division	Position	Number of meetings attended
Finance, Control and Corporate Development	Director of Control	8
Finance, Control and Corporate Development	Chief Finance, Control and Corporate Development Officer (CFO)	4
Finance, Control and Corporate Development	Director of Sustainability	1
Finance, Control and Corporate Development	Head of Corporate Development	1
Office of the General Secretary and Secretary of the Board of Directors	Director of Legal Services	2

Division	Position	Number of meetings attended
Office of the General Secretary and Secretary of the Board of Directors	Director of European Affairs	1
Office of the General Secretary and Secretary of the Board of Directors	Global Tax Director	1
People and Services	Director of People and Services	1
People and Services	Data Protection Officer	1
People and Services	Director of Purchasing and Services	1
Compliance	Chief Compliance Officer	1
Innovation, Sustainability and Quality	Innovation, Sustainability and Quality Director	1
Global Talent and Culture	Talent & Global Culture Director	1
Avangrid	Chief Executive Officer	2
Iberdrola España	Chief Executive Officer	1
Neoenergia	Chief Executive Officer	1
Scottish Power	Chief Executive Officer	1

External advisors	Measures to preserve their independence	Conflicts of Interest	Number of meetings attended
KPMG Auditores, S.L.	Letter of independence. See section 9 of this report.	No	1
PricewaterhouseCoopers Asesores de Negocio, S.L.	Letter of independence. See section 6.1.8 of this report.	No	1

The Board of Directors has identified the following priorities for financial year 2025:

- Monitoring of the Strategic Plan and the long-term outlook of the Group. Potential updates prior to holding of the “Capital Markets Day” 2025.
- Analysis of the impact of the geopolitical and macroeconomic situation on the Group.
- Top-level institutional relations.
- Analysis of Iberdrola’s creation of value for all its Stakeholders.

- Monitoring of implementation of the various corporate policies.
- Continuous updating of the composition of the Board of Directors.

6.1.7. Operation of the committees in 2024

Committee	Chair	Independence	Key issues	Meetings in 2024
Executive Committee	Executive	4 independent 2 executive	<ul style="list-style-type: none"> • Profitable growth • Regulatory developments • Corporate transactions • Sustainability • Financial strength • Review of risks 	14
Audit and Risk Supervision Committee	Independent	100% independent	<ul style="list-style-type: none"> • Internal control over financial and sustainability reporting • Risk management and supervision and holistic treatment of risks pursuant to the work plan prepared for such purpose • Internal Audit • Statutory audit • Treasury shares • Taxation • Conflicts of interest and related-party transactions • Cybersecurity 	13
Appointments Committee	Independent	100% independent	<ul style="list-style-type: none"> • Selection, composition and evaluation of the governance bodies • Review of the “Board of Directors Composition and Member Selection Policy” • Talent management and promotion • Dedication of directors • Succession planning 	7

Committee	Chair	Independence	Key issues	Meetings in 2024
Remuneration Committee	Independent	2 independent 1 external	<ul style="list-style-type: none"> • Remuneration of directors • Comparative analysis of remuneration of executive directors • Revision of variable remuneration parameters • Senior management remuneration • Remuneration systems 	8
Sustainable Development Committee	Independent	100% independent	<ul style="list-style-type: none"> • Supervision of the activities of the Company regarding sustainable development • Stakeholder Engagement Model • Equal opportunities • Corporate reputation • Corporate governance and compliance • Climate action 	7

Summary of the main activities and priorities of the committees

Committee	Main activities	Priorities for 2025
Executive Committee	<ul style="list-style-type: none"> • Implementation of the 2024 budget and the Strategic Plan 2023-2025. • Regulatory environment and tariff policies. • Geopolitical risks arising from international conflict. • Main acquisitions, strategic transactions and alliances. • Supervision of organisational changes at country subholding companies. • Stock Exchange trends. • Monitoring of financial resources. 	<ul style="list-style-type: none"> • Monitoring of the implementation of the 2025 budget and the Strategic Plan 2024-2026. • Monitoring of impact of the regulatory environment, tariff policies and geopolitical risks. • Analysis of corporate transaction projects for the Group's companies. • Supervision of the organisational and financial resources necessary for the Group's activity.

Committee	Main activities	Priorities for 2025
Audit and Risk Supervision Committee	<ul style="list-style-type: none"> Supervision of non-financial information reporting system, following European taxonomy, the CNMV's "Technical Guide 1/2024 on audit committees at public-interest entities", and internal control processes. Review of the holistic treatment of risks that have an impact on the Iberdrola Group. Monitoring of the process of implementation of the new organisation of the Internal Audit and Risk Division. Monitoring of new trends in technological risks, including those arising from artificial intelligence and regarding cybersecurity. 	<ul style="list-style-type: none"> Launch of the process for appointment of the statutory auditor and of the sustainability reporting assurance provider as from financial year 2027. Review and update of the process for examining and filing the sustainability information in accordance with the new regulatory requirements. Assessment and review of the actions necessary to comply with the new legal requirements in terms of prevention, correction and repair of adverse impacts on the environment and on human rights. Implementation of best practices to foster holistic treatment of the Iberdrola Group's structural risks, in accordance with the work plan agreed by the Committee members. Particular attention to new corporate obligations regarding cybersecurity management and transparency established in the NIS 2 Directive and in its potential transposing regulations in Spain.
Appointments Committee	<ul style="list-style-type: none"> Proposals and reports on re-election of directors. Proposed appointments of new independent director and new lead independent director. Duties related to the skills matrix of the Board of Directors, evaluation of the performance of the governance bodies, as well as review of and verification of compliance with the "Board of Directors Composition and Member Selection Policy". 	<ul style="list-style-type: none"> Proposals or reports regarding the appointment or re-election of directors. Review of the skills matrix of the Board of Directors. Evaluation of performance of the governance bodies. Review of and verification of compliance with the "Board of Directors Composition and Member Selection Policy".

Committee	Main activities	Priorities for 2025
Remuneration Committee	<ul style="list-style-type: none"> Preparation of the “Annual Director and Officer Remuneration Report 2023” in free format for the first time. Proposed new “Director Remuneration Policy”. New shareholding policy. Assumption of interaction with the Audit and Risk Supervision Committee to verify that the variable remuneration plans do not imply excessive or inappropriate risk-taking. 	<ul style="list-style-type: none"> Monitoring of the latest remuneration trends and best practices. Review of the application of the “Director Remuneration Policy”. Confirmation of payment of the third period of the 2020-2022 Strategic Bonus. Supervision of compliance with the recommendations of the CNMV’s “Good Governance Code of Listed Companies” on remuneration. Analysis of improvement to annual director and officer remuneration report.
Sustainable Development Committee	<ul style="list-style-type: none"> Monitoring of compliance with legal requirements and with the rules and regulations of the Governance and Sustainability System. Supervision of the activities of the Company regarding the circular economy, biodiversity and climate. Reporting and monitoring on sustainability goals. Monitoring of application of the handbook of procedures for cases of reputational crisis. Supervision of application of the Compliance System. 	<ul style="list-style-type: none"> Monitoring of the implementation of the “Purpose and Values of the Iberdrola Group” and of the corporate culture. Examination of sustainability information published by peers. Analysis of the evolution of governance and sustainability trends. Monitoring of the transposition process regarding the Directive on corporate sustainability due diligence.

a) Executive Committee

The Executive Committee permanently operates as a delegated body of the Board of Directors.

It is governed by the provisions set forth in the Company’s Governance and Sustainability System, and particularly by Article 39 of the “By-Laws” and Article 30 of the “Regulations of the Board of Directors”. No aspects of the aforementioned Articles were amended in financial year 2024.

All the powers inherent to the Board of Directors, except for those powers that may not be delegated pursuant to law or the Governance and Sustainability System, including the ability to issue or repurchase shares as approved by the shareholders at the General Shareholders’ Meeting, are delegated thereto.

In line with good governance recommendations, the “Regulations of the Board of Directors” establish that this body shall be composed of a minimum of 4 and a maximum of 8 directors, which shall include the chairman and the chief executive officer in any event, and at least 2 of the remaining directors must be classified as non-executive directors and at least one of them must be independent.

It is currently made up of 6 members, which does not exceed the maximum limit established in said Article, and the skills matrix has been taken into account for its configuration. With the exception of the chairman and of the chief executive officer (both of whom are members of the Executive Committee by virtue of the provisions of the Governance and Sustainability System), the other members of the Committee are independent, thus exceeding the required number and proportion of independent members.

Its composition as at 31 December 2024 is set out below:

Members	Position	Type	First appointment	Last appointment	Skills and experience
José Ignacio Sánchez Galán	Chairman	Executive	21/05/2001	28/04/2023	Curriculum vitae [PDF, opens in new window]
Manuel Moreu Munaiz	Member	Independent	26/04/2016	28/04/2023	Curriculum vitae [PDF, opens in new window]
Juan Manuel González Serna	Member	Independent	02/04/2020	29/06/2021	Curriculum vitae [PDF, opens in new window]
Ángel Jesús Acebes Paniagua	Member	Independent	20/10/2020	29/06/2021	Curriculum vitae [PDF, opens in new window]
Anthony L. Gardner	Member	Independent	26/10/2021	17/06/2022	Curriculum vitae [PDF, opens in new window]
Armando Martínez Martínez	Member	Executive	25/10/2022	28/04/2023	Curriculum vitae [PDF, opens in new window]
Santiago Martínez Garrido	Secretary (non-director)	-	01/01/2023	-	Curriculum vitae [PDF, opens in new window]

There were no changes to the Committee’s composition in financial year 2024.

In 2024, the Executive Committee held a total of 14 meetings, which had an average duration of 2 hours:

On the occasion of each call to meeting, which was published on the directors’ website with an average of 7 days’ notice, the materials for the meeting were made available to the directors approximately 5 days before the meeting, including documentation related to the proposed resolutions.

Number of meetings held during the financial year	Number of procedures for adopting resolutions in writing without a meeting	Number of Board meetings held without the chairman's presence
14	0	0

On the occasion of each call to meeting, which was published on the directors' website with an average of 7 days' notice, the materials for the meeting were made available to the directors approximately 5 days before the meeting, including documentation related to the proposed resolutions.

The personal attendance of each of the members at the meetings held during financial year 2024 is set out below:

Members	Attendance at meetings	% attendance
José Ignacio Sánchez Galán	14 of 14	100%
Manuel Moreu Munaiz	14 of 14	100%
Juan Manuel González Serna	14 of 14	100%
Ángel Jesús Acebes Paniagua	14 of 14	100%
Anthony L. Gardner	14 of 14	100%
Armando Martínez Martínez	14 of 14	100%

The most significant activities of the Executive Committee in financial year 2024 are stated below:

- Monitoring of the level of achievement of the 2023-2025 Strategic Plan and of its update for the 2024-2026 period.
- Analysis of current issues in the energy sector.
- Monitoring of the Company's performance based on the main sustainability parameters, as well as of the presence of companies of the Iberdrola Group on sustainability and climate indices.
- Monitoring of the implementation of the 2024 budget.
- Monitoring of monthly results, operating indicators and investment projects by business and by geographic area, as well as of the results of the Group's companies.
- Monitoring of the main investments and divestments by the companies of the Group.
- Monitoring of the tender and purchasing activities of the Group's companies and associated performance.
- Analysis of changes in share price, composition of shareholders, shareholder return, credit rating and opinions of main financial analysts.

- Monitoring of the Iberdrola Group's financial structure and liquidity and approval of significant financing transactions.
- Monitoring of the institutional activities, recognition and awards of the Group's companies.
- Monitoring of results published by peers.
- Monitoring of changes in the energy regulation environment, legislative developments or recommendations with an impact on the Group's activities.
- Monitoring of main risks.
- Monitoring of organisation of the General Shareholders' Meeting and the result thereof.
- Acknowledgement and approval, where applicable, of the budgetary strategy and bases for financial year 2025.

Finally, the divisions of the Company or of other Group companies and their respective officers invited to meetings of the Executive Committee are listed below in order of number of appearances:

Division	Position	Number of meetings attended
Finance, Control and Corporate Development	Director of Control	5
Finance, Control and Corporate Development	Head of Corporate Development	2
Finance, Control and Corporate Development	Chief Finance, Control and Corporate Development Officer (CFO)	1
Finance, Control and Corporate Development	Director of Sustainability	1
Global Retail Business	Director of Global Energy Management	2
Global Retail Business	Director of the Global Retail Business	1
Global Retail Business	Head of Industrial Solutions for the Retail Business	1
Global Retail Business	Head of Hedge Structuring and Planning	1
Office of the General Secretary and Secretary of the Board of Directors	Director of the Brussels Office	1
Office of the General Secretary and Secretary of the Board of Directors	Global Tax Director	1
Avangrid	Chief Executive Officer	2
Iberdrola España	Chief Executive Officer	1
Iberdrola España	Director of Regulation	1

Division	Position	Number of meetings attended
"I-De Redes Eléctricas Inteligentes, S.A." (Sociedad Unipersonal)	Chief Executive Officer	1
"Iberdrola Energía Sostenible, S.A." (Sociedad Unipersonal)	Chief Executive Officer	1
Scottish Power	Chief Executive Officer	1

b) Audit and Risk Supervision Committee

The Audit and Risk Supervision Committee is an internal informational and consultative body without executive duties, with information, advisory and proposal-making powers within its scope of action.

It is governed by the provisions set forth in the Company's Governance and Sustainability System, and particularly by Article 40 of the "By-Laws", Article 31 of the "Regulations of the Board of Directors" and the "Regulations of the Audit and Risk Supervision Committee", in addition to which it uses the CNMV's "Technical Guide 1/2024 on audit committees at public-interest entities" as a reference for its operation in order to promote the constant application of domestic and international best practices in the operation of this Committee.

It is made up of the number of directors that the Board of Directors, upon a proposal of the Appointments Committee, chooses from among the non-executive directors who are not members of the Executive Committee, with a minimum of 3 and a maximum of 5 directors. In addition, the same Article establishes that a majority of such directors must be independent, and at least one of them must be appointed taking into account the knowledge and experience thereof in the areas of accounting, audit and risk management.

The Audit and Risk Supervision Committee is currently made up of 3 members and the skills matrix has been taken into account for its configuration. Its composition as at 31 December 2024 is set out below:

Members	Position	Type	First appointment	Last appointment	Skills and experience
Xabier Sagredo Ormaza	Chair	Independent	26/04/2016	19/03/2024	Curriculum vitae [PDF, opens in new window]
Regina Helena Jorge Nunes	Member	Independent	02/04/2020	19/03/2024	Curriculum vitae [PDF, opens in new window]
María Ángeles Alcalá Díaz	Member	Independent	26/10/2021	26/10/2021	Curriculum vitae [PDF, opens in new window]

Members	Position	Type	First appointment	Last appointment	Skills and experience
Rafael Sebastián Quetglas	Secretary (non-director)	-	25/09/2012	-	Curriculum vitae [PDF, opens in new window]

In financial year 2024, Xabier Sagredo Ormaza was appointed chair of the Audit and Risk Supervision Committee, replacing Ms María Ángeles Alcalá Díaz, by decision of the Board of Directors on 20 June 2024.

In 2024, the Audit and Risk Supervision Committee held a total of 13 meetings, which had an average duration of 3 hours:

Number of meetings held during the financial year	Number of procedures for adopting resolutions in writing without a meeting	Number of meetings held without the chair's presence	Number of meetings held with the Chief Internal Audit and Risk Officer	Number of meetings held with the external auditor
13	1	0	13	10

On the occasion of each call to meeting, which was published on the directors' website with an average of 19 days' notice, the materials for the meeting were made available to the directors approximately 5 days before the meeting, including documentation related to the proposed resolutions.

The personal attendance of each of the members at the meetings held during financial year 2024 is set out below:

Members	Attendance at meetings	% attendance
Xabier Sagredo Ormaza	13 of 13	100%
Regina Helena Jorge Nunes	13 of 13	100%
María Ángeles Alcalá Díaz	13 of 13	100%

All members of the Committees also participated in the procedure for adopting resolutions in writing without a meeting.

Conclusion of the Audit and Risk Supervision Committee regarding its activities in 2024

The Audit and Risk Supervision Committee played an active role in the monitoring and control of recurring key areas and those arising in particular during this financial year.

The latter notably included the implementation of best practices to foster holistic treatment of the Iberdrola Group's structural risks, for which purpose an analysis was conducted of the effectiveness of the control frameworks implemented. In addition, as

a result of the publication of the CNMV's "Technical Guide 1/2024 on audit committees at public-interest entities", the Audit and Risk Supervision Committee reviewed the sustainability information reporting system.

Finally, merely by way of illustration, it supervised the risk environment in the various countries in which the Iberdrola Group operates, paying particular attention to new trends in technological risks, including those arising from artificial intelligence and regarding cybersecurity.

The most significant activities of the Committee in financial year 2024 are stated below:

- Supervision of process of preparing and submitting the financial and non-financial information, and the mechanisms associated with internal control.
- Preparation and submission of reports to the Board of Directors on the financial information of the Company and its consolidated Group for financial year 2023, as well as on a quarterly and half-yearly basis with respect to financial year 2024.
- Preparation and submission of reports to the management decision-making bodies of "Iberdrola Finanzas, S.A." (Sociedad Unipersonal), "Iberdrola Finance Ireland, DAC" and "Iberdrola International B.V." on their financial information.
- Monitoring of the statutory auditor's work and recommendations and of the development of the Company's accounting situation.
- Preparation and submission of reports to the Sustainable Development Committee regarding the submission of the "Statement of Non-Financial Information - Sustainability Report 2023".
- Monitoring of the independent non-financial information assurance provider's work and recommendations.
- Evaluation of the performance and supervision of the activities of the Internal Audit and Risk Division.
- Quarterly monitoring of information on risks with an impact on the Group, as well as of the preventive controls and measures established for their identification, control and mitigation.
- Preparation and submission of quarterly and half-yearly reports to the Board of Directors on the operation of the risk control and management systems.
- Review of the effectiveness of the risk policies and of the established audit and internal control systems.
- Supervision of the environment and evaluation of the risks in the different countries in which the country subholding companies of the Iberdrola Group operate.
- Monitoring of information on related party transactions and submission of reports to the Appointments Committee and to the Board of Directors.

- Monitoring of the grievances or reports submitted through the internal reporting channels that might have a material impact on the financial statements or on the internal control of the Company.
- Monitoring of the level of compliance with the annual work plan and with the continuous improvement plan for financial year 2024.
- Study of good governance recommendations regarding the internal control systems.
- Monitoring of the level of compliance with the “Corporate Tax Policy” and the tax standards applied during financial year 2023 and the first half of financial year 2024.
- Monthly monitoring of the treasury share transactions report.

Of particular note are the most significant activities carried out by the Committee during financial year 2024 in relation to the topics referred to below:

- Financial and non-financial information and mechanisms associated with internal control
 - Submission of reports to the Board of Directors on the financial information of the Company and its consolidated group for financial year 2023, as well as for the first and third quarters and the first half of financial year 2024.
 - Reports to the management decision-making bodies of “Iberdrola Finanzas, S.A.” (Sociedad Unipersonal), “Iberdrola Finance Ireland, DAC” and “Iberdrola International B.V.” on their financial information for financial year 2023.
 - Evaluation of the Internal Control over Financial Reporting (ICFR) System.
 - Memorandum of recommendations on internal control resulting from the audit of the financial information for financial year 2023 and monitoring of the recommendations for financial year 2024.
 - Monitoring of recommendations on internal control from the statutory auditor.
 - Submission of report to the Sustainable Development Committee regarding the process of preparation and submission of the Statement of Non-Financial Information. Sustainability Report 2023.
 - Submission of reports to the Sustainable Development Committee regarding the sections of the “Annual Corporate Governance Report 2023” falling within the purview of the Committee.
 - Evaluation of the Internal Control over Non-Financial Reporting (ICNFR) System.
 - Memorandum of recommendations on internal control resulting from the external assurance of the non-financial information for 2023 and monitoring of the recommendations for financial year 2024.
 - Monitoring of internal control recommendations from assurance provider for the “Statement of Non-Financial Information - Sustainability Report 2023”.

- Risk management and control
 - Submission of reports to the Board of Directors on the risk control and management systems at the close of financial year 2023 and on the risks for the first half and first and third quarters of financial year 2024.
 - Annual report on risk policies and, if applicable, proposed amendment thereof to the Board of Directors, and acknowledgement of proposed risk limits and indicators for 2024.
 - Reports to the management decision-making bodies of “Iberdrola Finanzas, S.A” (Sociedad Unipersonal), “Iberdrola Finance Ireland, DAC” and “Iberdrola International B.V.” on their risk control and management systems at the close of financial year 2023.
 - Review of the effectiveness of the established audit and internal control policies and systems.
 - Monitoring of information on sustainability indicator risks, as well as on internal control risks and management of existing risks.
 - Monitoring of information on corruption and fraud risks, as well as of the preventive controls and measures established for their identification, control and mitigation.
 - Monitoring of information on comprehensive security risks, including cybersecurity and data protection, as well as of the preventive controls and measures established for their identification, control and mitigation.
 - Monitoring of information on environmental, sustainability and climate risks, as well as on the corresponding internal control and management mechanisms.
 - Monitoring of information on social risks, as well as on the corresponding internal control and management mechanisms.
 - Monitoring of information on corporate governance and regulatory compliance risks, as well as on the corresponding internal control and management mechanisms.
 - Monitoring of information on retail business risks, as well as on the corresponding internal control and management mechanisms.
 - Monitoring of information on renewables business risks, as well as on the corresponding internal control and management mechanisms.
 - Monitoring of information on risks associated with the Finance, Control and Corporate Development Division, as well as the corresponding internal control and management mechanisms.
 - Monitoring of information on Networks business risks, as well as the corresponding internal control and management mechanisms.
 - Monitoring of information on supplier risks, as well as the corresponding internal control and management mechanisms.

- Monitoring of information on technological risks for the businesses of the Iberdrola Group, including those arising from artificial intelligence, as well as on the corresponding internal control and management mechanisms.
- Internal Audit and Risk Division
 - Monitoring of activities and recommendations of the Internal Audit and Risk Division. Quarterly update of its work plan.
 - Evaluation of the performance of the Chief Internal Audit and Risk Officer with a view to the calculation of annual variable remuneration for financial year 2023 and the setting of the remuneration thereof for 2024, to be submitted to the Remuneration Committee.
 - Information on the Data Analytics and Artificial Intelligence line of work that is being carried out by the Internal Audit and Risk Division.
 - Approval of the annual plan of activities, budget and objectives of the Internal Audit and Risk Division for financial year 2025.
- Statutory auditor and mechanisms and measures adopted to preserve the independence of the external auditor.
 - Acknowledgement of the letter of representation to the statutory auditor regarding the preparation of the annual accounts for financial year 2023.
 - Acknowledgement of the proposed meeting of the Board of Directors with the statutory auditor in order to report on the tasks performed and the development of the Company's accounting situation and risks.
 - Report to the Board of Directors regarding the statutory auditor's independence in relation to the audit report for financial year 2023.
 - Proposal to the Board of Directors on the terms of engagement of the statutory auditor for: (i) the issuance of the limited review report on the Half-Yearly Financial Report 2024; and (ii) the audit of the financial statements for 2024.
 - Proposal to the Board of Directors on the appointment of the independent service provider responsible for verifying the information contained in the "Statement of Non-Financial Information – Sustainability Report 2024".
 - Review of the documentation related to the launch of the process for re-election or appointment of the statutory auditor as from financial year 2027.
 - Monitoring of the information regarding the work plan and strategy of the statutory auditor.
 - Establishment of an indicative maximum limit on the statutory auditor's fees for non-audit services.
 - Authorisation or, if applicable, acknowledgement of the provision of non-audit services by the external auditor.

- Reviewing and monitoring of the action plans of the Committee.
 - Report evaluating the operation of the Committee during financial year 2023 and the areas for improvement to be implemented during 2024.
 - Review of the Annual Work Plan 2024 and schedule for meetings of the Committee to include the relevant issues arising from the outcome of the evaluation and from the approval of the Continuous Improvement Plan.
 - Monitoring of the level of compliance with the Annual Work Plan 2024 and particularly with the areas for improvement and objectives identified for financial year 2024.

The Chief Internal Audit and Risk Officer and the Director of Control, as well as the representatives of the statutory auditor and those responsible for the assurance of the information included in the statement of non-financial information. sustainability report appeared before the Committee on a regular basis.

Finally, the divisions of the Company and their respective officers invited to meetings of the Audit and Risk Supervision Committee are listed below in order of number of appearances, in addition to the participation of external advisors:

Division	Position	Number of meetings attended
Internal Audit and Risk	Chief Internal Audit and Risk Officer	13
Internal Audit and Risk	Head of the Risk Division	3
Internal Audit and Risk	Head of the Internal Audit Division	1
Finance, Control and Corporate Development	Director of Control	10
Finance, Control and Corporate Development	Director of Sustainability	6
Finance, Control and Corporate Development	Chief Finance, Control and Corporate Development Officer (CFO)	2
Finance, Control and Corporate Development	Finance and Treasury Director	2
Finance, Control and Corporate Development	Head of Corporate Development	1
Office of the General Secretary and Secretary of the Board of Directors	Head of Governance	6
Office of the General Secretary and Secretary of the Board of Directors	Global Tax Director	3

Division	Position	Number of meetings attended
Office of the General Secretary and Secretary of the Board of Directors	Corporation and Governance Director	2
Office of the General Secretary and Secretary of the Board of Directors	Director of Legal Services	1
Office of the General Secretary and Secretary of the Board of Directors	Head of Litigation for Legal Services	1
People and Services	Corporate Security Director	2
People and Services	Chief Information Security Officer (CISO)	2
People and Services	Digital Transformation Director	1
People and Services	IT Director	1
People and Services	Director of Purchasing and Services	1
Compliance	Chief Compliance Officer	3
Global Retail Business	Director of the Global Retail Business	1
Global Networks Business	Director of the Global Networks Business	1
Global Renewable Energy Business	Director of the Global Renewable Energy Business	1

External advisors	Measures to preserve their independence	Conflicts of Interest	Number of meetings attended
KPMG Auditores, S.L.	Not applicable.	No	4
KPMG Auditores, S.L.	Letter of independence. See section 9 of this report.	No	10
PricewaterhouseCoopers Asesores de Negocio, S.L.	Letter of independence. See section 6.1.8 of this report.	No	3

c) Appointments Committee

The Appointments Committee is an internal informational and consultative body without executive duties, with information, advisory and proposal-making powers within its scope of action.

It is governed by the provisions set forth in the Company's Governance and Sustainability System, and particularly by Article 41 of the "By-Laws", Article 32 of the "Regulations of the Board of Directors" and the "Regulations of the Appointments Committee", which take the CNMV's "Technical Guide 1/2019 on Nomination and Remuneration Committees" as a reference, for the aspects concerning this Committee, in order to promote the constant application of domestic and international best practices in its operation.

Pursuant to Article 32.2 of the "Regulations of the Board of Directors", it is made up of a minimum of 3 and a maximum of 5 directors appointed by the Board of Directors upon a proposal of the Appointments Committee itself, from among the non-executive directors, and the majority thereof must be classified as independent.

It is currently made up of 3 members and the skills matrix has been taken into account for its configuration. Its composition as at 31 December 2024 is set out below:

Members	Position	Type	First appointment	Last appointment	Skills and experience
Ángel Jesús Acebes Paniagua	Chair	Independent	20/10/2020	22/10/2024	Curriculum vitae [PDF, opens in new window]
Anthony L. Gardner	Member	Independent	24/04/2019	14/03/2023	Curriculum vitae [PDF, opens in new window]
Ana Colonques García-Planas	Member	Independent	17/12/2024	17/12/2024	Curriculum vitae [PDF, opens in new window]
Carlos Rodríguez-Quiroga	Secretary (non-director)	-	10/01/2023	-	Curriculum vitae [PDF, opens in new window]

The director Ms Ana Colonques García-Planas was appointed as a member of the Committee at the meeting of the Board of Directors held on 17 December 2024, replacing Ms María Helena Antolín Raybaud, who was also a member of the Appointments Committee and attended all of the meetings held in financial year 2024.

In 2024, the Appointments Committee held a total of 7 meetings, which had an average duration of 2 hours:

Number of meetings held during the financial year	Number of procedures for adopting resolutions in writing without a meeting	Number of Board meetings held without the chairman's presence
7	0	0

On the occasion of each call to meeting, which was published on the directors' website with an average of 7 days' notice, the materials for the meeting were made available to the directors approximately 5 days before the meeting, including documentation related to the proposed resolutions.

The personal attendance of each of the members at the meetings held during financial year 2024 is set out below:

Members	Attendance at meetings	% attendance
Ángel Jesús Acebes Paniagua	7 of 7	100%
Anthony L. Gardner	7 of 7	100%
Ana Colonques García-Planas	Not applicable	Not applicable

Conclusion of the Appointments Committee regarding its activities in 2024

The Appointments Committee highlights the strengthening of the existing independence and checks and balances of the Board of Directors with the appointment of a new director, increasing the percentage of independent members above 91% of external directors, the appointment of the chair of this Committee as the new lead independent director, and the retention of two independent vice-chairs.

The most significant activities of the Committee in financial year 2024 are stated below:

- Coordination and leadership of the process of evaluating the performance of the Board of Directors, its committees and the directors for financial year 2024, and monitoring of continuous improvement plans.
- Review of the "Board of Directors Composition and Member Selection Policy" and verification of compliance therewith.
- Report to the Board of Directors on the sections of the annual financial information falling within the purview of the Appointments Committee.
- Report to the Sustainable Development Committee regarding the sections of the "Annual Corporate Governance Report 2023" falling within the purview of the Appointments Committee.
- Verification of the sufficiency and adequacy of the information on directors and senior management published on the corporate website.
- Review of the skills matrix of the Board of Directors.
- Annual review of the structure and composition of the Board of Directors and of expiries of terms of office expected in 2025.

- Proposals or reports to the Board of Directors in relation to re-elections of directors, to be submitted to the shareholders at a General Shareholders' Meeting.
- Monitoring of the results of the General Shareholders' Meeting on matters within the purview of the Appointments Committee.
- Proposed appointment on an interim basis (co-option) of a new independent director.
- Report on the appointment of a new chair of the Audit and Risk Supervision Committee.
- Proposal to the Board of Directors in relation to the expiry of the term of office of the chair of the Appointments Committee.
- Proposed appointment of a new lead independent director.
- Proposed appointments or re-elections of members of the consultative committees.
- Review of composition of boards of directors of the country subholding companies, reports and acknowledgement of appointments.
- Report on the proposed appointment of the chair of the Compliance Unit of "Iberdrola, S.A."
- Half-yearly review of the annual work plan of the Appointments Committee.
- Approval of annual work plan for financial year 2025.
- Information in relation to the implementation of measures at the Iberdrola Group to attract, retain, manage and promote talent, and specifically the training and development programmes for members of management.
- Study of the implementation of the "Organic Law on Equal Representation and Gender Balance".
- Suggestions in the preparation of the training and development plan for the Board of Directors.
- Review of and verification of compliance with the "Board of Directors Composition and Member Selection Policy".

With respect to this last function, taking into account the information included in section 6.1.2 of this report, the Appointments Committee believes that: (i) the Board of Directors is a body with an independent, plural and balanced composition in charge of the Iberdrola Group's strategy, which enriches decisions and contributes plural viewpoints, adapting to the needs raised by the businesses and markets in which the Iberdrola Group operates; and (ii) the current succession plans are subject to review in order to continue maintaining an appropriate combination of skills, knowledge, experience, origin, nationality, age and gender among its members during its staggered refreshment process.

There were no substantial changes to the aforementioned "Board of Directors Composition and Member Selection Policy" during financial year 2024, with the only

adjustment being introduced for purposes of consistency and approved by the Board of Directors on 19 March 2024.

Finally, the divisions of the Company and their respective officers invited to meetings of the Appointments Committee are listed below in order of number of appearances, in addition to the participation of external advisors:

Division	Position	Number of meetings attended
Office of the General Secretary and Secretary of the Board of Directors	Head of Governance	2
Global Talent and Culture	Talent & Global Culture Director	1

External advisors	Measures to preserve their independence	Conflicts of Interest	Number of meetings attended
J&A Garrigues, S.L.P.	Not applicable.	None	1
PricewaterhouseCoopers Asesores de Negocios, S.L.	Letter of independence. See section 6.1.8 of this report.	None	5
Top Employers Institute	Not applicable.	None	1

d) Remuneration Committee

The Remuneration Committee is an internal informational and consultative body without executive duties, with information, advisory and proposal-making powers within its scope of action.

It is governed by the provisions set forth in the Governance and Sustainability System, and particularly by Article 41 of the “By-Laws”, Article 33 of the “Regulations of the Board of Directors” and the “Regulations of the Remuneration Committee”, which take the CNMV’s “Technical Guide 1/2019 on Nomination and Remuneration Committees” as a reference, for the aspects concerning this Committee, in order to promote the constant application of domestic and international best practices in its operation.

Pursuant to Article 33 of the “Regulations of the Board of Directors” and Article 4 of the “Regulations of the Remuneration Committee”, it is made up of a minimum of 3 and a maximum of 5 directors appointed by the Board of Directors upon a proposal of the Appointments Committee, from among the non-executive directors, and the majority thereof must be classified as independent.

It is currently made up of 3 members and the skills matrix has been taken into account for its configuration. Its composition as at 31 December 2024 is set out below:

Members	Position	Type	First appointment	Last appointment	Skills and experience
Juan Manuel González Serna	Chair	Independent	31/03/2017	23/02/2021	Curriculum vitae [PDF, opens in new window]
Manuel Moreu Munaiz	Member	Independent	21/06/2018	10/05/2022	Curriculum vitae [PDF, opens in new window]
Íñigo Víctor de Oriol Ibarra	Member	Other external	02/04/2020	19/03/2024	Curriculum vitae [PDF, opens in new window]
Íñigo Sagardoy de Simón	Secretary (non-director)	-	10/01/2023	-	Curriculum vitae [PDF, opens in new window]

There were no changes to the Committee's composition in financial year 2024.

In 2024, the Remuneration Committee held a total of 8 meetings, which had an average duration of 2 hours:

Number of meetings held during the financial year	Number of procedures for adopting resolutions in writing without a meeting	Number of meetings held without the chair's presence
8	1	0

On the occasion of each call to meeting, which was published on the directors' website with an average of 8 days' notice, the materials for the meeting were made available to the directors approximately 5 days before the meeting, including documentation related to the proposed resolutions.

The attendance of each of the members at the meetings held during financial year 2024 is set out below:

Members	Attendance at meetings	% personal attendance
Juan Manuel González Serna	8 of 8	100%
Manuel Moreu Munaiz	8 of 8	100%
Íñigo Víctor de Oriol Ibarra	8 of 8	100%

All members of the Committees also participated in the procedure for adopting resolutions in writing without a meeting.

Conclusion of the Remuneration Committee regarding its activities in 2024

The Remuneration Committee notes the Company's transparency and active listening in 2024, which has been shown, among other things, by the introduction of new remuneration trends, the implementation of innovations in relation to senior management and, above all, the production of reports in a format that is more innovative, complete and transparent for all of the shareholders.

The most significant activities of the Committee in financial year 2024 are stated below:

- Review of the corresponding sections of the annual corporate governance report for the preceding financial year and of the information on the remuneration of the directors and senior managers set out in the half-yearly and annual financial statements.
- Acknowledgement of the evolution of general remuneration schemes, as well as of incentive plans and pension supplements for the Group's workforce.
- Report to the Board of Directors on the sections of the annual financial information within its purview and the setting of the bylaw-mandated maximum allocation with a charge to the results for the previous financial year.
- Proposal to the Board of Directors of director remuneration (fixed remuneration based on positions and attendance fees) and the budget for expenditures for the current financial year.
- Proposal to the Board of Directors for the calculation of annual variable remuneration of the executive directors for the previous financial year, subject to achievement of the approved metrics, backed by the external advisor's report.
- Proposal to the Board of Directors of fixed and variable remuneration of the executive directors for the current financial year.
- Report to the Board of Directors on fixed and variable remuneration for senior management for the financial year and report on calculation of variable remuneration for the previous financial year.
- In relation to variable remuneration of officers ("pay for performance"), analysis of whether the targets to which it is linked are fully related to the sustainable creation of value for the shareholders, there being no guaranteed variable remuneration with risk measures, for which reason no variable remuneration is paid if the minimum achievement threshold is not met.
- Proposed amendment of senior management contract.
- Verification of the level of achievement of the targets to which the 2020-2022 Strategic Bonus is linked and determination of number of shares to be delivered in the second period.
- Review and monitoring of the action plans of the Committee.

Finally, the divisions of the Company and their respective officers invited to meetings of the Remuneration Committee are listed below in order of number of appearances, in addition to the participation of external advisors:

Division	Position	Number of meetings attended
Global Talent and Culture	Remuneration and Pension Policies Director	8
Global Talent and Culture	Talent & Global Culture Director	1
Office of the General Secretary and Secretary of the Board of Directors	Head of Planning and Management of the Office of the Secretary of the Board of Directors	5
Office of the General Secretary and Secretary of the Board of Directors	Head of Governance	4
People and Services	Director of People and Services	1
People and Services	Head of Insurance, Purchasing and Services Division	1

External advisors	Measures to preserve their independence	Conflicts of Interest	Number of meetings attended
Ernst & Young, S.L.	Not applicable	None	2
J&A Garrigues, S.L.P.	Not applicable	None	1
PricewaterhouseCoopers Asesores de Negocios, S.L.	Letter of independence. See section 6.1.8 of this report.	None	4

e) Sustainable Development Committee

The Sustainable Development Committee is an internal informational and consultative body without executive duties, with information, advisory and proposal-making powers within its scope of action.

It is governed by the provisions set forth in the Governance and Sustainability System, and particularly by Article 42 of the “By-Laws”, Article 34 of the “Regulations of the Board of Directors” and the “Regulations of the Sustainable Development Committee”, in addition which it uses the CNMV’s “Technical Guide 1/2024 on audit committees at public-interest entities” as a reference for its operation, for the aspects concerning this Committee, particularly in terms of non-financial and sustainability

information, in order to promote the constant application of domestic and international best practices in its operation.

Pursuant to Article 34 of the “Regulations of the Board of Directors” and Article 7 of the “Regulations of the Sustainable Development Committee”, it is made up of a minimum of 3 and a maximum of 5 directors appointed by the Board of Directors upon a proposal of the Appointments Committee, from among the non-executive directors, and the majority thereof must be classified as independent.

It is currently made up of 3 members and the skills matrix has been taken into account for its configuration. Its composition as at 31 December 2024 is set out below:

Members	Position	Type	First appointment	Last appointment	Skills and experience
Sara de la Rica Goiricelaya	Chair	Independent	24/04/2019	14/03/2023	Curriculum vitae [PDF, opens in new window]
Nicola Mary Brewer	Member	Independent	02/04/2020	19/03/2024	Curriculum vitae [PDF, opens in new window]
Isabel García Tejerina	Member	Independent	16/12/2021	16/12/2021	Curriculum vitae [PDF, opens in new window]
Jaime Velázquez Vioque	Secretary (non-director)	-	10/01/2023	-	Curriculum vitae [PDF, opens in new window]

There were no changes to the Committee’s composition in financial year 2024.

In 2024, the Sustainable Development Committee held a total of 7 meetings, which had an average duration of 4 hours:

Number of meetings held during the financial year	Number of procedures for adopting resolutions in writing without a meeting	Number of Board meetings held without the chairman’s presence
7	0	0

On the occasion of the call to meeting, which is published on the directors’ website with an average of 21 days’ notice, documentation related to various proposed resolutions that will be subject to deliberation and materials for the meeting are made available to the directors approximately 5 days before the meeting.

The attendance of each of the members at the meetings held during financial year 2024 is set out below:

Members	Attendance at meetings	% attendance
Sara de la Rica Goiricelaya	7 of 7	100%
Nicola Mary Brewer	7 of 7	100%
Isabel García Tejerina	7 of 7	100%

Conclusion of the Sustainable Development Committee regarding its activities in 2024

The Sustainable Development Committee has checked that the Company's strategy and management are focused on sustainability, confirming that they are guided by the objectives announced at the "Capital Markets Day" 2024, as reflected in the sustainability information prepared by the Company.

- The most significant activities of the Committee in financial year 2024 are stated below:
- Monitoring of the implementation of the "Purpose and Values of the Iberdrola Group".
- Review of the "General Sustainable Development Policy" and monitoring of the level of compliance with the "Sustainable Development Plan", the sustainability objectives and actions that are significant to institutional investors, including relations with Stakeholders.
- Monitoring of the implementation of the "Stakeholder Engagement Policy" and the "Policy on Respect for Human Rights".
- Monitoring and review of the level of achievement of the "Climate Action Plan".
- Monitoring of the Company's activities and objectives in the area of employment, satisfaction, equal opportunity, integration, non-discrimination, reconciliation, accessibility and mobility, to the extent that they fall within the purview of the Committee.
- Monitoring of the corporate governance strategy and compliance with legal requirements and the rules of the Governance and Sustainability System, as well as activities in the area of corporate reputation, brand and other intangible assets.
- Annual evaluation of the group's crime prevention programmes and opinions regarding the annual report on the effectiveness of the compliance systems during financial year 2023 and the performance of the Compliance Unit during financial year 2024.
- Review and validation, for submission to the Board of Directors, of the annual activity plan and budget of the Compliance Unit for financial year 2025.
- Reports and proposals to the Board of Directors relating to the amendment of the Company's Compliance System and the composition of the Compliance Unit.

- Report to the Board of Directors on the monitoring of the performance by the Iberdrola Group's foundations of the general interest, corporate social responsibility and corporate reputation activities entrusted thereto, and on the promotion of the strategy for social sponsorship and patronage for 2025.
- Analysis of environmental, social and governance elements in the non-financial information.
- Reports to the Board of Directors regarding the annual sustainability, corporate governance and tax transparency reports for financial year 2023, as well as the integrated report for 2024.
- Verification of the sufficiency and adequacy of information regarding sustainable development, corporate governance and other aspects relating to the duties of the Committee published on the corporate website.
- Analysis and evaluation of the way in which Iberdrola handles its relations with suppliers in terms of sustainability.

Finally, the divisions of the Company or of other Group companies and their respective officers invited to meetings of the Sustainable Development Committee are listed below in order of number of appearances, in addition to the participation of external advisors:

Division	Position	Number of meetings attended
Finance, Control and Corporate Development	Director of Sustainability	7
Finance, Control and Corporate Development	Director of Investor Relations	1
Finance, Control and Corporate Development	Head of Stakeholders	1
Office of the General Secretary and Secretary of the Board of Directors	Head of Governance	2
Office of the General Secretary and Secretary of the Board of Directors	Global Tax Director	1
Office of the General Secretary and Secretary of the Board of Directors	Corporation and Governance Director	1
Innovation, Sustainability and Quality	Innovation, Sustainability and Quality Director	2
Innovation, Sustainability and Quality	Director of Climate Change and Alliances	1
People and Services	Director of People and Organisation	1
People and Services	Director of People and Services	1

Division	Position	Number of meetings attended
People and Services	Director of Purchasing and Services	1
Global Talent and Culture	Talent & Global Culture Director	1
Global Talent and Culture	Director	1
Global Talent and Culture	Head of International Media and Communications	1
Compliance	Chief Compliance Officer	2
Retail (Iberdrola España)	Director of Marketing	1
Communication (Iberdrola España)	Director of Digital Communication	1

External advisors	Measures to preserve their independence	Conflicts of Interest	Number of meetings attended
Corporate Excellence - Centre for Reputation Leadership	Not applicable	None	1
J&A Garrigues, S.L.P.	Not applicable.	None	1
Headland Consultancy	Not applicable	None	1
PricewaterhouseCoopers Asesores de Negocios, S.L.	Letter of independence. See section 6.1.8 of this report.	None	2

6.1.8. Evaluation

The Appointments Committee, made up entirely of independent members, has the duty of coordinating the annual evaluation of the operation of the Board of Directors and of all its committees, and is required to submit to the Board of Directors the results of said evaluation and, based thereon, a plan for the continuous improvement of their operation, a proposal of the appropriate recommendations and, if applicable, a proposed action plan to correct any potential detected deficiencies.

The evaluation process carried out in financial year 2024, the results thereof, and the priorities of the governance improvement plan approved by the Board of Directors are described below.

Methodology and scope of the evaluation

Upon a proposal of the Appointments Committee, the Company engaged “PricewaterhouseCoopers Asesores de Negocios, S.L.” (“PwC”) as independent external evaluator.

The scope included the evaluation of the Board of Directors, its committees, the chairman, the chief executive officer and each of the other directors from the perspective of the following dimensions: (i) compliance with internal rules and with the CNMV’s “Good Governance Code of Listed Companies”; (ii) monitoring of other domestic and international corporate governance trends; and (iii) analysis of the proper implementation of the continuous improvement plan defined based on the evaluation of the previous financial year.

This process included a comparative analysis of 24 domestic and international companies from 2 categories: (i) companies considered to have best practices; and (ii) peers.

Strengths of the evaluation

Conducted annually by an independent external evaluator (going beyond the CNMV’s recommendation to evaluate each 3 years)

183 measurable compliance indicators and objective recommendations

Comparative analysis of best practices with over 20 companies and over 40 indicators

Active monitoring of the Continuous Improvement Plan

Coordination of Appointments Committee and participation of lead independent director

Appearances of the external evaluator before all consultative committees and the Board of Directors

Interviews with directors

Independence of the external consultant

The independent external consultant was chosen using a process for selecting an advisor that would contribute strong knowledge of the Spanish market, of the energy sector and of corporate governance dynamics and trends.

To ensure the independence of the external consultant, the Appointments Committee requested and analysed a declaration specifying that no member of PwC's team had any employment-based relationship with companies of the Iberdrola Group, immediate family relationships with its employees, or financial links with any of the companies of the Iberdrola Group. Nor are they involved in advisory or consultancy activities related to remuneration systems.

With regard to the materiality of the relationship between Iberdrola and PwC, in the last financial year the business relationships of the PwC Group with the companies belonging to the Iberdrola Group amounted to approximately €41 million worldwide, representing 0.08% of the total revenues of the PwC Group, which has a total global turnover of approximately €53,240 million.⁶ The Appointments Committee verified that the relationship was not considered material and hence confirmed the independence of the advisor.

Result of the evaluation

The evaluation for financial year 2024 ended with a positive assessment of the quality and efficiency of the operation of the Board of Directors and its committees, as well as the performance of the chairman, the chief executive officer and the other directors. The level of achievement was 98.3% in this regard.

In particular:

- The Board of Directors has an appropriate composition, with balance and complementarity of skills and abilities (43% women; 5 nationalities; 86% external directors, with 92% of external directors and 79% of all directors being independent), combining independent directors with advanced experience⁷ (36.4% of independent directors), average experience⁸ (36.4%) and more recent additions⁹ (27.2%).
- The operation of the Board of Directors and its committees is effective, with adequate planning and documentation for meetings and a complete training plan,

⁶ Figures referring to PwC's tax year, which runs from 1 July 2023 to 30 June 2024, equivalent to US\$55,400 million.

⁷ Independent directors with between 7 and 12 years of service.

⁸ Independent directors with between 5 and 6 years of service.

⁹ Independent directors with less than 4 years of service.

with approximately 20 in-person sessions, as well as training through the Company's directors' website.

- Both the Board of Directors and the committees use all the powers established in the Governance and Sustainability System to engage in their activity, ensuring the diligent exercise of their responsibilities.
- There is fluid coordination between bodies thanks, among other measures, to the chairs of the committees reporting at Board meetings on each of their activities, as well as to the regular coordination meetings between the secretaries of the committees and the General Secretary and Secretary of the Board of Directors.
- The benchmark analysis reflects the Company's leadership in terms of governance, highlighting the independence of the Board of Directors that is reinforced with a developed system of checks and balances, with 4 consultative committees having 100% independent or external membership, two independent vice-chairs and a lead independent director with broad powers.
- It also reflects adequate gender balance and plurality, with directors from the key markets (Spain, United States of America, United Kingdom, Brazil and Italy).
- The analysis also notes the high quorum at the General Shareholders' Meeting, which provides the Board of Directors with massive support and legitimacy, with much higher percentages than the comparables in the approval of proposals.
- Some indicators with differences compared to other international peers concern the longer duration of the term of office (4 years vs. an average of 2.2 for the peers in the evaluation)¹⁰, gender balance on certain committees, and the fact that not all committees are fully made up of independent directors.

As a result of the evaluation, the independent expert proposed a list of areas for work in the following year, which the Appointments Committee acknowledged and submitted to the Board of Directors.

The action plan has six main lines of action, which can be summarised as follows:

- Topics and agenda for the Board of Directors: continue increasing the time dedicated to monitoring and reflecting on the Company's strategy and the new second-level governance strategy, through new actions intended to continue involving the Board in this area.
- Composition of the Board of Directors: active monitoring of skills and abilities for the appropriate composition of the Board of Directors, advisory committees and special roles, as well as their independence.

¹⁰ Period aligned with Section 529 *undecies* of the "Companies Act", which establishes a maximum term of office of 4 years.

- Lead independent director: assumption of responsibilities by the new lead independent director, ensuring the effectiveness thereof in the position.
- Relationship between committees: develop coordination between the Sustainable Development Committee and the Audit and Risk Supervision Committee on the supervision of sustainability reporting and the effectiveness of the control and management systems for related risks.
- Committees: updating of the skills matrix of the Board of Directors where it concerns the Appointments Committee; and updating and continuous improvement of the “Director Remuneration Policy” and remuneration reporting with respect to the Remuneration Committee.
- Directors: directors to continue making full use of the Board of Directors training plan.

The Board of Directors and its committees have acknowledged the results and incorporated the corresponding priorities for the current financial year into the continuous improvement plan for the governance bodies.

6.2. Senior management

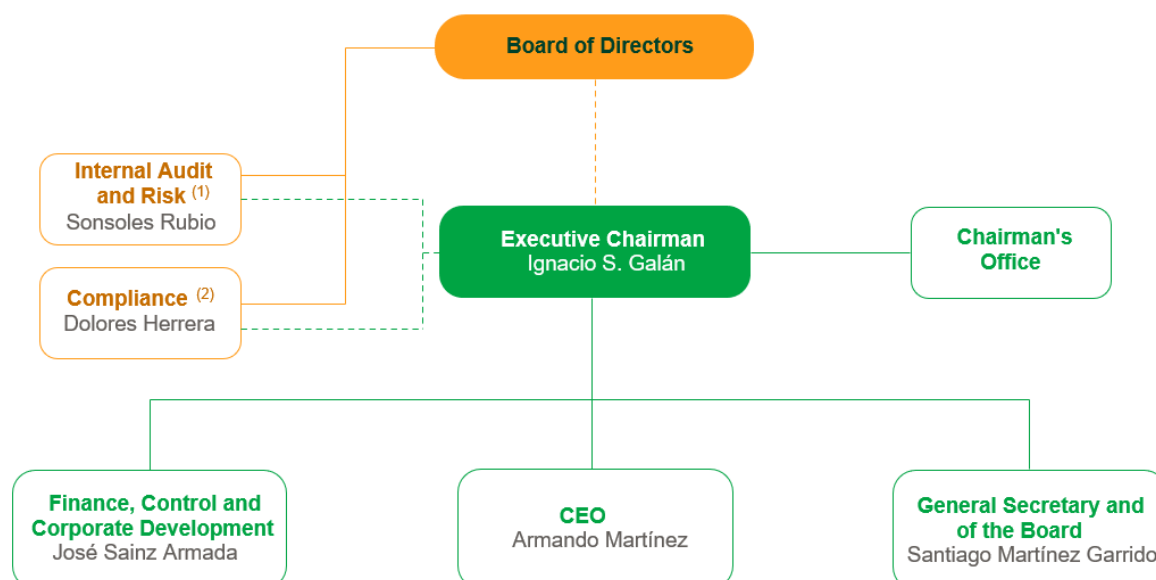
The identities of the members of senior management who are not members of the Board of Directors are stated below:

Members	Position
José Sainz Armada	Chief Finance, Control and Corporate Development Officer (CFO)
Santiago Martínez Garrido	General Secretary and Secretary of the Board of Directors
Sonsoles Rubio Reinoso	Chief Internal Audit and Risk Officer
María Dolores Herrera Pereda	Chief Compliance Officer

Since 2023, the Company has maintained gender balance in senior management (50% men and women), doubling the average female presence among Ibex-35 companies as at financial year-end 2023.¹¹

¹¹ Information on the presence of women on boards of directors and in the senior management of listed companies is available on the CNMV website: [Go to CNMV website \[opens in new window\]](#)

Organisational chart of the Company's management team



⁽¹⁾ Functionally reports to the Audit and Risk Supervision Committee.

⁽²⁾ Reports to the Sustainable Development Committee.

The Company has achieved gender balance in this area as a result of promoting equality throughout all levels of the organisation, almost 3 years ahead of the obligations imposed on listed companies in Spain in this area, which will gradually become enforceable as from 30 June 2026.¹²

For this purpose, the Company's strategic objectives include obtaining external certification of equal gender pay by 2025 (already achieved in 2024), the presence of women in high-ranking positions (officers), with a target of 30% by 2025 and 35% by 2030, and the presence of women in positions of responsibility (officers, middle management and highly qualified technical positions), with a target of 35% by 2025 and 36% by 2030.

These goals are also incentivised through the variable remuneration of the executive directors, management personnel and other professionals who, due to their position or responsibility, are deemed to make a decisive contribution to the creation of

¹² Section 529 bis.8 of the "Companies Act", introduced by "Organic Law 2/2024 of 1 August on equal representation and gender balance, transposing Directive (EU) 2022/2381 of the European Parliament and of the Council of 23 November 2022 on improving the gender balance among directors of listed companies and related measures".

sustainable value. Specifically, the long-term variable remuneration programme indicated in section 6.3 of this Report contemplates goals to continue promoting salary equality and the presence of women in high-ranking positions and positions of responsibility.

The management team supports the Board of Directors in the exercise of the powers vested therein. In this regard, the Company has an adequate and efficient organisation and promotes the creation and operation of the following committees, in accordance with the corporate and governance structure of the Group and with the Business Model described in sections 2.2 and 3.1 of this report:

- The Company's Operating Committee, the essential power of which is to provide technical support to the chairman of the Board of Directors and to the chief executive officer in the function of organisation, coordination and supervision at the Group level, in order to facilitate the development of the Business Model.
- Committees related to specific corporate areas or businesses created in order to maximise the generation of synergies and the exploitation thereof by each of the companies of the Group.
 - They promote the development of local businesses or corporate activities in each country or territory in accordance with the global strategy and guidelines.
 - They disseminate and coordinate technological and operational practices at the Group level.
 - They ensure the existence of certain levels of quality, guidelines and homogeneous standards of conduct in a specific area, as well as the exchange of information and the sharing of best practices.

For this reason, these committees can approve global guidelines and recommendations, propose initiatives for improvement and favour the exchange of information, thus allowing them to efficiently perform their duties of strategic definition, organisation, coordination, supervision and dissemination, all without undermining the corporate autonomy of the Group's companies.

- Committees to support the management team, of a cross-functional scope and linked to strategic functions, that strengthen the management decision-making bodies as centres of effective decision-making and of support for the Board of Directors.

These committees have supervisory, management and organisational powers over particular areas of activity. They report functionally to the head of senior management or to the relevant member of the management team and are appropriately coordinated with their counterpart committees of the country subholding companies.

6.3. Remuneration of directors and officers

Remuneration includes the amounts received by the directors as a whole in their capacity as such in financial year 2024 (€7,629 thousand, including fixed remuneration, attendance fees and other items such as insurance policies), as well as the remuneration received for the performance of executive duties by members of the Board of Directors (including salaries, annual variable remuneration, payment of the second period of the 2020-2022 Strategic Bonus and other items such as insurance policies), all of which is duly described in the “Annual Report on Remuneration of Directors and Officers 2024”.

7. Related-Party and Intragroup Transactions

7.1. Related-party transactions

This section comprises the related-party transactions report prepared by the Audit and Risk Supervision Committee provided for in Article 14.3.(b) of the “Regulations for the General Shareholders’ Meeting”, which for purposes of transparency it has been decided to publish, on occasion of the annual close and without waiting for the call to the next General Meeting, by incorporating it into this report.

In accordance with the provisions of Article 48 of the “Regulations of the Board of Directors”, Related-Party Transactions means those transactions carried out by the Company or its subsidiaries with directors, with shareholders holding 10% or more of the voting rights or who have proposed or caused the appointment of any of the directors, or with any other parties who should be considered parties related to the Company in accordance with International Accounting Standards.

As an exception to the preceding paragraph, transactions that are not classified as such in accordance with the law, and particularly those identified in section 2 of Article 48 of the “Regulations of the Board of Directors”, are not deemed Related-Party Transactions.

The approval of Related-Party Transactions must be decided by the shareholders at a General Shareholders’ Meeting in the instances provided by law, and particularly if it relates to a transaction having a value of more than 10% of the total items of the assets of the Iberdrola Group according to the last consolidated annual balance sheet approved by the shareholders at the General Shareholders’ Meeting of the Company.

Other Related-Party Transactions are subject to the approval of the Board of Directors. However, Related-Party Transactions may be approved by the Executive Committee due to the urgency of the matter, giving notice thereof at the next meeting of the Board of Directors in order for them to be ratified.

In any event, the Board of Directors, through the Audit and Risk Supervision Committee, must endeavour to ensure that Related-Party Transactions are fair and reasonable from the viewpoint of the Company and, if applicable, of shareholders other than the related party. As provided by law, the approval of Related-Party Transactions must be the subject of a prior report of this Committee, which shall verify compliance with said requirements.

The Board of Directors may delegate the approval of Related-Party Transactions when so allowed by law, and particularly those transactions that simultaneously satisfy the following three conditions: (i) that they are conducted under contracts whose terms and conditions are standardised and apply on an across-the-board basis to a large number of customers; (ii) that they are conducted at prices or rates established generally by the party acting as supplier of the goods or services in question; and (iii) that the amount thereof does not exceed 0.5% of the consolidated net turnover of the Iberdrola Group according to the last consolidated annual financial

statements approved by the shareholders at the Company's General Shareholders' Meeting.

The approval of the aforementioned Related-Party Transactions, particularly those relating to electricity and gas services, does not require a prior report of the Audit and Risk Supervision Committee. The Board of Directors has established a regular internal reporting and control procedure in relation to those transactions exceeding €20,000 on an annual basis (calculated based on standard market rates), or that have not been executed exclusively through the ordinary commercial channels of the Iberdrola Group, in which procedure the Committee must participate, which shall verify the fairness and transparency of such transactions and compliance with any legal criteria applicable to the corresponding exceptions. The execution of these types of transactions is the responsibility of the representatives of the Group company in question. The Committee, with the assistance of the Internal Audit and Risk Division and with the information provided for this purpose by the Office of the General Secretary and Secretary of the Board of Directors and the Compliance Unit, shall examine these types of Related-Party Transactions each year and shall submit the corresponding report to the Board of Directors.

In the case of customary or recurring Related-Party Transactions in the ordinary course of business, it is sufficient to give a generic prior approval of the kind of transaction and of the conditions for performance thereof, provided that they are transactions with the same counterparty and their object is homogeneous. The Board of Directors is responsible for approving the various lines of transactions. In relation to the lines of transactions, the Committee, with the assistance of the Internal Audit and Risk Division, must issue an annual report to be submitted to the Board of Directors verifying compliance with the conditions established by the Board of Directors when approving the lines of transactions in question.

In addition, directors must give written notice to the general secretary and secretary of the Board of Directors, on a half-yearly basis, regarding the Related-Party Transactions in which they or persons connected to the Company and related to such directors have engaged.

The execution of a Related-Party Transaction puts the director who engages in said transaction or is related to the person engaging in the transaction in a conflict of interest, for which reason the duty to abstain in the deliberation and voting on the approval resolution shall apply, in accordance with the rules established in Article 44 of the "Regulations of the Board of Directors":

- A conflict of interest shall be deemed to exist in those situations provided by law, particularly when the interests of the director, either for their own or another's account, directly or indirectly conflict with the interest of the Company or of companies within the Iberdrola Group and their duties to the Company.
- An interest of the director shall exist when the matter affects the director or a person related thereto, who are deemed to be the following: (i) the director's spouse or person related to the director by a like relationship of affection; (ii) the ascendants, descendants and siblings of the director or of the director's spouse (or of a person with a like relationship of affection; (iii) the spouses of the director's ascendants, descendants and siblings; and (iv) companies or entities in

which the director directly or indirectly holds, including through an intermediary, an interest that gives the director significant influence or in which the director holds a position on the management body or within the senior management thereof or of its controlling company, under the assumption that any interest equal to or greater than ten per cent of the share capital or voting rights or based on which representation on the company's management body could be obtained, in fact or in law, provides a significant influence.

- Conflicts of interest shall be governed by the following rules:
 - Communication: once a director becomes aware of being in a situation of conflict of interest, the director must give written notice of the conflict to the Board of Directors, in the person of the secretary thereof, as soon as possible. The secretary shall periodically submit a copy of the notices received to the Appointments Committee, in the person of the secretary thereof. The notice shall contain a description of the situation giving rise to the conflict of interest, with a statement as to whether it is a direct conflict or an indirect conflict through a related person, in which case the latter person must be identified. The description of the situation must describe, as applicable, the subject matter and the principal terms of the transaction or the planned decision, including the amount thereof or an approximate financial assessment thereof. Any question as to whether a director might be involved in a conflict of interest must be forwarded to the general secretary and secretary of the Board of Directors, and the director must refrain from taking any action until it is resolved.
 - Abstention: a director must refrain from taking any action until the Board of Directors reviews the case, approves the appropriate decision and informs the director thereof, without prejudice to the exceptions provided by law. To this end, the director shall leave the meeting during the deliberation and voting on those matters in which the director is affected by a conflict of interest, and shall not be counted in the number of members in attendance for purposes of the calculation of a quorum and the majorities required for approving resolutions. At each meeting of the Board of Directors and of the committees thereof, the secretary shall remind the directors, before dealing with the agenda, of the abstention rule.
 - Transparency: whenever required by law, the Company shall report any cases of conflict of interest in which the directors have been involved during the financial year in question and of which the Company is aware by reason of notice given thereto by the director affected by such conflict or by any other means.
- The general secretary and secretary of the Board of Directors shall prepare a register of the conflicts of interest reported by the directors, which shall be continuously updated.
- In those instances in which the conflict of interest is, or may reasonably be expected to be, of such a nature that constitutes a structural and permanent conflict of interest between the director (or a person related thereto) and the Company or the companies forming part of the Iberdrola Group, it shall be

deemed that the director lacks, or has lost, the competence required to hold office.

- Conflicts of interest of the members of the management team are subject to the same rules of communication, abstention and transparency.

The Company must publicly announce Related-Party Transactions no later than the time of execution thereof in the cases, to the extent and in the manner prescribed by law, as well as including the corresponding information in the half-yearly financial report, the annual corporate governance report and the notes to the annual financial statements.

Set out below is the information on Related-Party Transactions for financial year 2024:

Operations that are significant due to their amount or of importance due to their subject matter carried out between the Company or its subsidiaries and shareholders holding 10% or more of the voting rights	Operations that are significant due to their amount or of importance due to their subject matter carried out by the Company or its subsidiaries with members of the Board of Directors or of senior management	Operations that are significant due to their amount or relevant due to their subject matter carried out by the Company or its subsidiaries with other related parties pursuant to the International Accounting Standards adopted by the EU
None. The Company does not have shareholders with an interest in the share capital amounting to 10% (see section 4.2.1 of this report).	No such transactions have been recorded.	No such transactions have been recorded.

In financial year 2024, the Audit and Risk Supervision Committee issued the following reports on this issue within the scope of its powers:

- Report to the Board of Directors on information regarding related-party transactions of “Iberdrola, S.A.” and its Group with directors and significant shareholders and their respective related persons included in the annual accounts for financial year 2023.
- Report to the Board of Directors on the compliance of standardised delegated related-party transactions and of lines of transactions in force from 25 July 2023 to 22 July 2024 with the requirements of the “Procedure for Related-Party Transactions with Members of Senior Management, Delegated Related-Party Transactions and Series of Related-Party Transactions”.
- Report to the Board of Directors on information regarding related-party transactions of the Company and its Group with directors and significant shareholders and their respective related persons included in the Half-Yearly Financial Report 2024.

- Report to the Appointments Committee on related-party transactions that could affect the category to which directors belong.

7.2. Intragroup transactions

Transactions by “Iberdrola, S.A.” with subsidiaries and companies in which the Company has an interest that have not been eliminated in the process of consolidation were made in the ordinary course of business of the Company, were carried out under arm’s-length conditions, and are of little significance to accurately reflect the assets, financial condition and results of operations of the Company.

8. Risks, Corporate Control and Compliance

8.1. Risk management and control system

8.1.1 Scope of the system

The companies of the Iberdrola Group are subject to various risks inherent in the different countries, territories, industries and markets in which they do business and in the activities they carry out, which may prevent them from achieving their objectives and successfully implementing their strategies.

In order for the significant risks to all the activities and businesses of the Group's companies to be adequately identified, measured, managed and controlled in financial year 2024, the Board of Directors of "Iberdrola, S.A." established the mechanisms and basic principles for appropriate management of the risk/opportunity ratio through the "General Risk Control and Management Policy" and the other risk policies described in section 8.1.4 of this report.¹³

Pursuant to the three lines model, these risk policies have been implemented within a comprehensive risk control and management system, supported by the Company's Risk Committee and based upon a proper definition and allocation of duties and responsibilities at the operating and supervisory level, as well as supporting procedures, methodologies and tools, including:

- a) The establishment of a structure of risk policies, guidelines, limits and indicators, as well as of the corresponding mechanisms for the approval and implementation thereof.
- b) The ongoing identification of significant risks and threats (including contingent liabilities and other off-balance sheet risks).
- c) The analysis of such risks, both at each corporate business or function and taking into account their combined effect.
- d) The measurement and control of risks following homogeneous procedures and standards common to all the companies of the Iberdrola Group.

¹³ In the reform of the Governance and Sustainability System approved on the date of this report, certain aspects of the risk management and control system have been updated that have not been reflected in this information, focused on financial year 2024. Following this reform, the "General Risk Control and Management Policy" is named the "General Risk Control and Management Foundations of the Iberdrola Group", and the risk policies and guidelines developing it have become risk guidelines and limits on certain matters or, if applicable, new policies forming part of the Governance and Sustainability System.

- e) The analysis of risks associated with new investments, including physical and transition risks related to climate change.
- f) The maintenance of a system for monitoring and control of compliance with policies, guidelines and limits, including the contingency plans needed to mitigate the impact of the materialisation of risks.
- g) The ongoing evaluation of the suitability and efficiency of applying the system and the best practices and recommendations in the area of risks for eventual inclusion thereof in the model.
- h) The independent audit of the system.

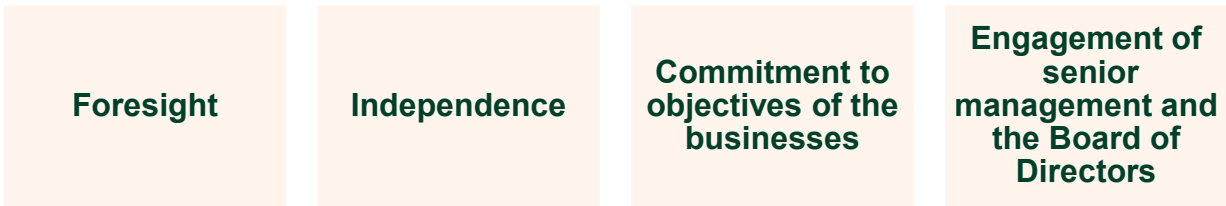
The foregoing is undertaken in accordance with the following main principles of conduct:

- Integrate the risk/opportunity vision into the Company's management, through a definition of the strategy and the risk appetite and the incorporation of this variable into strategic and operating decisions.
- Segregate functions, at the operating level, between areas that assume risks and areas responsible for the analysis, control and monitoring of such risks, ensuring an appropriate level of independence between them.
- Guarantee the proper use of risk-hedging instruments and the maintenance of records thereof as required by applicable law.
- Inform regulatory agencies and the principal external players, in a transparent fashion, regarding the risks facing the companies of the Iberdrola Group and the operation of the systems developed to monitor such risks.
- Ensure appropriate compliance with the corporate governance rules established by the Company through its Governance and Sustainability System.
- Act at all times in compliance with the values and standards of conduct reflected in the "Code of Ethics", under the principle of "zero tolerance" for the commission of unlawful acts and situations of fraud, and the principles and good practices reflected in the "Corporate Tax Policy".
- Raise awareness of the risk culture among the professionals of the Group's companies through communication and training programmes.

The Iberdrola Group's comprehensive risk control and management system operates on a comprehensive and continuous basis, strengthening such management by business unit or activity, subsidiaries, geographic areas and corporate-level support areas.

The comprehensive risk control and management system, through the combination of processes and players described above, ensures that the Group has the necessary risk monitoring and response mechanisms in place, anticipating risks and new threats sufficiently in advance and establishing appropriate mitigation plans, as well as reporting externally.

The management of risks in the Group is based on the following values:



The most important elements of the system are summarised below:



Furthermore, the Iberdrola Group’s companies have compliance systems made up of a set of substantive rules, formal procedures and specific actions intended to ensure that their conduct is in accordance with applicable ethical principles and law, preventing, avoiding and mitigating the risk of conduct that is improper, illegal or contrary to law and to the Governance and Sustainability System (see section 8.4 of this report).

8.1.2 Governance bodies and organisations involved

a) Board of Directors

In the area within its purview, and with the support of the Audit and Risk Supervision Committee, it must use all of its capabilities in order for the significant risks of the Iberdrola Group to be adequately identified, measured, managed and controlled. Therefore, it defines the risk strategy and profile of the Group and approves the main principles of conduct, as well as the Company's risk guidelines and limits.

The commitment and engagement of the Company's Board of Directors takes the form of:

- “Ex ante”: annually reviewing and approving the accepted risk appetite, qualitatively and quantitatively, via the risk guidelines and limits (see section 8.1.4).
- “Ex post”: periodically monitoring the material risks (key risks maps) and threats and the various exposures of the Group, as well as compliance with approved risk policies, limits and risk.

b) Audit and Risk Supervision Committee

The Board of Directors and its Executive Committee rely on the support of this consultative body, which monitors and reports upon the appropriateness of the system for control and management of significant risks, with the support of the Internal Audit and Risk Division, and acts in coordination with the audit and compliance committees existing at the country subholding companies.

The “Regulations of the Audit and Risk Supervision Committee” (available on the corporate website) explain its functions in detail, highlighting, by way of example and due to their significance, the following powers:

- Conduct a periodic review of the guidelines on risk limits on at least an annual basis.
- Continuously review the internal control and risk management systems, such that the principal risks are properly identified, managed and reported.
- Supervise the effectiveness of the internal control and risk management systems.
- Promote (always within the limits of its powers) a culture in which risk is a factor that is taken into account in all decisions and at all levels within the Company.

- Obtain creditable information as to whether the most significant risks are managed and maintained within the tolerance figures that have been established.¹⁴
- Supervise the activities of the Internal Audit and Risk Division, which is functionally controlled by the Committee.
- Ensure the independence and effectiveness of the Internal Audit and Risk Division and that it has sufficient resources and that its members have suitable professional qualifications to carry out its duties most efficiently.
- Approve the annual activities plan of such division and propose to the Board of Directors the appointment and removal of the Chief Internal Audit and Risk Officer.
- An at least an annual basis, call each one of the heads of the Group's businesses and of the relevant corporate areas to a meeting so that they can report on the trends in their respective businesses or corporate areas and the risks associated therewith.
- Confirm that there is proper coordination with other functions vested with powers regarding the management, supervision and assurance of risks.

In particular, as regards tax, the Audit and Risk Supervision Committee has the power to receive information from the Company's tax director regarding the tax guidelines applied during the financial year, and specifically regarding the level of compliance with the "Corporate Tax Policy", as well as regarding the tax consequences of transactions or matters that must be submitted to the Board of Directors for approval when such consequences represent a significant issue.

c) Boards of Directors of the country subholding and head of business companies

The boards of directors of the country subholding companies are responsible for specifying the application of the risk control and management system defined by the Company, adopting or approving their own specific risk guidelines and limits in view of the unique aspects of their businesses. The audit and compliance committees of such companies report to the boards of directors thereof on the internal control and risk management systems.

A special framework of strengthened autonomy is guaranteed so that the listed country subholding companies and their subsidiaries approve their own risk

¹⁴ On at least a quarterly basis, the Audit and Risk Supervision Committee reviews the Iberdrola Group's quarterly risk report by the Risk Division. At least half-yearly, coordinates and reviews the risk reports prepared by the audit and compliance committees of the country subholding companies and submits a risk report to the Board of Directors.

principles and rules, which must be in accordance with the general risk control and management foundations defined by the Company.

The management decision-making bodies of the head of business companies approve the specific risk limits applicable to each of them and implement the necessary control systems.

d) Internal Audit and Risk Division

The Company's Internal Audit and Risk Division supports the Audit and Risk Supervision Committee (to which it functionally reports), so that the latter can carry out its functions.

The Risk Division, which reports to the Internal Audit and Risk Division, is configured as an independent function, responsible for leading the design and implementation of the comprehensive system for the control and management of the material risks faced by the Group's companies.

The Risk Committee is a technical body that is chaired by the director of Internal Audit and Risks and which performs executive duties in the customary management of risks and provides advice to the governance bodies of the Iberdrola Group's companies.

It meets at least once a month, with the participation of the Risk director, the risk directors of the country subholding companies and corporate areas that have such a position, the Internal Audit Division and the Control Division.

It reviews new reported risks and the reports monitoring the main existing risks, and issues the Quarterly Risk Report of the Group, which includes the main risk positions, the report on compliance with foundations and risk limits and indicators, and the update of the key risks map.

It is supplemented by the credit risk and market risk committees, which meet on a monthly basis and report to the Risk Committee.

8.1.3 Risk categories

The main categories of risks faced by the Iberdrola Group are defined below:

- a) Governance and sustainability risks: risks arising from a potential breach of the provisions of the governance and sustainability systems, including anti-corruption and anti-fraud legal provisions, of each company of the Group.
- b) Business and market risks: relating to key variables intrinsic to the various activities of the Group through their businesses, such as the characteristics of demand, product portfolio positioning and management, as well as the uncertainty generated by the volatility of market prices for fundamental variables including electricity, gas or raw material prices.
- c) Credit and financial risks: relating to the possibility that a counterparty breaches its contractual obligations and causes an economic or financial loss to companies of the Group, including the risks of payment and costs of replacement, as well as

risks related to the volatility of variables like the exchange rate, interest rate or inflation and those related to the solvency and liquidity of the Group itself.

- d) Strategic, regulatory, tax and legal risks: relating to the macroeconomic, geopolitical and social environment, as well as those arising from regulatory changes or changes to tax regulations. Also includes risks associated with the strategy of the Company, such as investment and divestment decisions, or those motivated by the competitive environment.
- e) Operational risks: referring to direct or indirect economic losses resulting from external events, errors or inadequate internal procedures, as well as those affecting the ability to properly respond to events of any kind that affect the continuity of core processes.
- f) Technological and comprehensive security risks: relating to the appropriate management and operation of information technologies (IT) and operational technologies (OT), as well as those resulting from the adoption of new technologies, including artificial intelligence. Also includes risks related to the security of individuals, tangible and intangible assets and information systems, including cybersecurity, as well as the privacy of the data that are processed and compliance with related regulations.

Given the multidimensional nature of the risks, the taxonomy contemplates additional classification variables to improve the monitoring, control and reporting thereof, including, among others, emerging risks, understood as possible new threats with an uncertain impact and undefined probability, that are growing and that could eventually become material for the Group's companies.

For all these risks, their potential negative impact on the value of the Group's companies resulting from conduct on the part of the corresponding company that is below the expectations created among the various Stakeholders, as defined in the "Stakeholder Engagement Policy", and which could generate a reputational risk, will be taken into account.

Relating to potential risks with a reputational impact, disclosure is made of the criminal proceeding that continues before the Preliminary Examining Court No. 4 of Valladolid, pending trial before the Provincial Court of Valladolid, for the alleged Wind Farm Payoff Scheme (*Trama Eólica*) in Castile and León, in which "Iberdrola Renovables de Castilla y León, S.A." appears as a party with potential subsidiary civil liability in the amount of €11,257,500, jointly and severally with the Regional Government of Castile and León.

For more details regarding the risks to which the Iberdrola Group's companies are subject, see:

- The "Principal risks and uncertainties" section of the consolidated management report for financial year 2024 within the annual financial report.
- The "Statement of Non-Financial Information. Sustainability Report 2024", in relation to the risks of climate change.
- The "Risk Factors and Mitigation Measures" section of the "Integrated Report".

8.1.4 Risk policies and tolerance levels

a) Structure of risk policies

In 2024, the “General Risk Control and Management Policy”¹⁵ was further developed and supplemented through the following policies, which are also approved by the Company’s Board of Directors, and which on occasion include maximum or benchmark risk limits and indicators to keep risks within certain tolerance levels:

Corporate risk policies:

- Corporate Credit Risk Policy.
- Corporate Market Risk Policy.
- Operational Risk in Market Transactions Policy.
- Insurance Policy.
- Investment Policy.
- Financing and Financial Risk Policy.
- Treasury Share Policy.
- Risk Policy for Equity Interests in Listed Companies.
- Purchasing Policy.
- Information Technology Policy.
- Cybersecurity Risk Policy.
- Reputational Risk Framework Policy.
- Occupational Safety and Health Policy.

Specific risk policies for the various businesses of the Group:

- Risk Policy for the Networks Businesses of the Iberdrola Group.
- Risk Policy for the Electricity Production and Customers Businesses of the Iberdrola Group.

¹⁵ Following the reform of the Governance and Sustainability System approved on the date of this report, the “General Risk Control and Management Policy” is named the “General Risk Control and Management Foundations of the Iberdrola Group”, and the risk policies and guidelines developing it have become risk guidelines and limits on certain matters or, if applicable, new policies forming part of the Governance and Sustainability System.

- Risk Policy for the Real Estate Business.

These policies have applied to all companies that make up the Iberdrola Group, over which the Company has effective control, within the limits established by the laws applicable to the regulated activities carried out by the Iberdrola Group's companies in the various countries in which they are present.

In addition to the Company's Board of Directors and its Executive Committee, the Risk Committee, the Operating Committee, the Audit and Risk Supervision Committee, the businesses, the corporate functions and the Internal Audit and Risk Division also participated in the annual process of updating these policies.

At those companies in which the Company has an interest but which do not form part of the Group, the Company must promote risk principles, guidelines and limits consistent with those established in the aforementioned regulatory framework and maintain appropriate channels of information to ensure a proper understanding of the risks.

b) Risk tolerance levels (level of acceptable risk)

The Company's Board of Directors reviews and approves the risk tolerance levels that are acceptable at the Iberdrola Group level on an annual basis.

The risk policies approved by the Company for 2024, together with the corresponding risk guidelines and limits, qualitatively and quantitatively established the annually accepted risk appetite, in a sufficiently detailed manner, both at the Group level and at the level of each of the principal businesses and corporate functions, in accordance with the objectives established in the multi-year plan and the corresponding annual budgets.¹⁶

The numeric values of the limits and indicators set forth in the various policies are probabilistic in nature (like VaR and EBITDA at risk) or deterministic in nature, and are expressed in monetary units, indices or benchmarks, including:

- limits on the maximum overall credit risk exposure by type of counterparty;
- limitations on market risk proportional to the volume of activity of each business;
- strict overall limit on the discretionary trading of energy;
- limitations on operational risk through preventative maintenance programmes and insurance programmes; and

¹⁶ Following the reform of the Governance and Sustainability System approved on the date of this report, the risk guidelines that developed and supplemented the "General Risk Control and Management Policy" in 2024 have become risk guidelines and limits on certain matters that must continue to be approved by the Board of Directors, upon a report from the Audit and Risk Supervision Committee.

- strict limitations on activities not associated with the main energy business.

On a supplementary basis, the following additional processes involving conducting risk analyses and setting a risk appetite must be noted:

- The “Corporate Tax Policy” establishes the limits on tax risk by setting the tax strategy, the principles of conduct and the good tax practices assumed by the Company.
- The Control Division, in order to verify the risk globally assumed in the annual profit and loss account, engages in a comprehensive probability analysis of the global risk remaining for the financial year at the time of approving the annual budget.
- In addition, all new multi-year investment plans are accompanied by their corresponding analysis of associated risk.

8.1.5 Relevant risks materialising in 2024

The activities of the Iberdrola Group’s companies during 2024 were affected by various risks that materialised in the countries and markets in which they operate.

Thanks to a diversification of activities, markets and geographical regions (which allowed the negative impacts on some businesses to be offset by favourable performance in others) and the measures adopted, the overall impact on the consolidated financial statements of “Iberdrola, S.A.” and its subsidiaries has been limited.

Main risks that have materialised:

- In the United States of America:
 - Provision for remedial measures relating to the onshore wind business, with an impact of €802 million on net profit, taking into account price forecasts, production (affected by curtailments), operating costs and discount rates, as well as the measures adopted by the new administration that could affect the outlook for the development of the wind and solar portfolio.
 - Increased costs of storms for the networks business, largely reconcilable via regulatory recognition thereof.
- In the United Kingdom, the unavailability for part of the financial year of the export cable at the East Anglia One wind farm, now rectified, with an impact of £120 million.
- The publication of adverse regulations, such as the increase in the ENRESA rate in Spain.
- High electricity price volatility in Australia, in a context of lack of wind energy.

Positive events that have occurred include the following:

- Capital gain associated with the sale of power generation assets in Mexico, in the amount of €1,165 million in terms of net profit.

- In Spain, the good year in terms of water, the non-extension of the 1.2% levy on sales and the siphoning of gas, as well as favourable judgments: recovery of the cost of the subsidised rate for 2017-2021 (€183 million), recovery of the hydroelectricity charge (€79 million) and positive impact from the special hydrocarbons tax (“green cent”).

8.2. Control and management of financial reporting risks

8.2.1. Scope and main features of the system

The Company has an Internal Control over Financial Reporting System (“ICFRS”) or model that is intended to reasonably guarantee the reliability of such information. The development of the model, which began in 2006, was the result not of a legal requirement but rather the conviction that, within a context of growth and internationalisation, an explicit and auditable internal control system would contribute to maintaining and improving its control environment and the quality of the financial information, while at the same time increasing the confidence of investors due to its effects on the transparency, reputation and good governance of the Company and of the other companies making up the Iberdrola Group.

The Company’s Board of Directors is ultimately responsible for the development maintenance and effectiveness of the ICFRS, and the boards of directors of each of the country subholding and head of business companies have the same responsibility within their respective purviews.

The ICFRS has two main sides: certification, and internal control itself.

Certification is a half-yearly process managed and coordinated by the Internal Assurance of Financial Information department, which reports to the Control Division, during which those responsible for financial information and ICFRS in each area of the Iberdrola Group certify that: (i) the financial information they deliver to the Company for purposes of consolidation does not contain any material errors or omissions and represents a fair view of the results and the financial condition of the company within their area of responsibility, and (ii) they are responsible for establishing the ICFRS within their area of responsibility and have found, upon assessment, that the system is effective.¹⁷

The culmination of the half-yearly process, which takes place by means of electronic signature in a software application that functions as a repository of all the documentation generated to facilitate supervision, is a joint certification that the executive chairman and the CFO submit to the Board of Directors for purposes of

¹⁷ The text of the certifications (issued by over 150 heads of the country subholding companies and of the head of business companies, together with the respective heads of control, as well as the directors of the corporate areas) is inspired by the form of certification established in Section 302 of the U.S. Sarbanes-Oxley Act.

approval of the half-yearly financial report or the formulation of the annual financial statements.

The other side of the model, that of internal control itself, is inspired by the leading framework described in the COSO report¹⁸, and is mainly focused on providing a reasonable level of security in achieving the goal of reliability of financial information.

One of the main characteristics of the ICFRS is that it attempts to ensure the quality of the financial information during each month of the year, and is not only limited to the periods corresponding to the annual or half-yearly close.

Another important characteristic of the model is that it extends the culture of internal control to all the organisations, both corporate and business, that significantly contribute to the generation of financial information, by personally assigning responsibility in the implementation and documentation of controls.

Based on materiality standards, the current scope of the ICFRS covers the entire boundary of the Iberdrola Group. More than 1,700 people from the Group's companies use the software application, both to document the evidence showing the implementation of more than 3,250 controls—which mitigate or manage more than 1,250 risks of error in the financial information deemed priority—and to monitor, analyse, adjust and evaluate the ICFRS.

All significant documentation regarding Iberdrola's ICFRS, for both the certification process and the internal control itself (including the description of the risks identifies, the design of controls, and evidence of implementation thereof), is stored in this software application. This means the internal control situation can be monitored in real time, permitting quick action regarding any deficiencies detected.

All of the above allows for the final result of the certification process, which is supported by the situation of internal control itself, to be reviewed by the Company's Board of Directors as one of the major guarantees of reliability in connection with the formulation of the annual and interim financial information.

8.2.2. Elements of the control environment

Responsibility for preparing financial information

The Board of Directors defines the organisational structure at the first level, whose heads, together with the Global Talent and Culture Division, implement the deployment within their respective purview.

For these purposes, each top-level division prepares a proposed organisational structure, including a description of the mission, duties and responsibilities of the

¹⁸ "Internal Control Integrated Framework" report of the "Committee of Sponsoring Organizations of the Treadway Commission".

various organisations deployed, which must subsequently be validated by the Global Talent and Culture Division, as well as by the Finance, Control and Corporate Development Division.

The main responsibility for preparing financial information lies with the Control Division, which proposes the structure of the heads of Control of the country subholding and head of business companies and deals with coordinating and supervising the conduct thereof.

Code of Ethics and whistleblower channel

The Iberdrola Group has had a regularly reviewed and updated “Code of Ethics” since 2002, applicable to all the directors, professionals and suppliers of the current companies of the Iberdrola Group and those that join the Group or fall within its boundary in the future.

The “Code of Ethics” is communicated and disseminated among the professionals of the Iberdrola Group’s companies in accordance with the plan approved annually for this purpose by the Company’s Compliance Unit, which provides for various initiatives in the area of training (both on-line and in-person) and communication, addressed to the various groups of professionals based on their exposure to compliance risks.

The principles of the “Code of Ethics” include “informative transparency”, understood as the dissemination of truthful, sufficient, useful and reliable information at all times. Pursuant to this principle and with respect to the financial information, and particularly the annual financial statements, the “Code of Ethics” establishes that the information shall reflect in all material respects a true and fair view of the assets, financial position and results as provided by law. For such purposes, no director, professional or supplier shall conceal or distort the information set forth in the accounting records and reports of the group’s companies, which shall be complete, accurate and truthful.

As such, a lack of honesty in the communication of information from Iberdrola’s boundary, whether within the Group (to professionals, subsidiaries, departments, internal bodies, and management decision-making bodies, among others) or externally (to auditors, shareholders and investors, regulatory bodies, and the media) is a breach of the “Code of Ethics”. This includes delivering incorrect information, organising it in an incorrect manner or seeking to confuse those who receive it.

The Company has established for the members of the management bodies of the Group’s companies, their professionals, their suppliers, as well as for other third parties provided for in applicable legal provisions, the duty to report any improper conduct or acts that are potentially illegal or contrary to law or to the Governance and Sustainability System, through the internal reporting system that is described in section 8.4.2 of this report.

Training and refreshers for personnel involved in the ICFRS

Training is key in the Company’s “People Management Policy” and is an essential element for new professionals to adapt themselves to the Iberdrola Group and for the

proper performance of their jobs, as well as to keep the group's professionals updated regarding any changes that occur within the group itself as well as the environment within which they do business.

As an example of the commitment to training, Iberdrola has a corporate campus with multiple training centres in various countries, including the International Corporate Campus in San Agustín del Guadalix (Madrid).

Specifically, the personnel directly or indirectly involved in the preparation and review of financial information and in the evaluation of the ICFRS, based on their different responsibilities, receive regular training on accounting standards, auditing, internal control and risk management, which is intended to give them the knowledge needed for the optimal performance of their duties as well as to anticipate, to the extent possible, the proper alignment of the Iberdrola Group's companies with future rules and best practices. Most of these courses are provided by outside entities: business schools, universities and consultants specialising in economic/financial matters.

These professionals also attend various conferences, symposia and seminars in the areas of accounting, tax and internal audit, at both the domestic and the international level.

8.2.3. Analysis and evaluation of financial information risks

The Internal Assurance of Financial Information department is responsible for developing, maintaining and updating the Group's internal control methodology based on the COSO report, providing specialised knowledge and developing support functions, endeavouring to ensure the consistency and homogeneity of the model within the Group, as well as the efficiency and effectiveness thereof.

Thus, the analysis and evaluation of financial information risks is based on an analysis of the consolidated financial information of the Group and of the various country subholding companies, the most significant accounting headings and notes are selected pursuant to quantitative (materiality) and qualitative (business risk and third-party visibility) standards:

- The headings and notes selected are grouped into management cycles or large processes in which the selected information is generated.
- The cycles are analysed and a high-level description of each of them is prepared as a means for identifying the potential risks of error in the financial information in relation to attributes like integrity, presentation, valuation, cut-off, recording and validity.
- The risks identified are subject to a process of assessment, selecting the most significant ones, applying professional judgement regarding a number of indicators (existence of documented processes and controls, intervention of systems that automate the process, occurrence of incidents in the past, familiarity with and maturity of the process, and need for the use of judgement to make estimates).

- The risks of fraud are not subject to explicit identification, although they are taken into account to the extent that they can generate material errors in the financial information.

Once the most significant risks have been selected and the main aspects to be controlled are identified, the controls required for the mitigation or management thereof are selected and/or designed, with these controls being subject to monitoring and documentation within the scope of the ICFRS.

The selected risks are reviewed at least annually within the framework of the assessment of the effectiveness of the internal control system performed by those responsible for it with the support and coordination of the Internal Assurance of Financial Information department. This review is intended to update the risks to the changing circumstances in which the Company operates, especially in the event of changes in the organisation, computer systems, regulation, products or market conditions, among other aspects.

The process of identifying risks of error in financial information takes into account the effects of other types of risk (operational, technological, legal, tax, reputational, environmental, etc.) to the extent that they significantly affect the financial statements. However, there is no express categorisation of such other types for the identification of financial information risks.

The corporate scope of the model takes into account the significance of each of the Group's companies in relation to the financial information it provides and is determined by the boundary of the Group at any time, which is updated on a monthly basis in a "Map of Companies". This map takes into account all of the companies in which the Company or any of its subsidiaries has an interest, regardless of the significance thereof, including those complex corporate structures or special purpose vehicles created or acquired following the approval of the Board of Directors, which might undermine the transparency of the Iberdrola Group due to their nature or location.

8.2.4. Control activities

Review and approval of financial information

The Board of Directors defines the process for preparing and approving the consolidated financial information¹⁹ of the Group and clearly determines the powers vested in the Audit and Risk Supervision Committee, as well as in the audit and compliance committees of the other companies of the Group through the "Iberdrola

¹⁹ "Consolidated financial information" means the information appearing in the consolidated annual financial statements, in the interim management statements corresponding to the results of Iberdrola and its consolidated group for the first and third quarter, and in the half-yearly financial report.

Group Financial Information Preparation Policy” that applies to all companies of the Group.

This policy provides that the financial information required for the preparation of the “consolidated financial information” must be prepared in accordance with the accounting standards established in the “Accounting Policies Handbook” and the models approved by the Control Division.

Said policy provides that the management decision-making body of each company is responsible for preparing its respective financial information and any information corresponding to the subsidiaries forming part of its subgroup that may be required to prepare the “consolidated financial information”.

Thus, the management decision-making bodies of the country subholding companies, following a report from their respective audit and compliance committees, and based on the information received from their subsidiaries, prepare and approve the financial information for consolidation corresponding to their subgroup, and once such information has been verified by their external auditor within the context of its review of the consolidated financial information, they send it to the Company's Control Division prior to the date indicated thereby, in order to prepare the consolidated financial information and submit it for formulation or approval by the Company's Board of Directors, as appropriate, after a report from the Audit and Risk Supervision Committee.

Additionally, the Audit and Risk Supervision Committee, with the support of the Internal Audit and Risk Division, performs a quarterly global review of the financial information, ensuring that the half-yearly financial reports and quarterly management statements are prepared using the same accounting standards as the annual financial reports, and verifies the proper definition of the scope of consolidation and the correct application of generally accepted accounting principles and of the IFRS.

As regards the description of the ICFRS to be published in this report, the procedure for the review and approval thereof is the same as the one used for all disclosures of an economic and financial nature in the annual corporate governance report.

Documentation of activities and controls

The documentation of the ICFRS includes high-level descriptions of the cycles that generate the selected relevant financial information, as well as detailed descriptions of the prioritised risks of error and of the controls designed for the mitigation or management thereof. The description of the controls includes the evidence to be obtained during the implementation thereof, which is necessary for their review.

This includes, as individualised cycles, both the accounting close processes at the businesses and the group of accounting close activities at the corporate level, the global consolidation process and the process of preparing the notes to the financial statements. This means that all of these activities are subject to the methodological process described in the section relating to risks.

Furthermore, the specific review of critical accounting judgements, estimates, valuations and relevant projections is subject to specific controls within the model, as

these types of issues involve risks of error in the various cycles in which they are made. The evidence of the specific controls is the support for such reviews in many cases.

IT system controls

The controls considered to mitigate or manage the risks of error in financial reporting include some relating to the most significant software applications, like the controls relating to user access permissions or those relating to the integrity of the transfer of information between applications, control of operations and change management.

In addition, the companies of the Group have internal control guidelines and procedures regarding IT systems in relation to the acquisition and development of software, the acquisition of systems infrastructure, the installation and testing of software, change management, service levels, third-party services, security of the systems and access thereto, incident management, and continuity of operations and segregation of functions.

These guidelines and procedures are applied to all IT systems that support the relevant processes of generation of financial information, and to the infrastructure required for the operation thereof.

The Iberdrola Group also has internal policies and rules to manage the risks associated with the use, ownership, operation, participation, influence and adoption of specific information technology or the processes for the management and control thereof. These include policies on information technology, cybersecurity risks and the responsible use of artificial intelligence algorithms, as well as rules on access management and data protection.

Thus, there is a model of general controls integrated within the risk management model that allows for a global evaluation of the risks related to information technology ("IT"). Both the risk model and the IT controls are based on market best practices and international market standards, like COBIT5, NIST, ISO and COSO. The evolution thereof over the long term is maintained by including the new needs arising from the changing regulatory compliance framework that applies to the IT systems and services, as well as the recommendations and guidelines of auditors and relevant third parties.

As part of the general IT controls model, there is a regular evaluation of the effectiveness of the information technology controls in the area of financial systems, adopting the appropriate measures if any incident is detected.

The frequency of the evaluation of the general IT controls is annual or biannual, depending on the nature of the control, and is performed using a principle of sampling of all of the relevant evidence in each case. The entire process of evaluating the IT controls is supported by a "GRC" (Governance, Risks and Compliance) system and is supervised annually by the Internal Audit and Risk Division.

On an annual basis, the heads of the IT systems of the Iberdrola Group certify the effectiveness of the internal controls established regarding the financial reporting

systems. This certification covers the relevant financial systems based on the scope of the external financial audit and the considerations of the Systems Division, the Internal Audit and Risk Division and the relevant business organisations within the boundary of the Iberdrola Group.

Controls regarding subcontracted activities

In general terms, the companies of the Iberdrola Group do not have significant functions subcontracted to third parties with a direct impact on financial information. The evaluations, calculations or assessments entrusted to third parties that could materially affect the financial statements are considered to be activities relevant to the generation of financial information leading to the identification of any priority risks of error, which involves the design of associated internal controls. These controls cover the internal analysis and approval of fundamental assumptions to be used, as well as the review of the evaluations, calculations or assessments made by outside parties, by comparing them to the calculations made internally.

8.2.5. Accounting update and information capture

The Accounting Practice Division, which reports to the Control Division, is responsible for defining and updating the accounting policies, as well as for resolving questions or conflicts arising from the interpretation thereof. On a quarterly basis, it publishes a bulletin that is broadly distributed within the Iberdrola Group regarding new accounting developments deriving from the IFRS, which includes updates on standards (standards that have entered into effect, published draft or proposed rules, standards issued, standards approved by the European Union) and accounting questions asked internally, together with the conclusions with respect thereto.

The Accounting Practice Division is also responsible for keeping the “Accounting Policies Handbook” continuously updated and ensuring the appropriate dissemination thereof. For this purpose, analyses whether the new developments or changes in the accounting area have an effect on the accounting policies of the Iberdrola Group’s companies, as well as the date of entry into force of each of the standards. The updated version of said handbook is internally available through a globally accessible application. Any change or upload of a document of the handbook generates an e-mail notice to all users.

In terms of capturing and preparing the financial information for the preparation of the main financial statements, the Company has a unified management consolidation tool (called BPC), which is accessible from all geographic areas and is largely integrated with the accounting systems. A large part of the information supporting the breakdowns and notes is included in the consolidation tool, with the rest being captured by homogeneously formatted spreadsheets, called reporting packets, that are prepared at least for the half-yearly and yearly close.

8.2.6. Effectiveness of the system and supervisory activities

The Audit and Risk Supervision Committee is supported, pursuant to the provisions of the “Basic Internal Audit Regulations”, by the Internal Audit and Risk Division, in

coordination with those other functions that have powers regarding the management, supervision and assurance of risks, in the performance of its powers regarding the internal control and risk management systems.

The Internal Audit and Risk Division hence objectively and independently supervises the effectiveness of the internal control system established at the Iberdrola Group level, which is made up of a set of risk management and control mechanisms and systems.

The Audit and Risk Supervision Committee's supervision of the ICFRS mainly includes:

- monitoring compliance with the certification process by the various persons responsible for financial information;
- reviewing the design and operation of the internal control system to evaluate the effectiveness thereof; and
- regular meetings with the external auditor, the Control Division, the Internal Audit and Risk Division and senior management to review, analyse and comment on the financial information, the boundary of companies that it covers and the accounting criteria applied, as well as any recommendations for improvement and significant weaknesses in internal control that have been identified and the action plans defined for their correction or mitigation.

For this purpose, the Internal Audit and Risk Division undertakes a review of the design and operation of the ICFRS, identifying deficiencies and preparing recommendations for improvement. This review is performed by applying a mixed model of selecting cycles based on risk and a minimum rotation of five years, which ensures at least one review of the entire ICFRS during this period.

In addition, on a half-yearly basis, the Internal Audit and Risk Division undertakes an independent review of the effectiveness of the most critical internal controls established to ensure the reliability of the financial information. Similarly, on a half-yearly basis, it reviews the financial information certification process.

The combination of regular reviews, together with the half-yearly reviews of the most critical controls, allows the Internal Audit and Risk Division to perform an evaluation of the ICFRS (both design and operation) and issue an opinion regarding its effectiveness, which it submits to the Audit and Risk Supervision Committee within the framework of their regular meetings, which, if applicable, adopts them and submits them to the Board of Directors.

On a supplementary basis, the parties responsible for preparing the financial information of each country subholding company, head of business company and corporate area engage in an annual process, coordinated by the Internal Financial Information Assurance department, of reviewing the design and operation of the ICFRS within their area of responsibility in order to evaluate the effectiveness thereof. The conclusions from this process, with respect to both the deficiencies identified (which are classified as high, medium or low, based on their potential impact on the financial information) and the action plans to fix them, are presented at an annual meeting of the Control Committee attended by the heads of Control of the Company

and of the various country subholding companies, the heads of the main corporate areas and of the Internal Audit and Risk Division. At this meeting, the Control Division issues an opinion regarding the effectiveness of the ICFRS within each of the different areas of responsibility, and globally for the entire Iberdrola Group. Thereafter, the most significant conclusions regarding the review, as well as its opinion regarding the effectiveness of the ICFRS, are submitted to the Audit and Risk Supervision Committee.

8.2.7. External auditor's report

The information on the ICFRS included in this report has not been subject to review by the external auditor as a matter of consistency with the preparation of the other content of the annual corporate governance report, for which only the accounting information is subject to review by the external auditor. Furthermore, it is believed that externally reviewing the information on the ICFRS sent to the markets would in a certain way be redundant, taking into account the review of internal control that the external auditor must perform in accordance with technical auditing standards within the context of the statutory audit of accounts.

8.3. Control and management of sustainability reporting risks

8.3.1. Scope and main features of the system

The internal control system of the Iberdrola Group takes as references the Three Lines Model published by the Institute of Internal Auditors and the "Internal Control Integrated Framework" (ICIF-2013) of the "Committee of Sponsoring Organizations of the Treadway Commission (COSO)", and more precisely, the specific guidance on sustainability reporting published in 2023 and entitled "Achieving Effective Internal Control over Sustainability Reporting (ICSR)".

The Company's Board of Directors, informed and advised by the Audit and Risk Supervision Committee is ultimately responsible for implementing and maintaining a proper and effective Internal Control over Sustainability Reporting System (hereinafter, "ICSRS").

The heads of the country subholding companies and of the head of business companies, together with their respective heads of sustainability (or whoever performs the functions thereof at each company), as well as the directors of the corporate areas, are in turn responsible for the design and implementation of the ICSRS, each within their scope of action. This responsibility is explicitly set forth in the certifications that said persons sign on an annual basis in relation to the sustainability information that they each prepare or consolidate.

The current scope of the ICSRS covers the entire boundary of the Iberdrola Group, involving more than 700 people from the Group's companies using the software application, both to document the evidence showing the implementation of more than 1,000 controls, designed to mitigate or manage more than 400 priority risks of error,

and to participate in the certification process or monitor, analyse, adjust and evaluate the ICSRS.

The culmination of the process is a joint certification that the executive chairman and the CFO submit to the Board of Directors upon the preparation of the statement of non-financial information - sustainability report.

8.3.2. Analysis and evaluation of sustainability information risks

The indicators are grouped into management cycles or large processes in which the information included in the statement of non-financial information - sustainability report is prepared. The cycles are analysed and a high-level description of each of them is recorded as a means for identifying the potential risks of error in relation to attributes like integrity, accuracy, presentation and validity.

The risks identified are subject to a process of assessment, selecting the most significant ones, applying professional judgement regarding a number of indicators (existence of documented processes and controls, intervention of systems that automate the process, occurrence of incidents in the past, familiarity with and maturity of the process, and need for the use of judgement to make estimates).

The selected risks are reviewed at least annually within the framework of the assessment of the effectiveness of the internal control system performed by those responsible for it with the support and coordination of the Internal Assurance of Sustainability Information department.

The main risks of error in sustainability information have been identified as related to the following aspects:

- The application of common standards to prepare the information by companies of the Group
- The use of estimates aligned with the standards established in the Group.
- The integrity of the information gathered, which must respect the boundaries established for each indicator.
- The accuracy of calculations, in accordance with the established standards.
- The inaccurate recording of data in the reporting tool.

To mitigate the aforementioned risks, a number of connected controls have been implemented that review the following issues:

- Existence and communication of applicable policies, procedures and standards in the sustainability reporting process.
- Documentation and approval at the proper level of hypotheses for estimates and extrapolations.
- Accuracy of information gathered and reconciliation of data obtained with external sources, such as suppliers, payments or invoicing.

- Accuracy of data recorded in the reporting tool.

There is also a model of general controls integrated within the risk management model that allows for a global evaluation of the risks related to information technology ("IT"), based on international standards such as COBIT5, NIST, ISO and COSO. As part of the general IT controls model, there is a regular evaluation of the effectiveness of the information technology controls in the area of sustainability systems.

8.3.3. Effectiveness of the system and supervisory activities

On an annual basis, the heads of the IT systems of the Group certify the effectiveness of the internal controls established regarding the sustainability reporting systems.

In turn, the various heads of sustainability at the country subholding and head of business companies, and those responsible for preparing the sustainability information at each country subholding company, head of business company and corporate area, review the design and operation of the ICSRS, drawing conclusions as to its effectiveness.

Furthermore, the Internal Audit and Risk Division conducts the independent supervision of internal control in support of the Audit and Risk Supervision Committee, identifying deficiencies and preparing recommendations for improvement.

The aforementioned Committee's supervision of the ICSRS mainly includes:

- Monitoring compliance with the certification process by the various persons responsible for sustainability information.
- Reviewing the design and operation of the internal control system to evaluate the effectiveness thereof.
- Regular meetings with the external auditor, the Finance, Control and Corporate Development Division, the Internal Audit and Risk Division and senior management to review, analyse and comment on the sustainable information, the boundary of companies that it covers and the accounting criteria applied, as well as any significant weaknesses in internal control that have been identified.

Specifically, the Finance, Control and Corporate Development and Internal Audit and Risk divisions independently send the Audit and Risk Supervision Committee conclusions on the effectiveness of the model within the framework of periodic meetings.

8.4. Compliance system

8.4.1. Scope and main features of the system

The Company aspires for its conduct and that of the persons connected to the companies of the Iberdrola Group to conform and adhere not only to applicable law

and its Governance and Sustainability System but also to the highest standards of ethics and social responsibility.

For this purpose, the Company fosters a preventive culture based on the principle of “zero tolerance” towards the commission of wrongful acts and any form of fraud or corruption.

For this purpose, the Board of Directors has approved the “Purpose and Values of the Iberdrola Group”, which sets out its *raison d’être*, comprises the ideological and axiological foundation of the business enterprise of the companies belonging to the Iberdrola Group, and governs its day-to-day activities. The content of the “Purpose and Values of the Iberdrola Group” is further developed and specified in the Company’s “Code of Ethics”, which is intended to serve as a guide for the conduct of the directors, professionals and suppliers of the companies of the Group.

In addition, in the exercise of its responsibility to prepare the strategy and approve the corporate policies of the Company, the Board of Directors has approved the “Compliance and Internal Reporting and Whistleblower Protection System Policy” and the “Anti-Corruption and Anti-Fraud Policy”.

All these rules form part of the Company’s Governance and Sustainability System, which is configured in the form of a true regulatory system, subject to continuous review and update in order to immediately conform to regulatory changes and to the most stringent international standards.

In this context, in order to achieve the highest international standards in this regard, “Iberdrola, S.A.” and each of the other companies of the Iberdrola Group have a compliance system that includes all the rules, formal procedures and substantive activities that are intended to ensure that each company acts in accordance with ethical principles, the law, and internal rules, and particularly their respective governance and sustainability systems, to contribute to the full realisation of the “Purpose and Values of the Iberdrola Group” and the corporate interest, and to prevent, manage and mitigate the risk of regulatory and ethical breaches that may be committed by the directors, professionals or suppliers thereof within the organisation.

The different bodies and divisions that are directly responsible for the implementation, development and supervision of the compliance system at each company also form part of that system. The fundamental elements of the compliance system for the companies of the Iberdrola Group are, on the one hand, the corresponding crime prevention programme and, on the other hand, the Company’s reporting system, which includes its respective internal channels so that potentially improper conduct or acts that are potentially illegal or contrary to law or to their respective internal rules can be reported.

In order to proactively and autonomously endeavour to ensure the implementation and effectiveness of the Company’s Compliance System, in 2012, the Board of Directors created the Compliance Unit of “Iberdrola, S.A.” as a collective permanent and internal body, configured in accordance with the highest standards of independence and transparency, and linked to the Sustainable Development Committee of the Board of Directors, pursuant to the provisions of its Governance

and Sustainability System, for which purpose it has broad powers, budgetary autonomy and independence of action.

Likewise, the board of directors of the Group's country subholding companies and head of business companies of their own compliance unit have created their own compliance units, which are particularly responsible for proactively and autonomously ensuring the implementation and effectiveness of the compliance system of their respective company. Since 2023, all of these compliance units have been chaired by prestigious independent jurists with expertise in the area of compliance.

Pursuant to the provisions of the Company's Governance and Sustainability System, these compliance units are linked to a consultative committee of their board with specific compliance duties, if one has been created, or to their board of directors if one has not. The duties of the aforementioned compliance units include promoting ethical conduct by all of their professionals, directors and suppliers, as well as proactively and autonomously overseeing the application and effectiveness of their companies' compliance systems, without prejudice to appropriate coordination that is implemented at Group level.

Pursuant to the provisions of the "Compliance and Internal Reporting and Whistleblower Protection System Policy", the operational foundations of the compliance system of the Group's companies have been established following the best domestic and international practices in terms of compliance, fraud prevention and the fight against corruption.

As part of these best practices, the Company has published a report on the transparency of the compliance system for the companies of the Iberdrola Group on the corporate website since 2022, providing details of the main actions, initiatives and measures developed, promoted and adopted by each of the compliance units of the Group's companies in the last financial year.

8.4.2. Elements of the system

Analysis and evaluation of risks

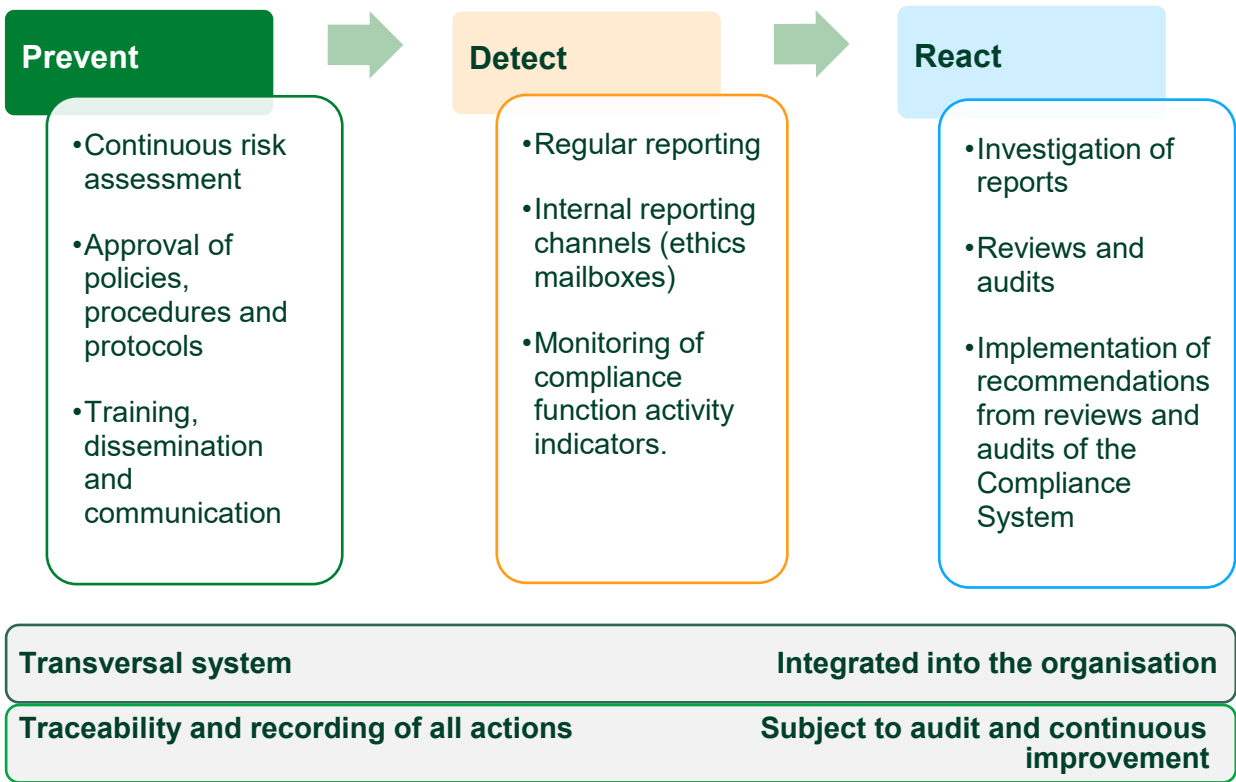
One of the main elements of the compliance system is the existence of a process of identification and periodic and continuous evaluation of compliance risks in each of the corporate functions and businesses of the Group's companies. The purpose of this evaluation is to be able to establish the necessary measures to neutralise or mitigate the risks depending on their likelihood and the seriousness or severity of their consequences.

The evaluation process relies on the involvement and collaboration of all businesses and corporate areas, as those ultimately responsible for the management of such risks, and it represents the starting point to determine the most effective prevention and control measures and permit the appropriate allocation of resources and efforts to those areas identified as having a greater potential risk.

This process is carried out by the various compliance units of the companies of the Group. All of the foregoing is in accordance with guidelines pre-established and defined by the Company's Compliance Unit, which each compliance unit adapts and

further develops in the context of its respective company in accordance with its specific purpose, activity and geographic location.

Elements of the Compliance System



Internal regulations

Once the risks have been identified and duly evaluated, each company is required to approve the necessary internal rules (policies, protocols or procedures) to guide its day-to-day activity and the conduct of the entire workforce that participates in the carrying out of its activity in any way, in order to prevent and mitigate the identified risks.

In this regard, as previously noted, the Company’s Board of Directors has approved (as an integral part of its Governance and Sustainability System) a range of internal compliance policies and rules, the main purpose of which is to serve as a guide for the conduct of its directors, professionals and suppliers in a global, complex and changing environment.

In addition, the Company’s Compliance Unit exercises its powers to approve those procedures and protocols of conduct that it deems necessary to further develop and truly implement them and to more specifically regulate certain identified risks. These rules must in all cases be in line with the provisions of the Company’s Governance and Sustainability System and conform to the best international compliance practices.

Training and communication

Training is one of the fundamental pillars of the compliance system of the Group's companies. The compliance units prepare their annual activities plan, in which they include specific ethics and compliance training actions, defined taking into account (i) the areas in which a higher level of risk has been identified, (ii) potential changes in applicable legal provisions and (iii) amendments that have been made to internal regulations.

Communication actions are established based on the evaluation of risks, strategic priorities, defined objectives and identified ethics and compliance needs. Various available tools and channels are used, with the most effective ones selected according to the particular features of each case.

Monitoring and evaluation of the system

The governance bodies of the Group's companies are responsible for monitoring the effective implementation of a compliance system at their respective companies. For this reason, the compliance units, through the corresponding compliance officer, periodically appear before their governance bodies to report on the most significant actions and initiatives implemented in relation to the management of the compliance system during the period.

The compliance systems are also subject to regular audits and reviews by the corresponding Internal Audit Division and by independent third parties, with the establishment of action plans required to adopt the proposed recommendations.

Internal Reporting System

The Company's internal reporting system (internal reporting channels) is one of the monitoring and supervision activities intended to establish detection and control mechanisms that allow for verification of the effectiveness of the preventive measures adopted, as well as to facilitate the continuous improvement of the Compliance System.

The Company has implemented an internal reporting system in accordance with "Law 2/2023 of 20 February regulating the protection of persons who report regulatory violations and the fight against corruption" (the "Whistleblower Act"), based on the principles established in the "Compliance and Internal Reporting and Whistleblower Protection System Policy" and in the "Code of Ethics".

The Company's Compliance Unit and the compliance units of the various companies of the Group are responsible for managing the internal reporting channels, and they delegate the corresponding management and processing powers to the respective compliance divisions in turn.

The internal reporting channels of the Group's companies are structured as tools made available to all shareholders, directors, professionals, suppliers and other third parties as established by law to report conduct that may involve the commission of an improper act or an act that is illegal or contrary to law or their respective internal rules.

Queries may also be made via these channels regarding the interpretation of and compliance with the “Code of Ethics” and regarding any compliance issue. All communications that are received through these internal channels are considered confidential information, and they can be anonymous in the case of whistleblowing.

The companies of the Iberdrola Group have established a duty for the members of their management bodies, their professionals, their suppliers, as well as for other third parties provided for in applicable legal provisions, to use the aforementioned internal channels to report any impropriety of which they are aware. This obligation is supported by a firm and express commitment not to adopt reprisals against those using the aforementioned internal channels, except in cases of bad faith.

These internal reporting channels, which permit anonymous whistleblowing, are available on the website of the companies of the Iberdrola Group and through the employee portal.

8.4.3. Effectiveness of the system

The regular review and evaluation of the compliance systems is one of their essential elements, and it is absolutely necessary to assess the effectiveness thereof.

For this purpose, the compliance units of the companies of the Group, through their compliance divisions, periodically appear before their governance bodies to report on the most significant actions and initiatives implemented in relation to the management of their respective compliance system during the period.

The Company’s Compliance Unit also periodically supervises the effectiveness of the Compliance System of the Group’s companies by reviewing the compliance key risk indicators (KRIs), as well as the effectiveness of the compliance units’ activities (KPIs).

Additionally, the Internal Audit Division, as an independent function, periodically audits the Compliance System, formalising a coordinated assurance approach that has three main lines of action: (i) internal audit activities plan; (ii) specific review of the areas of the compliance system; and (iii) collaboration in investigations and reports that might affect the internal control system.

Finally, the Company’s compliance system has external reviews and certifications and recognitions from independent third parties, such as:

- Certifications ISO 37001 “Anti-bribery management system” and UNE 19601 “Management system for criminal compliance”, issued by AENOR.
- External review by “Uría Menéndez Abogados, S.L.P.” of the effectiveness of crime prevention programmes implemented at the different Spanish companies of the Group.

The “Compliance Leader Verification” certification awarded by Ethisphere, the US entity that is a global leader in defining compliance best practices, which is granted to those companies that not only comply with applicable legal provisions but also prove the existence of an internal culture and leadership that promotes

ethical values in the course of their business. The Company and several country subholding companies of the Group have obtained this certification.

For several years, both the Company and Avangrid, the country subholding company in the United States of America, have been included in the “World’s Most Ethical Companies” ranking published by the aforementioned Ethisphere, which assesses the existence of an effective compliance system, the presence of an ethical culture at all levels of the organisation and across all of its activities, corporate governance and social responsibility.

9. External Audit

This section incorporates the report on the independence of the statutory auditor prepared by the Audit and Risk Supervision Committee, which is included in the annual corporate governance report in order to bring its publication forward without waiting for the call to the next General Meeting and to simplify the documentation made available to the shareholders.

9.1. Audit firm selection process

The Regulations of the Audit and Risk Supervision Committee establish that it is responsible for approving the statutory auditor contracting policy establishing the procedure for the selection and contracting of the Company's statutory auditor, the relations therewith, the circumstances that might affect the independence thereof and the instruments required to ensure the transparency of such relationship.

This Committee is therefore the body responsible for the procedure of selecting the Company's statutory auditor following the principles of independence, transparency and equality and in strict compliance with applicable law, based on the "Statutory Auditor Contracting and Relations Policy".

For such purposes, the Audit and Risk Supervision Committee approves a set of bid terms and conditions for all candidates invited to participate in the selection procedure, whereby they may become familiar with the activities of the Company and the characteristics and scope of the required services.

Once the bids submitted have been evaluated in accordance with the defined selection standards, the Audit and Risk Supervision Committee submits to the Board of Directors a report describing the selection process and recommending two candidates to serve as statutory auditor of the individual accounts of the Company and the accounts of the Company consolidated with those of its subsidiaries, indicating its preference for one of them and providing sufficient grounds therefore.

For its part, in view of the report, the Board of Directors proposes to the shareholders at the General Shareholders' Meeting the appointment of one of the two candidates selected by the Audit and Risk Supervision Committee, with the reasons for the proposal if it differs from the preference of the Committee.

The Governance and Sustainability System ensures the establishment of the required relations between the Audit and Risk Supervision Committee and the statutory auditor so that the former receives from the latter specific information regarding matters that might compromise the independence thereof.

9.2. Appointment of audit firm

The shareholders at the General Shareholders' Meeting held on 17 May 2024 resolved to re-elect "KPMG Auditores, S.L." as statutory auditor of "Iberdrola, S.A." and its consolidated group in order to carry out the audit for financial years 2024 and 2025.

9.3. Fees of audit firm

Set out below are the auditor's fees for financial year 2024 in thousands of euros:

Breakdown of fees for services	Company	Group companies	Total
Amount for audit work	3,695	23,156	26,851
Amount for non-audit work	2,169	2,387	4,556
Services for limited review of financial information	1,290	0	1,290
Other services	879	2,385	3,264
Total	5,864	25,543	31,407
Amount invoiced for non-audit work/Amount for audit work (in %)	58.70%	10.31%	16.97%

9.4. Statutory auditor independence report

At its meeting held on 24 February 2025, the Audit and Risk Supervision Committee approved the issuance and submission to the Board of Directors of the "Report on the independence of the statutory auditor of the Company and its consolidated group for financial year 2024", which content is summarised below.

In this respect, on an annual basis and prior to the audit report, the Audit and Risk Supervision Committee has the obligation to issue a report setting forth an opinion on the independence of the statutory auditor, which must include a reasoned assessment of all non-audit services (see Section 529 *quaterdecies*, subsection 4.(f) of the "Companies Act").

The reports on the independence of the external auditor by the audit committees of the country subholding companies and the statement of independence provided by "KPMG Auditores, S.L." were taken into account to prepare the opinion. In the statement of independence, the statutory auditor declared that it had sufficient and adequate internal measures to safeguard its independence.

During financial year 2024, the statutory auditor appeared on numerous occasions before the Audit and Risk Supervision Committee to report on various aspects of the audit, as described in section 6.1.7.(b) of this report, and it did not report any circumstances that would compromise its independence.

Reported below are the fees invoiced to the Iberdrola Group and to related entities with a relationship of significant influence but not of control, as a result of the provision of: (i) audit services, which amount to €768 thousand; (ii) audit-related services, amounting to €7 thousand; and (iii) other services, amounting to €176 thousand.

Included after this is a detailed list of the audit services, non-audit services and other additional services that "KPMG Auditores, S.L." provided to the Iberdrola Group in financial year 2024. In this regard, it provided various non-audit services, which are listed and described in the report, affirming that they did not compromise its

independence. It also provided additional services such as the review of non-financial information and advice on various processes, but did not identify any significant threats to its independence.

In addition, with regard to the term and rotation of the statutory auditor, the report states for the record that it was the eighth continuous year to date in which “KPMG Auditores, S.L.” audited the separate and consolidated annual financial statements of the Company, thus respecting the periods provided for by applicable law. This represents 25.80% of the number of years audited by the current audit firm as a percentage of the total number of years in which the separate and consolidated annual financial statements of the Company have been audited:

For its part, this was the third time that the lead auditor responsible for the audit work had signed the audit report, meaning that the maximum period of five years established in Section 40.1 of “Law 22/2015 of 20 July on Audit of Accounts” has not been exceeded either.

Finally, it was stated for the record that the two former employees of “KPMG Auditores, S.L.” who joined the Iberdrola Group in financial year 2024 had not been the lead auditors or been responsible for the audit of the Group’s accounts, had not had the status of statutory auditor, and had not participated in or had the ability to influence the final results of the audit work. As a result, the statutory auditor affirmed that the hiring of the aforementioned professionals did not violate any of the prohibitions established in legal provisions, and could not give rise to a threat that would compromise its independence.

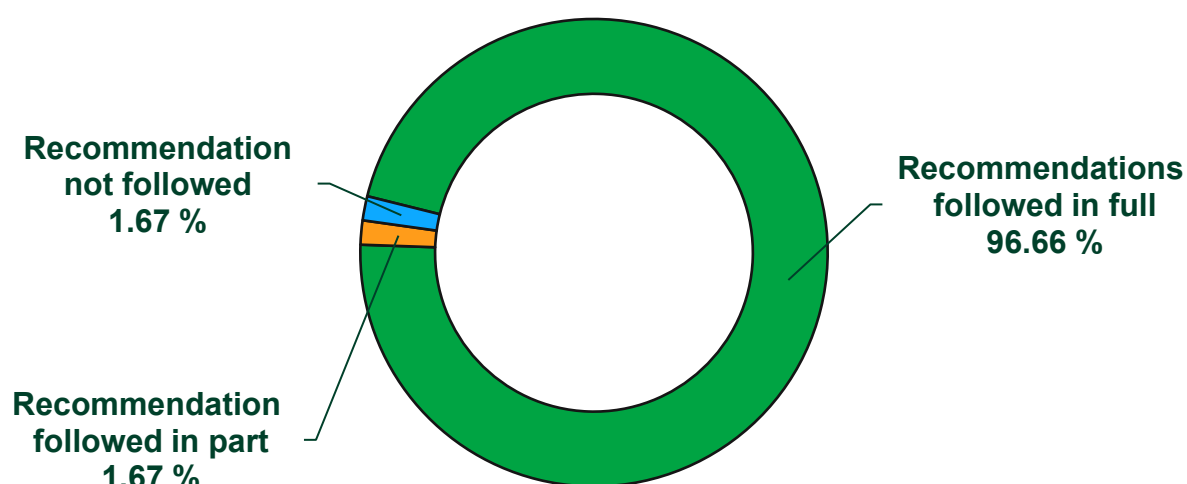
In light of the foregoing, the Audit and Risk Supervision Committee concluded in its report that the statutory auditor had performed its audit work with independence from the Company and its consolidated group during financial year 2024.

10. Degree of Compliance with Corporate Governance Recommendations

The CNMV's "Good Governance Code of Listed Companies" includes a total of 64 voluntary recommendations for listed companies in Spain.

In accordance with the "comply or explain" principle, listed companies must report their degree of compliance with the aforementioned code's recommendations through the annual corporate governance report and must explain their reasons for decisions not to apply the recommendations.

Degree of compliance with applicable recommendations



In 2024, the Company fully complied with all applicable recommendations of the aforementioned code with only two exceptions:

Recommendation 1

"That the articles of incorporation of listed companies should not limit the maximum number of votes that may be cast by one shareholder or contain other restrictions that hinder the takeover of control of the company through the acquisition of its shares on the market."

Position of the Company: recommendation not followed

Following the introduction of this recommendation, the "Companies Act" has undergone successive reforms intended to improve corporate governance and it continues to expressly contemplate the possibility of any listed company's by-laws setting the maximum number of votes that a single shareholder can cast.

At companies with a dispersed shareholder base such as this Company, shareholders may have very limited capacity to react against a potential shareholder owning a non-controlling interest and not reaching the threshold of 30% of share

capital requiring a takeover bid, but who seeks to act counter to the corporate interest.

Therefore, pursuant to the provisions of Sections 188 and 527 of the “Companies Act”, Article 30.2 of the “By-Laws” sets the maximum number of votes that a single shareholder may cast, establishing that no shareholder may cast a number of votes greater than those corresponding to shares representing 10% of the share capital.

This measure to protect shareholders has been in effect since 16 June 1990, the date of the General Shareholders’ Meeting at which it was resolved, by unanimous vote, to bring the “By-Laws” into line with the consolidated text of the “Companies Act” approved by Royal Legislative Decree 1564/1989 of 22 December.

The measure has remained unchanged through the successive reforms to the by-laws examined by the shareholders at a General Shareholders’ Meeting since then, showing the consensus that has existed from the outset, and it continues to offer additional bargaining power for the shareholders in the event of hostile offers or transactions.

Such voting limitation will be deprived of effect if the Company is subject to a takeover bid that is accepted by the percentage of share capital provided for in applicable law, for which reason it is in no case a barrier intended to prevent takeover bids.

Recommendation 64

“That payments for contract termination should not exceed an amount equivalent to two years of total annual remuneration and should not be paid until the company has been able to verify that the director has fulfilled all previously established criteria or conditions for payment.

For the purposes of this recommendation, payments for contractual termination will be considered to include any payments the accrual of which or the obligation to pay which arises as a consequence of or on the occasion of the termination of the contractual relationship between the director and the company, including amounts not previously vested of long-term savings schemes and amounts paid by virtue of post-contractual non-competition agreements.”

Position of the Company: recommendation partially followed

When the current executive chairman joined the Company in 2001, the Company included clauses in the contracts with its key officers providing for severance pay of up to five times annual salary in order to achieve an effective and sufficient level of loyalty. Although the treatment in effect for such officers was applied to him at that time, he would currently be entitled to two (2) times his annual remuneration as severance pay for instances in which a severance payment was required for termination of contract.

The chief executive officer is entitled to receive severance pay equivalent to two (2) times his annual remuneration in the event of termination of his relationship with the Company, provided that said termination is not due to a breach attributable to the

beneficiary or solely due to a voluntary decision thereof. This severance payment for termination of contract includes compensation for the commitment not to compete.

The contractual relationship with the executive chairman in any event establishes a duty not to compete with respect to companies and activities that are similar in nature to those of the Company during the term of his relationship with the Company, with a post-contractual non-compete provision that was expanded in 2023 from two years (from prior financial years) to three years, maintaining the compensation of two (2) times annual remuneration.

In the case of the chief executive officer, the obligation not to compete covers the term of the contract and for one year after the termination thereof. In compensation for this post-contractual commitment not to compete, he is entitled to compensation equal to one times annual his annual fixed remuneration, which is in any case included in the severance payment for termination of contract, if one exists.

The 64 recommendations of the CNMV's "Good Governance Code of Listed Companies" are transcribed in section 12 of this report, confirming full compliance with all other applicable recommendations.

Information on the "Corporate Tax Policy" and cooperation with the tax authorities

The Company has a "Corporate Tax Policy" that sets forth its tax strategy, based on ensuring compliance with applicable tax laws, on excellence and on the transparent application of good tax practices, insofar as the tax contribution of the Iberdrola Group's companies represents its main contribution to the maintenance of public offices and, therefore, one of its contributions to society.

The Company's "Corporate Tax Policy" contains certain basic principles applicable to all of the companies that make up the Iberdrola Group, without prejudice to recognition of the corporate autonomy of all of them and of a special framework of strengthened autonomy for listed country subholding companies and their subsidiaries so that they can establish an equivalent policy that must be in accord with such principles.

The Company publishes an annual report on the application of the "Corporate Tax Policy" in the preceding financial year, which describes aspects including cooperation with the tax authorities. The key progress made in this area is described below:

a) Spain

On 20 July 2010, the Company resolved to adhere to the "Code of Good Tax Practices" approved by the full Forum of Large Businesses (*Foro de Grandes Empresas*) established on 10 June 2009 at the behest of the National Tax Administration Agency (*Agencia Estatal de Administración Tributaria*).

Pursuant to the provisions of Sections 1 and 2 of the "Code of Good Tax Practices" and Sections 3 and 4 of the Company's "Corporate Tax Policy", the Company reports that it has complied with the text of said code as from the time of approval thereof.

In particular, it is reported that during financial year 2024, the Company's Global Tax Director appeared before the Audit and Risk Supervision Committee on 19 February

and 22 July to report on, among other issues, the level of compliance with the “Corporate Tax Policy”, which includes the good tax practices contained in the aforementioned code, all of which has been reported to the Board of Directors.

For its part, on 28 October 2016, the Forum of Large Businesses of the National Tax Administration Agency approved a proposal for the strengthening of good transparency practices consisting of the voluntary presentation of an annual tax transparency report for companies adhering to the “Code of Good Tax Practices”.

In this regard, the Company has been voluntarily submitting the aforementioned report since the launch of this initiative in 2016, having submitted the report for financial year 2023 on 24 October 2024.

The information on the presentation of this transparency report has been made public through the website of the National Tax Administration Agency. In addition, on 30 July 2024 the Company received a letter from the Central Delegation of Large Taxpayers of the Spanish Tax Administration Agency certifying the submission of the report for financial year 2022, and which highlighted the tremendous willingness and availability offered in voluntarily sending information and thanking it for the transparency provided.

Furthermore, at the Plenary Session of the Forum of Large Businesses, held on 8 June 2023, a proposal relating to the voluntary submission of documentation on related-party transactions within the framework of the “Code of Good Tax Practices” was passed.

In this respect, in accordance with the provisions established by the tax authorities, on 25 January 2024 the Company voluntarily submitted the aforementioned related-party transaction documentation for financial year 2022, in due time and in the appropriate form.

The voluntary submission of both the annual tax transparency report for companies adhering to the “Code of Good Tax Practices” and the documentation on related-party transactions embodies the highest expression of voluntary transparency with the Spanish tax authorities, and it confirms Iberdrola’s commitment at the Group level to a cooperative relationship as a distinguishing factor and a foundation of good corporate tax practices.

b) Other countries

The Company promotes a cooperative relationship at all of the groups forming part of Iberdrola, through the different formulas that each country has implemented, provided that such implementation has occurred.

As a member of the group of large taxpayers in the United Kingdom, the Scottish Power group actively participates in the collaborative relationship programme with “His Majesty’s Revenue and Customs” (HMRC), based on the figure of a “Client Relationship Manager” (CRM) as the liaison between the tax authorities and the taxpayer, and on the annual rating of the taxpayer’s risk profile. In this regard, in its latest risk review, HMRC certified that the activities of the Scottish Power group represent a low risk.

For its part, the Neoenergia group is a member of the “Receita Federal” programme. As part of the collaboration framework, Neoenergia voluntarily participates in a project to establish new parameters for the interaction between taxpayers and the tax authorities, focusing on voluntary cooperation and mutual trust, called the “Programa de Conformidade Fiscal Cooperativa” (Confia).

The Iberdrola Group also adheres to the “Code of Good Tax Practices” and is part of the “Fórum de Grandes Empresas de Portugal”, participates in the “Relation de confiance” enhanced cooperation programme with the French tax authorities, and is within the scope of the “Combined Assurance Review” of the Australian Taxation Office (ATO) in Australia.

11. Reconciliation with the CNMV Reporting Model

To facilitate the reading of this annual corporate governance report and its comparability with those corresponding to previous financial years, which were prepared in the report template of the CNMV, included below is a table setting out the correspondence between each section of this document and those of such template:

Sections of this report	Corresponding sections of previous reports (CNMV format)
1	New content not available in previous reports
2	New content not available in previous reports
3.1	New content not available in previous reports
3.2.1	New content not available in previous reports
3.2.2	New content not available in previous reports
4.1	A.1, A.14
4.1.1	A.8, A.10, A.12, A.13
4.1.2	A.9, A.10
4.2.1	A.2, A.4, A.5, A.6, A.8, D.7
4.2.2	A.3
4.2.3	A.7, A.8, A.11, C.1.38
4.3.1	New content not available in previous reports
4.3.2	C.1.30
5.1	B.1, B.2, B.3, B.6, B.7, B.8
5.2.1	New content not available in previous reports
5.2.2	B.4, B.5
5.2.3	A.13
5.2.4	New content not available in previous reports
6.1.1	C.1.1, C.1.2, C.1.3, C.1.9, C.1.10, C.1.15, C.1.20, C.1.21, C.1.23, C.1.29
6.1.2	C.1.5, C.1.11, C.1.12, C.1.16, C.1.36, C.1.37
6.1.3	C.1.19, C.1.22, C.1.24, C.1.35
6.1.4	New content not available in previous reports
6.1.5	C.1.35

Sections of this report	Corresponding sections of previous reports (CNMV format)
6.1.6	C.1.25, C.1.26,
6.1.7	C.1.6, C.1.7, C.1.9, C.2.1, C.2.3
6.1.8	C.1.17, C.1.18
6.2	C.1.14
6.3	C.1.13, C.1.14, C.1.39
7.1	D.1, D.2, D.3, D.5, D.6
7.2	D.4
8.1.1	E.1, E.6
8.1.2	E.2
8.1.3	E.3
8.1.4	E.4
8.1.5	E.5
8.2.1	C.1.27, F.6
8.2.2	F.1.1, F.1.2,
8.2.3	F.2
8.2.4	F.3.1, F.3.2, F.3.3, F.4.1, F.4.2
8.2.5	F.5
8.3	New content not available in previous reports
8.4	New content not available in previous reports
9	C.1.28, C.1.30, C.1.31, C.1.32, C.1.33, C.1.34
10	G, H
11	New content not available in previous reports
12	A.1, A.3, A.7, A.8, A.9, A.11, A.14, B.4, B.5, B.6, C.1.1, C.1.2, C.1.3, C.1.4, C.1.11, C.1.12, C.1.13, C.1.14, C.1.15, C.1.21, C.1.23, C.1.25, C.1.26, C.1.27, C.1.29, C.1.31, C.1.32, C.1.33, C.1.34, C.1.35, C.1.39, C.2.1, C.2.2, D.2, D.3, D.4, D.5 and G

12. Statistical Annex

Although this report has been prepared in free format, it must in any event be submitted together with a statistical annex that includes the information established in the following sections, which are transcribed verbatim, complying with the requirements of universal accessibility applied throughout this document.

A. Ownership structure

- A.1.** Complete the following table on share capital and the attributed voting rights, including those corresponding to shares with a loyalty vote as of the closing date of the year, where appropriate:

Indicate whether company bylaws contain the provision of double loyalty voting:

Yes	No
Not selected	Selected

Date of last change	Share capital (€)	Number of shares	Number of voting rights
26/07/2024	4,773,188,250.00	6,364,251,000	6,364,251,000

Indicate whether there are different classes of shares with different associated rights:

Yes	No
Not selected	Selected

- A.2.** List the company's significant direct and indirect shareholders at year end, including directors with a significant shareholding:

Name or company name of shareholder	% voting rights attached to the shares including loyalty votes (direct)	% voting rights attached to the shares including loyalty votes (indirect)	% of voting rights through financial instruments (direct)	% of voting rights through financial instruments (indirect)	% of total voting rights
BlackRock, Inc.	0.00	6.49	0.00	0.13	6.62
Qatar Investment Authority	0.00	8.69	0.00	0.00	8.69

Name or company name of shareholder	From the total % of voting rights attached to the shares, indicate, where appropriate, the % of the additional votes attributed corresponding to the shares with a loyalty vote (direct)	From the total % of voting rights attached to the shares, indicate, where appropriate, the % of the additional votes attributed corresponding to the shares with a loyalty vote (indirect)
BlackRock, Inc.	0.00	0.00
Qatar Investment Authority	0.00	0.00

Breakdown of the indirect holding:

Name or company name of the indirect owner	Name or company name of the direct owner	% of voting rights attached to the shares	% of voting rights through financial instruments	% of total voting rights
BlackRock, Inc.	BlackRock Group	6.49	0.13	6.62
Qatar Investment Authority	Qatar Holding LLC	6.26	0.00	6.26
Qatar Investment Authority	DIC Holding LLC	2.43	0.00	2.43

A.3. Give details of the participation at the close of the fiscal year of the members of the board of directors who are holders of voting rights attributed to shares of the company or through financial instruments, whatever the percentage, excluding the directors who have been identified in Section A.2 above:

Name or company name of director	% voting rights attached to shares (including loyalty votes): Direct	% voting rights attached to the shares (including loyalty votes): Indirect	% of total voting rights	From the total % of voting rights attached to the shares, indicate, where appropriate, the % of the additional votes attributed corresponding to the shares with a loyalty vote: Direct	From the total % of voting rights attached to the shares, indicate, where appropriate, the % of the additional votes attributed corresponding to the shares with a loyalty vote: Indirect
Mr José Ignacio Sánchez Galán	0.18	0.06	0.25	0.00	0.00
Mr Armando Martínez Martínez	0.00	0.00	0.00	0.00	0.00
Mr Juan Manuel González Serna	0.00	0.01	0.01	0.00	0.00
Mr Anthony L. Gardner	0.00	0.00	0.00	0.00	0.00

Name or company name of director	% voting rights attached to shares (including loyalty votes): Direct	% voting rights attached to the shares (including loyalty votes): Indirect	% of total voting rights	From the total % of voting rights attached to the shares, indicate, where appropriate, the % of the additional votes attributed corresponding to the shares with a loyalty vote: Direct	From the total % of voting rights attached to the shares, indicate, where appropriate, the % of the additional votes attributed corresponding to the shares with a loyalty vote: Indirect
Mr Ángel Jesús Acebes Paniagua	0.00	0.00	0.00	0.00	0.00
Mr Iñigo Víctor De Oriol Ibarra	0.02	0.00	0.02	0.00	0.00
Mr Manuel Moreu Munaiz	0.00	0.00	0.00	0.00	0.00
Mr Xabier Sagredo Ormaza	0.00	0.00	0.00	0.00	0.00
Ms Sara de la Rica Goiricelaya	0.00	0.00	0.00	0.00	0.00
Ms Nicola Mary Brewer	0.00	0.00	0.00	0.00	0.00
Ms Regina Helena Jorge Nunes	0.00	0.00	0.00	0.00	0.00
Ms María Ángeles Alcalá Díaz	0.00	0.00	0.00	0.00	0.00
Ms Isabel García Tejerina	0.00	0.00	0.00	0.00	0.00
Ms Ana Colonques García-Planas	0.00	0.00	0.00	0.00	0.00

Total percentage of voting rights held by the Board of Directors

0.28

Breakdown of the indirect holding:

Name or company name of director	Name or company name of the direct owner	% voting rights attached to the shares (including loyalty votes)	% of voting rights through financial instruments	% of total voting rights	From the total % of voting rights attached to the shares, indicate, where appropriate, the % of the additional votes attributed corresponding to the shares with a loyalty vote
-	-	-	-	-	-
-	-	-	-	-	-

List the total percentage of voting rights represented on the board.

Total percentage of voting rights held by the board of directors
0.28

- A.7.** Indicate whether the company has been notified of any shareholders' agreements that may affect it, in accordance with the provisions of Sections 530 and 531 of the Spanish Companies Act (Ley de Sociedades de Capital). If so, describe them briefly and list the shareholders bound by the agreement:

Yes	No
Not selected	Selected

Indicate whether the company is aware of any concerted actions among its shareholders. If so, provide a brief description:

Yes	No
Not selected	Selected

If any of the aforementioned agreements or concerted actions have been amended or terminated during the year, indicate this expressly:

- A.8.** Indicate whether any individual or company exercises or may exercise control over the company in accordance with Article 5 of the Securities Market Act. If so, identify them:

Yes	No
Not selected	Selected

A.9. Complete the following table with details of the company's treasury shares:

At the close of the year:

Number of direct shares	Number of indirect shares	Total percentage of share capital
90,376,098	0	1.42

The number of indirect shares, via:

Name or company name of direct shareholder	Number of direct shares
No data	0

A.11. Estimated float

% estimated float
82.99

A.14. Indicate whether the company has issued shares that are not traded on a regulated EU market.

Yes	No
Not selected	Selected

B. General Shareholders' Meeting**B.4.** Give details of attendance at General Shareholders' Meetings held during the reporting year and the two previous years:

Date of general meeting	% physical presence	% present by proxy	% distance voting: electronic voting	% distance voting: others	Total
17/06/2022	0.22	49.95	1.82	20.14	72.13
Of which float:	0.07	41.28	1.80	20.14	63.29
28/04/2023	8.93	40.74	1.77	20.53	71.97
Of which float:	0.18	37.28	1.77	20.53	59.76

Date of general meeting	% physical presence	% present by proxy	% distance voting: electronic voting	% distance voting: others	Total
17/05/2024	8.87	41.67	1.96	23.02	75.52
Of which float:	0.25	38.60	1.96	22.84	63.65

B.5. Indicate whether any point on the agenda of the General Shareholders' Meetings during the year was not approved by the shareholders:

Yes	No
Not selected	Selected

B.6. Indicate whether the articles of incorporation contain any restrictions requiring a minimum number of shares to attend General Shareholders' Meetings, or to vote remotely:

Yes	No
Not selected	Selected

C. Structure of the company's administration

C.1. Board of Directors.

C.1.1. Maximum and minimum number of directors established in the articles of incorporation:

Maximum number of directors	Minimum number of directors	Number of directors set by the general meeting
14	9	14

C.1.2. Complete the following table on Board members:

Name or company name of director	Representative	Category of director	Position on the board	Date first appointed	Date of last appointment	Election procedure
Mr José Ignacio Sánchez Galán	-	Executive	Chair	21/05/2001	28/04/2023	Resolution of Shareholders at General Meeting
Mr Armando Martínez Martínez	-	Executive	Chief Executive Officer	25/10/2022	28/04/2023	Resolution of Shareholders at General Meeting
Mr Juan Manuel González Serna	-	Independent	1 st Vice-Chair	31/03/2017	18/06/2021	Resolution of Shareholders at General Meeting
Mr Anthony L. Gardner	-	Independent	2 nd Vice-Chair	13/04/2018	17/06/2022	Resolution of Shareholders at General Meeting
Mr Ángel Jesús Acebes Paniagua	-	Independent	Lead independent director	20/10/2020	18/06/2021	Resolution of Shareholders at General Meeting
Mr Iñigo Víctor De Oriol Ibarra	-	Other external	Director	26/04/2006	17/05/2024	Resolution of Shareholders at General Meeting
Mr Manuel Moreu Munaiz	-	Independent	Director	17/02/2015	28/04/2023	Resolution of Shareholders at General Meeting
Mr Xabier Sagredo Ormaza	-	Independent	Director	08/04/2016	28/04/2023	Resolution of Shareholders at General Meeting
Ms Sara de la Rica Goiricelaya	-	Independent	Director	29/03/2019	28/04/2023	Resolution of Shareholders at General Meeting
Ms Nicola Mary Brewer	-	Independent	Director	02/04/2020	17/05/2024	Resolution of Shareholders at General Meeting
Ms Regina Helena Jorge Nunes	-	Independent	Director	02/04/2020	17/05/2024	Resolution of Shareholders at General Meeting

Name or company name of director	Representative	Category of director	Position on the board	Date first appointed	Date of last appointment	Election procedure
Ms María Ángeles Alcalá Díaz	-	Independent	Director	26/10/2021	17/06/2022	Resolution of Shareholders at General Meeting
Ms Isabel García Tejerina	-	Independent	Director	16/12/2021	17/06/2022	Resolution of Shareholders at General Meeting
Ms Ana Colonques García-Planas	-	Independent	Director	17/12/2024	17/12/2024	Interim appointment (co-option)

Total number of directors
14

Indicate any cessations, whether through resignation or by resolution of the general meeting, that have taken place in the Board of Directors during the reporting period:

Name or company name of director	Category of the director at the time of cessation	Date of last appointment	Date of cessation	Specialised committees of which he/she was a member	Indicate whether the director left before the end of his or her term of office
Ms María Helena Antolín Raybaud	Other external	28/04/2023	17/12/2024	Appointments Committee	Yes

C.1.3. Complete the following tables on the members of the Board and their categories:

Executive directors

1. Name or company name of director:

Mr José Ignacio Sánchez Galán

- **Post in organisation chart of the company:**

Executive chairman

- **Profile:**

Salamanca, Spain, 1950.

Other current positions and professional activities:

Chairman of the boards of directors of the Iberdrola Group's country subholding companies in the United Kingdom (Scottish Power), the United States of America (Avangrid) and Brazil (Neoenergia, a company listed on the BOVESPA).

Member of the group of top utility executives of the World Economic Forum (Davos), as well as a member of the European Round Table for Industry (ERT), of the Global Leadership Council of UNICEF's Generation Unlimited, of the Renewable Hydrogen Coalition and of the J.P. Morgan International Council. In Spain, he is a member of the Círculo de Empresarios Vascos, the Círculo de Empresarios (Madrid), the Círculo de Economía and the Asociación para el Progreso de la Dirección (APD).

Trustee of Fundación Princesa de Asturias, Fundación Carolina, Fundación Universitaria Comillas-ICAI, Fundación Conocimiento y Desarrollo, Real Instituto Elcano and Museo Nacional del Prado.

Academic training:

Industrial engineer with a degree from the Escuela Superior de Ingeniería (ICAI) of Universidad Pontificia Comillas (Madrid) and degrees in Business Administration and Foreign Trade from ICADE (Madrid) and in General Corporate Management and Foreign Trade from Escuela de Organización Industrial (EOI) in Madrid.

A recipient of honorary doctorate degrees from the universities of Salamanca, Comillas (Madrid), Edinburgh and Strathclyde (Glasgow), he has been on the faculty of Escuela Técnica Superior de Ingeniería (ICAI) and is currently a visiting professor at the University of Strathclyde, chairman of the Social Council of Universidad de Salamanca, and a member of the Presidential Advisory Council of the Massachusetts Institute of Technology (MIT).

Noteworthy experience in the energy and industrial engineering sector:

He has served as chief operating officer of "Industria de Turbo Propulsores, S.A." (ITP) and as chairman of the European aerospace consortium Eurojet (Germany). He has held various positions at "Sociedad Española del Acumulador Tudor, S.A." (now, Exide Group, engaged in the manufacture and sale of batteries). Between 2014 and 2016 he chaired the electricity group of the World Economic Forum (Davos).

Noteworthy experience in other industries:

In the telecommunications industry, he has been chief executive officer of "Airtel Móvil, S.A." (now, "Vodafone España, S.A.U."), and in the food industry, a member of the Supervisory Board of "Nutreco Holding N.V.", a listed company in The Netherlands, and a founding member and director of the Matarromera Group (Spain).

Some recognitions:

- Chosen by Time magazine as one of the 100 most innovative global leaders in the fight against climate change in 2023.
- Award for Best Business Leadership in Energy Transition by El Periódico de la Energía and considered Best Chief Executive Officer of European electricity utilities, for the twelfth time, according to the Institutional Investor Research Group in 2023.
- José Echegaray Award from Ecoprensa given to international personalities who have most contributed to promoting the liberal spirit and ideology in 2023.
- Management Leadership Award (Spanish Association for Quality) and Business Career Award (El Economista) in 2020.
- Recognised as one of the five Best-Performing CEOs in the World and the top in the utilities sector (Harvard Business Review), and as one of the 30 most influential leaders in the fight against climate change (Bloomberg) in 2019.
- National Innovation and Design Award in the Innovative Career category (Spanish Ministry of Science, Innovation and Universities), Honourable Mention for his professional career (Official Industrial Engineers Association), designation as Universal Spaniard (Fundación Independiente), and León Award for his business management (El Español) in 2019.
- Honorary Member of the Spanish Institute of Engineering (2018).
- Appointed by Queen Elizabeth II as a Commander of the Most Excellent Order of the British Empire and recipient of the international Responsible Capitalism Award (First Group) in 2014.
- Best CEO of European utilities and of Spanish listed companies in investor relations (Thomson Extel Survey) in 2011.
- Business Leader of the Year Award (Spain-U.S. Chamber of Commerce) and recipient of the International Award for Economics (Fundación Cristóbal Gabarrón) in 2008.
- Best CEO of the Year (Platts Global Energy Awards) in 2006.
- Best CEO in Investor Relations (IR Magazine) in 2005, 2004 and 2003.

2. Name or company name of director:

Mr Armando Martínez Martínez

• Post in organisation chart of the company:

Chief Executive Officer

• Profile:

Miranda de Ebro, Spain, 1968.

Academic training:

Degree in industrial engineering (with a major in electricity) from Universidad de Valladolid (Spain) and a diploma in Company Management from Instituto Panamericano de Alta Dirección de Empresa, IPADE Business School.

Noteworthy experience in the energy and industrial engineering sector:

He has spent most of his professional career at the Iberdrola Group and has more than 25 years' experience in the energy industry. In 1997 he joined Iberdrola as director of the Santurce (Biscay) thermal power plant. From 2000 to 2014 he worked at Iberdrola México, first as director of Generation, and from 2011 onwards, as general director of that Mexican company. In July 2014 he was appointed as general director of the Global Liberalised Business. From February 2016 to October 2021, he held the position of director of the Networks Business. In October 2021 he was appointed as Business CEO, effective from 1 November 2021, with overall responsibility for all businesses at the global level.

He has chaired the boards of directors of Iberdrola España, "Iberdrola Redes España, S.A." (Sociedad Unipersonal), "Scottish Power Energy Networks Holdings Ltd.", "Avangrid Networks, Inc.", "Neoenergia Distribuição Brasília S.A.", "Iberdrola Clientes, S.A." (Sociedad Unipersonal), of "Scottish Power Retail Holdings Ltd.", Iberdrola México and "Iberdrola México Energía S.A. de C.V."

Total number of executive directors	Percentage of Board
2	14.29

External proprietary directors

Name or company name of director	Name or company name of the significant shareholder represented by the director or that nominated the director	Profile
No data	-	-

External independent directors

1. Name or company name of director:

Mr Juan Manuel González Serna

• Profile:

Madrid, Spain, 1955.

Other current positions and professional activities:

He is chairman of the patrimonial company "GSU Found, S.L." and of the company "Tuero Medioambiente, S.L.".

He is also a director of “Profesionales de la Medicina y de la Empresa, S.A.”, of “Hommingcloud, S.L.”, of “Biotecnología Forestal Aplicada, S.L.” and of “Digital Cinegetics, S.L.”.

He is a founding trustee and chairman of Fundación González Serna Urbán, chairman of the Sustainability Committee of the Spanish Commercial Coding Association (*Asociación Española de Codificación Comercial*) (AECOC), honorary chairman of the Family Business Association of Castile and León (*Asociación Empresa Familiar de Castilla y León*), and a trustee of Fundación Casa Ducal de Medinaceli.

Academic training:

He has a degree in Law, Economics and Business Studies from the Instituto Católico de Administración y Dirección de Empresas (ICADE) of the Universidad Pontificia Comillas (Madrid) and a Master's in Business Administration (MBA) from the Escuela de Dirección del Instituto de Estudios Superiores de la Empresa (IESE Business School) of the University of Navarra in Barcelona.

Noteworthy experience in the energy and industrial engineering sector:

He has been lead independent director of “Iberdrola, S.A.” and independent director of the Iberdrola Group's country subholding company in Spain, “Iberdrola España, S.A.”, and of “Iberdrola Renovables, S.A.”, as well as chair of the Appointments and Remuneration Committee of the latter company.

Noteworthy experience in other industries:

In 1991, together with his spouse, Lucía Urbán, he founded Grupo SIRO, now Cerealto, of which he was chairman for 31 years.

He also has extensive experience in the financial and venture capital industry: currently a member of the Advisory Board of CaixaBank de Castilla y León, and has been an advisory director of Rabobank in Spain and Europe, a director of “CO2 Revolution, S.L.” of “Banco Urquijo Sabadell Banca Privada, S.A.” and of “Sociedad para el Desarrollo Industrial de Castilla y León, Sociedad de Capital Riesgo, S.A.” (SODICAL, now “Ade Capital Social, Sociedad de Capital Riesgo de Régimen Común, S.A.”).

He has also been a member of the Executive Committee and a trustee of Fundación SERES.

2. Name or company name of director:

Mr Anthony L. Gardner

• Profile:

Washington D.C., United States of America, 1963.

Other current positions and professional activities:

Executive adviser to “Brookfield Asset Management Ltd.”, senior adviser to “Brunswick Group, LLP” and member of the advisory boards of the Centre for European Reform, the European Policy Centre and the Ditchley Park Foundation. He is also a senior fellow of the German Marshall Fund and a member of The Trilateral Commission.

Academic training:

He studied Government at Harvard University and International Relations at the University of Oxford.

He holds a Juris Doctor degree from Columbia Law School and a Masters in Finance from London Business School.

Noteworthy experience in the energy and industrial engineering sector:

He has been a member of the Sustainable Development Committee of “Iberdrola, S.A.”. He has also been an independent director of the Iberdrola Group’s country subholding company in the United Kingdom (Scottish Power) and a member of that company’s Audit and Compliance Committee.

Noteworthy experience in other industries:

He was the US ambassador to the European Union from 2014 to 2017. Prior to that appointment, for six years he was the managing director at Palamon Capital Partners, a private equity firm based in London. He was also the director of one of the finance departments of Bank of America and of GE Capital, as well as director in the international acquisitions group of GE International. He has worked as an attorney at international law firms in London, Paris, New York and Brussels.

He has dedicated more than twenty years of his career to US-European affairs, as a government official, lawyer and investor. As Director for European Affairs on the National Security Council (1994-1995), he worked closely with the US Mission to the European Union to launch the New Transatlantic Agenda.

He previously worked with the Treuhandanstalt (German Privatisation Ministry) in Berlin, the Stock Exchange Operations Committee in Paris and as secondee for the European Commission in Brussels.

He is the author of “A New Era in SU-EU Relations?: The Clinton Administration and the New Transatlantic Agenda”, “Stars with Stripes: The Essential Partnership between the United States and the European Union” and several articles related to the European Union.

He has been a director of “Brookfield Business Partners L.P.”, as well as a senior advisor of the law firm “Sidley Austin LLP”, and of the Bill & Melinda Gates Foundation.

3. Name or company name of director:

Mr Ángel Jesús Acebes Paniagua

- **Profile:**

Ávila, Spain, 1958

Other current positions and professional activities:

Founding partner and member of the board of directors of “MA Abogados Estudio Jurídico, S.L.P.”, sole director and professional partner of “Doble A Estudios y Análisis, S.L.P.”, managing partner of “Michavila Acebes Abogados, S.L.P.”, as well as a trustee of Fundación para el Análisis y Estudios Sociales (FAES) and of Fundación España Constitucional.

Academic training:

Degree in Law from Universidad de Salamanca.

Noteworthy experience in the energy and industrial engineering sector:

As a lawyer, he has advised companies in the energy and the industrial and technology sectors, among others.

From 2012 to 2019 he was an independent director of “Iberdrola, S.A.”, and during part of that period, he was a member of its Executive Committee and of its Appointments Committee.

After the IPO flotation of “Bankia, S.A.”, he was a director of “Banco Financiero y de Ahorros, S.A.”, acting as chairman of its Audit and Compliance Committee. Through these positions, he dealt with BFA’s investee companies operating in the energy and industrial and technological sectors.

He also has significant knowledge of the regulatory area due to his work as a member of the Council of Ministers of the Government of Spain, a senator and a national deputy.

Noteworthy experience in other industries:

He served on the board of “Caja Madrid Cibeles, S.A.”, which manages the investments of Grupo Caja Madrid in other companies with activities in the financial and insurance sectors, as well as the retail banking sector outside of Spain, and as a trustee of Fundación Universitaria Teresa de Ávila.

In the institutional arena, he was Minister for Public Administrations, Minister of Justice, and Minister of the Interior of the Spanish Government.

4. Name or company name of director:

Mr Manuel Moreu Munaiz

- **Profile:**

Pontevedra, Spain, 1953.

Other current positions and professional activities:

Chairman of “Seaplace, S.L.” as well as sole director of “Heath Wind, S.L.” “H.I. de Iberia Ingeniería y Proyectos, S.L.” and “Howard Ingeniería y

Desarrollo, S.L.” He is also the chairman of “Tubacex, S.A.” and a member of its Strategy and Monitoring Committee.

Professor of the Master’s Programme in Oil at Universidad Politécnica de Madrid (ETSIM), of the Maritime Master’s Programme of Instituto Marítimo Español, and of Universidad Pontificia Comillas, and member of the Spain Committee of Lloyd’s Register EMEA.

Academic training:

Doctorate in naval engineering from Escuela Técnica Superior de Ingenieros Navales (ETSIN) of the Universidad Politécnica de Madrid, and Master’s degree in Oceanic Engineering from the Massachusetts Institute of Technology (MIT).

Noteworthy experience in the energy and industrial engineering sector:

He has been a member of the Corporate Social Responsibility Committee of “Iberdrola, S.A.” and of the Board of Directors of “Iberdrola Renovables, S.A.”, and a director and member of the Audit and Compliance Committee of “Gamesa Corporación Tecnológica, S.A.” (now “Siemens Gamesa Renewable Energy, S.A.”).

Throughout his career, he has participated in numerous projects with various companies in the energy and industrial sector in matters related to floating offshore wind power generation, and other naval and offshore projects for electricity production, fuel systems, manufacturing, water treatment, etc.

Noteworthy experience in other industries:

He has been a member of the board of “Metalships and Docks, S.A.”, “Neumáticas de Vigo, S.A.” and “Rodman Polyships, S.A.”, dean of the Colegio Oficial de Ingenieros Navales y Oceánicos de Madrid y de España, president of the Spanish Institute of Engineering, and a professor of the Escuela Técnica Superior de Ingenieros Navales of the Universidad Politécnica de Madrid and for the Repsol’s Master’s Programme in Oil.

5. Name or company name of director:

Mr Xabier Sagredo Ormaza

- Profile:**

Portugalete, Spain, 1972.

Other current positions and professional activities:

He is chair of the Board of Trustees of Bilbao Bizkaia Kutxa Fundación Bancaria-Bilbao Bizkaia Kutxa Banku Fundazioa and of BBK Fundazioa, as well as a trustee of the Biocruces Sanitary Research Institute, of the Bilbao Museum of Fines Arts and of the Guggenheim Museum Foundation, at which he also serves as a member of the Executive Committee.

He is a member of the Board of Directors of the Orkestra Basque Institute of Competitiveness and of the Management Council of Universidad de Deusto, and is a visiting professor at various institutions.

Academic training:

Degree in Economics and Business from Universidad del País Vasco, with a major in Finance, holder of postgraduate degrees in various areas, and certified training in information technology risks.

Noteworthy experience in the energy and industrial engineering sector:

He has been the director of “Iberdrola Generación, S.A.” (Sociedad Unipersonal) and a member of its Audit and Compliance Committee, as well as a director of “Iberdrola Distribución Eléctrica, S.A.” (Sociedad Unipersonal), at which he has held the position of chair of the Audit and Compliance Committee.

Noteworthy experience in other industries:

He has been the director of the Expansion and Assets area of the credit institution Ipar Kutxa, managing director of the concessionaire Transitia and a member of the Board of the Bilbao Port Authority.

In addition, he has been chair and vice-chair of the Board of Directors of Caja de Ahorros Bilbao Bizkaia Kutxa, Aurrezki Kutxa eta Bahitetxea (BBK) and chair of its Audit Committee, as well as chair of the Board of Trustees of Fundación Eragintza.

In 2021 he received the “Top Talent Saria CEO” award (Grupo Noticias) and in 2022 he won the “Tu Economía” award in the best business management category (La Razón), was recognised in the financial organisation category in the 1st Edition of the Carlos V National Awards for Business Excellence (European Society for Social and Cultural Promotion) and he was chosen as “CEO of the Year” in the 9th Edition of the Capital Awards (Premios Capital).

6. Name or company name of director:

Ms Sara de la Rica Goiricelaya

- **Profile:**

Bilbao, Spain, 1963.

Other current positions and professional activities:

Director of Fundación ISEAK (Initiative for Socio-economic Analysis and Knowledge), a member of the Think Tank of AMETIC (Asociación Multisectorial de Empresas de la Electrónica, las Tecnologías de la Información y la Comunicación, de las Telecomunicaciones y de los Contenidos Digitales), an honorary member of the Spanish Economics Association (Asociación Española de Economía), an associate researcher at CreAM (Centre for Research and Analysis of Migration – London University College) and at IZA (Institute of Labor Economics - Bonn).

Academic training:

With a PhD in Economics from the University of the Basque Country and being a professor at such institution, she has dedicated a large portion of her professional life to the study of and search for solutions on issues such as immigration, the labour market, gender equality and poverty.

She regularly publishes academic articles in domestic and international magazines dealing with economic issues, mainly related to labour, participates in conferences and seminars, and supervises graduate students in their dissertations.

Noteworthy experience in the energy and industrial engineering sector:

She has been a member of the Appointments Committee of “Iberdrola, S.A.”. She has also been an independent director of the Iberdrola Group’s country subholding company in Spain (Iberdrola España).

Noteworthy experience in other industries:

She has been president and secretary of the European Society for Population Economics and a member of its Executive Committee, chair of the Committee on the Situation of Women in Economics (COSME), and a member of the Economic and Social Council (CES). She has also been the secretary of the Spanish Economics Association (AEE).

In addition, she has been a member of the Scientific Advisory Board of Fundación Gadea and of the Scientific Committee of the Basque Institute for the Evaluation of the Educational System (IVEI-ISEI). Furthermore, she has been a member of the Board of Directors of “Basquetour, Turismoaren Euskal Agentzia, Agencia Vasca de Turismo, S.A.”, a government-owned company of the Department of Tourism, Trade and Consumption of the Basque Government, created to lead the promotion and implementation of the competitiveness strategy of Basque tourism.

She has worked on editorial boards and/or research project review boards.

She is a member of the Economic Affairs Advisory Council, which advises the Ministry of Economy, Trade and Business of the Government of Spain. She is also a member of the Advisory Commission to the Ministry of Work and Social Economy on the matter of Minimum Interprofessional Salary.

In 2018 she was given the “2018 Basque Economist Award” (Ekonomistak Saria 2018) by the Basque Association of Economists (*Colegio Vasco de Economistas*) and in 2023 was awarded the “Excellence in Communication Award” by Cadena Ser Bilbao and the “1st Emilio Ontiveros Economy Award” by Fundación Emilio Ontiveros.

7. Name or company name of director:

Ms Nicola Mary Brewer

- Profile:**

Taplow, United Kingdom, 1957

Other current positions and professional activities:

She is senior independent director and a member of the Nomination Committee, the Remuneration Committee and the Sustainability and Technology Committee of the Board of Directors of “The Weir Group plc”. She is also a visiting professor at University College London, a member of the international think tank Trilateral Commission and a trustee of the charity organisation Middle Temple Charity.

Academic training:

She was educated at the Belfast Royal Academy and read English at the University of Leeds, graduating with a BA in 1980 and then taking a Doctorate in linguistics in 1988. She was granted an Honorary Doctorate of Laws from the University of Leeds in 2009.

Noteworthy experience in the energy and industrial engineering sector:

She has been an independent director of the Iberdrola Group’s country subholding company in the United Kingdom (Scottish Power), and a non-executive director of “Aggreko plc”.

Noteworthy experience in other industries:

She was a diplomat in the Foreign and Commonwealth Office (“FCO”) of the British government, with overseas postings in South Africa, India, France and Mexico, and was the founding director of the Diplomatic Academy of the FCO.

She succeeded Mr Paul Boateng as British High Commissioner to South Africa, Swaziland and Lesotho.

She was appointed by open competition as the first Chief Executive of the newly established Equality and Human Rights Commission, the successor body to the Commission for Racial Equality, the Disability Rights Commission and the Equal Opportunities Commission.

She was Director-General for Europe at the FCO, leading the FCO’s contribution to the UK’s 2005 Presidency of the European Union, advising the Foreign Secretary and the Minister on the European Union and other European policy issues.

She also served as the FCO’s Director for Global Issues and then as Director-General for Regional Programmes at the Department for International Development (DfID), supervising the UK’s overseas bilateral aid programmes.

Outside of her career as a diplomat, she was Vice-Provost (International) at University College London, a trustee of the charity institution Sentebale and a director of the non-profit organisation London First.

She was appointed Companion of the Order of St Michael and St George (CMG) in the 2003 New Year Honours and Dame Commander of the Order of St Michael and St George (DCMG) in Queen Elizabeth II’s 2011 Birthday

Honours, and she was distinguished as “Chevalier dans l’Ordre de la Légion d’Honneur” by the French Republic in 2022.

8. Name or company name of director:

Ms Regina Helena Jorge Nunes

- **Profile:**

São Paulo, Brazil, 1965

Other current positions and professional activities:

Founding partner and CEO of RNA Capital Ltda. and independent director of Cielo S.A. (and coordinator of its Risk Committee and Sustainability Committee), as well as of “Pacífico Holding Imobiliária Hospitalar, S.A.” and of “Pacífico Operações Hospitalares, S.A.” (as well as coordinator of the Audit, Risk and Governance Committee of both companies).

Academic training:

Degree in Business Administration from Mackenzie University. She attended courses in Trade Finance and Corporate Finance at the School of Continuing Studies at New York University, Leadership at Columbia University, and International, Global and Multinational Business Development at INSEAD Fontainebleau.

Noteworthy experience in the energy and industrial engineering sector:

She has held the position of independent director at Neoenergia, the Iberdrola Group’s country subholding company in Brazil.

She has been an independent director and member of the Audit Committee of “Companhia Distribuidora de Gás do Rio de Janeiro S.A.”, the main activity of which is the distribution and retail sale of natural gas in the State of Rio de Janeiro (Brazil).

Noteworthy experience in other industries:

She has more than 30 years of experience in the domestic and international financial market.

In her capacity as CEO of “RNA Capital Ltda.”, she has been directly involved in advising or consulting for companies in the utilities sector, such as AEGEA Saneamento e Participações S.A., a leading private sector water company in Brazil, and its concessionaire Águas do Rio.

She was a member of the Risk and Capital Committee of “Banco do Brasil”, an independent director of “IRB-Brasil Resseguros, S.A.”, coordinating chair of its Risk and Solvency Committee and a member of its Investments, Capital Structure and Dividend Committee, as well as a member of the Advisory Board of “Mercado Eletrônico S.A.”, a B2B e-commerce company.

She worked for 20 years at S&P Global Ratings. She was president of operations in Brazil and Argentina, and was Head of the Southern Cone in

Latin America, Deputy-Head in Latin America, board member of BRC Ratings (Colombia) and head of Global Development Markets.

Before joining S&P, she also worked at other financial institutions such as Chase Manhattan and Citibank in the areas of credit and risk analysis. At the Commercial Bank of New York, she led the Credit and Correspondent Banking and Risk (Trade Finance) Areas focused on Latin America.

For three years, she was an independent consultant in Brazil, having worked on privatisation programmes, investments of international funds in the Brazilian market, M&A and financial engineering projects.

9. Name or company name of director:

Ms María Ángeles Alcalá Díaz

• Profile:

Albacete, Spain, 1962.

Other current positions and professional activities:

Professor of Commercial Law at the University of Castilla-La Mancha and Of Counsel to the law firm “Ramón y Cajal Abogados, S.L.P.”, director of “UCLM-Emprende, S.L.” (Sociedad Unipersonal) and a permanent member of the General Legislation Commission of the Ministry of Justice.

Academic training:

Degree in Law. Ph.D. in Commercial Law from the University of Castilla-La Mancha.

Noteworthy experience in the energy and industrial engineering sector:

She has been chair of the Audit and Risk Supervision Committee of “Iberdrola, S.A.”, independent director and member of the Audit and Compliance Committee of the country subholding company of the Iberdrola Group in Spain, “Iberdrola España, S.A.”, as well as independent director and member of the Financial and Remuneration and Succession committees of the country subholding company of the Iberdrola Group in Brazil, “Neoenergia”.

Noteworthy experience in other industries:

She has held several positions at the University of Castilla-La Mancha, including vice-chancellor for student affairs and general secretary, and is currently a professor of Commercial Law at that university.

She has been a visiting researcher at German universities and has been invited to participate in conferences and to lecture for undergraduate, postgraduate, master’s and doctoral degrees at Spanish and foreign universities and research institutes.

She served as Director General of Registries and Notaries of the Ministry of Justice from 2009 to 2011, and since 2013 she has advised large companies

in her capacity as Of Counsel to the law firm “Ramón y Cajal Abogados, S.L.P.”

She is the author of a large number of monographs, articles published in specialised publications and collective books on subjects like banking law, registry law, organisation and management of SMEs, contract and commercial distribution law, bankruptcy law, etc., with a high degree of specialisation in company law, the law applicable to listed companies, corporate governance and the stock market.

10. Name or company name of director:

Ms Isabel García Tejerina

- **Profile:**

Valladolid, Spain, 1968

Other current positions and professional activities:

Senior Advisor at “Ernst & Young España, S.A.” for sustainability issues and the agri-food sector, as well as an independent director of “Avanza Previsión Compañía de Seguros, S.A.” and a member of its Audit Committee. She is also a guest lecturer for the Master’s Degree in Sustainability at the University of Navarra.

Academic training:

Degree in Agricultural Engineering from the Polytechnic University of Madrid and degree in Law from the University of Valladolid.

Master’s degree in European Communities from the Polytechnic University of Madrid, and in Agricultural Economics from the University of California (Davis). She also participated in the Global Senior Management Programme of Instituto de Empresa and the University of Chicago Graduate School of Business, and has participated in the High-Level Business Energy Course organised by the Club Español de la Energía.

Noteworthy experience in the energy and industrial engineering sector:

She has been an independent director of the Group’s country subholding company in Brazil (Neoenergia) and a member of its Finance, Audit, Remuneration and Succession committees, as well as chair of the Sustainability Committee.

She has been the Director of Strategic Planning at the chemical fertiliser company “Fertiberia, S.A.”, a member of the board of the Algerian fertiliser manufacturing company “Fertial SPA” and of “Sociedad Estatal de Infraestructuras Agrarias del Norte, S.A.”, as well as a member of the Governing Board of the Spanish Ports System (Puertos del Estado). She has also been an independent director of “Primafrío, S.L.”, the chair of its Innovation and Sustainability Committee, and a member of its Audit Committee.

Noteworthy experience in other industries:

She was Minister of Agriculture, Fisheries, Food and Environment of the Spanish Government between 2014 and 2018 and, prior to that, Secretary General for Agriculture and Food, during which time she participated in and led numerous complex European negotiations.

In particular, as Minister of Agriculture, Fisheries, Food and Environment, she was responsible for the national climate change policy and for international negotiations in this field, having participated in several United Nations Climate Summits, including the Paris Summit in December 2015.

During that stage as the head of water policy, the hydrological planning culminated with the approval of basin hydrological plans under the jurisdiction of the General State Administration (with the highest consensus ever achieved in the National Water Council), bringing Spain up to date with its European water planning obligations. The first flood risk management plans were approved, the first fluvial nature reserves were created, the CRECE Plan was launched to comply with the European Urban Waste Water Treatment Directive, and important investments in hydraulic infrastructure were resumed.

At the institutional level, she was also vice-chair of the High-Level Inter-Ministerial Working Group on the 2030 Agenda.

She has been awarded the Grand Cross of Charles III and distinguished with the title of Commander of the Order of Agricultural Merit of France.

11. Name or company name of director:

Ms Ana Colonques García-Planas

- Profile:**

Vila-Real, Spain, 1982.

Other current positions and professional activities:

Currently, and with more than 10 years of experience, she is the Financial Director of the Porcelanosa Group, and at the same time the executive director of a company of the group.

She is also an independent director of “Banco de Sabadell, S.A.” and a member of the Board of the Valencian Business Association of the Valencian Community (AED).

Academic training:

Degree in Business Administration and Management and Master in Business Administration (MBA) from ESADE University.

Noteworthy experience in the energy and industrial engineering sector:

She has been an external director of the country subholding company Iberdrola España and a member of its Audit and Compliance Committee.

Noteworthy experience in other industries:

He worked for five years in the audit area at Deloitte, specialising in the audit of financial institutions at both the domestic and international level. After his professional career at one of the Big Four audit firms, he joined the risk department of a national financial institution, analysing the provision of loans to individuals and large companies.

Total number of independent directors	Percentage of board
11	78.57

Indicate whether any director classified as independent receives from the company or any company in its group any amount or benefit other than remuneration as a director, or has or has had a business relationship with the company or any company in its group during the past year, whether in his or her own name or as a significant shareholder, director or senior executive of a company that has or has had such a relationship.

If so, include a reasoned statement by the Board explaining why it believes that the director in question can perform his or her duties as an independent director.

Name or company name of director	Description of the relationship	Reasoned statement
No data	-	-

Other external directors

Identify the other external directors, indicate the reasons why they cannot be considered either proprietary or independent, and detail their ties with the company or its management or shareholders:

Name or company name of director	Reasons	Company, manager or shareholder to which or to whom the director is related	Profile
Mr Iñigo Víctor De Oriol Ibarra	More than 12 years have passed since appointment	Iberdrola, S.A.	<p>Madrid, Spain, 1962.</p> <p>Academic training:</p> <p>Bachelor of Arts and International Business from Schiller International University (Madrid), a graduate of the Executive Corporate Management Programme of IESE Business School, and Certified European Financial Analyst (CEFA) from Instituto Español de Analistas Financieros.</p>

Name or company name of director	Reasons	Company, manager or shareholder to which or to whom the director is related	Profile
			<p>Noteworthy experience in the energy and industrial engineering sector:</p> <p>He has been chair of “Electricidad de La Paz, S.A.” (Bolivia), “Empresa de Luz y Fuerza Eléctrica de Oruro, S.A.” (Bolivia) and “Iberoamericana de Energía Ibener, S.A.” (Chile), as well as a member of the board of “Empresa de Alumbrado Eléctrico de Ceuta, S.A.”, Neoenergia (Brazil) and “Empresa Eléctrica de Guatemala, S.A.”</p> <p>He has also been a member of the Appointments Committee and of the Sustainable Development Committee of the Company, director of Corporate Governance for the Americas of “Iberdrola, S.A.”, director of Management Control at “Amara, S.A.”, and a financial analyst in the Financial Division and the International Division of the Company.</p> <p>Noteworthy experience in other industries:</p> <p>He has been chair of “Empresa de Servicios Sanitarios de Los Lagos, S.A.” (ESSAL) in Chile.</p>

Total number of other external directors	Percentage of board
1	7,14

Indicate any changes that have occurred during the period in each director's category:

Name or company name of director	Date of change	Previous category	Current category
-	-	-	-

C.1.4. Complete the following table with information relating to the number of female directors at the close of the past four years, as well as the category of each:

Number of female directors	Year 2024	Year 2023	Year 2022	Year 2021
Executive	-	-	-	-

Number of female directors	Year 2024	Year 2023	Year 2022	Year 2021
Proprietary	-	-	-	-
Independent	6	5	5	6
Other external	0	1	1	0
Total	6	6	6	6

% of total directors for each category	Year 2024	Year 2023	Year 2022	Year 2021
Executive	0.00	0.00	0.00	0.00
Proprietary	0.00	0.00	0.00	0.00
Independent	54.55	50.00	50.00	54.55
Other external	0.00	50.00	50.00	0.00
Total	42.86	42.86	42.86	42.86

C.1.11. List the positions of director, administrator or representative thereof, held by directors or representatives of directors who are members of the company's board of directors in other entities, whether or not they are listed companies:

Identity of the director or representative	Company name of the listed or non-listed entity	Position
Mr Juan Manuel González Serna	Biotecnología Forestal Aplicada S.L.	Director
Mr Juan Manuel González Serna	Digital Cinegetics, S.L.	Director
Mr Juan Manuel González Serna	GSU Found, S.L.	Chair
Mr Juan Manuel González Serna	Hommingcloud, S.L.	Director
Mr Juan Manuel González Serna	Profesionales de la Medicina y de la Empresa, S.A.	Director
Mr Juan Manuel González Serna	Tuero Medioambiente, S.L.	Chair
Mr Ángel Jesús Acebes Paniagua	MA Abogados Estudio Jurídico, S.L.P.	Director

Identity of the director or representative	Company name of the listed or non-listed entity	Position
Mr Ángel Jesús Acebes Paniagua	Doble A Estudios y Análisis, S.L.P.	Sole Director
Mr Manuel Moreu Munaiz	Heath Wind, S.L.	Sole Director
Mr Manuel Moreu Munaiz	H.I. de Iberia Ingeniería y Proyectos, S.L.	Sole Director
Mr Manuel Moreu Munaiz	Howard Ingeniería y Desarrollo, S.L.	Sole Director
Mr Manuel Moreu Munaiz	Seaplace, S.L.	Chair
Mr Manuel Moreu Munaiz	Tubacex, S.A.	Chair
Mr Xabier Sagredo Ormaza	BBK Fundazioa	Chair
Mr Xabier Sagredo Ormaza	Bilbao Bizkaia Kutxa Fundación Bancaria - Bilbao Bizkaia Kutxa Banku Fundazioa	Chair
Mr Xabier Sagredo Ormaza	ORKESTRA-Basque Institute of Competitiveness	Director
Mr Xabier Sagredo Ormaza	Universidad de Deusto	Director
Ms Nicola Mary Brewer	The Weir Group plc.	Lead independent director
Ms Regina Helena Jorge Nunes	Cielo S.A.	Director
Ms Regina Helena Jorge Nunes	Pacífico Holding Imobiliária Hospitalar S.A.	Director
Ms Regina Helena Jorge Nunes	Pacífico Operações Hospitalares S.A.	Director
Ms Regina Helena Jorge Nunes	RNA Capital Ltda.	Chief Executive Officer
Ms María Ángeles Alcalá Díaz	UCLM-Emprende, S.L. (Sociedad Unipersonal)	Director
Ms Isabel García Tejerina	Avanza Previsión Compañía de Seguros, S.A.	Director
Ms Ana Colonques García-Planas	Banco de Sabadell, S.A.	Director
Ms Ana Colonques García-Planas	Porcelanosa, S.A. (Sociedad Unipersonal)	Director

The positions described above for which the directors receive remuneration are specified below:

- Mr Juan Manuel González Serna: chairman of “GSU Found, S.L.”; chairman of “Tuero Medioambiente, S.L.”; director of “Profesionales de la Medicina y de la Empresa, S.A.”.
- Mr Ángel Jesús Acebes Paniagua: sole director of “Doble A Estudios y Análisis, S.L.P.”.
- Mr Manuel Moreu Munaiz: chairman of “Seaplace, S.L.”, chairman of the Board of Directors of “Tubacex, S.A.” and member of its Strategy and Monitoring Committee.
- Mr Xabier Sagredo Ormaza: chair of Bilbao Bizkaia Kutxa Fundación Bancaria - Bilbao Bizkaia Kutxa Banku Fundazioa.
- Ms Nicola Mary Brewer: senior independent director of “The Weir Group plc.” and member of its Nomination, Remuneration, and Sustainability and Technology committees.
- Ms Regina Helena Jorge Nunes: director of “Cielo S.A.”; director of “Pacífico Holding Imobiliária Hospitalar S.A.”; director of “Pacífico Operações Hospitalares S.A.”; CEO of “RNA Capital Ltda”.
- Ms Isabel García Tejerina: director of “Avanza Previsión Compañía de Seguros, S.A.” and member of its Audit Committee.
- Ms Ana Colonques García-Planas: director of “Banco de Sabadell, S.A.”; director, vice-secretary of the Board of Directors and CFO of “Porcelanosa, S.A.” (Sociedad Unipersonal).

The profiles of the directors available in section C.1.3 of this statistical annex show non-remunerated positions different than that of director at other entities (e.g. memberships on the boards of trustees of foundations).

Indicate, where appropriate, the other remunerated activities of the directors or directors' representatives, whatever their nature, other than those indicated in the previous table.

Identity of the director or representative	Other paid activities
Mr Anthony L. Gardner	Executive advisor of “Brookfield Private Equity Group”
Mr Anthony L. Gardner	Senior Adviser of “Brunswick Group, LLP”
Mr Ángel Jesús Acebes Paniagua	Lawyer
Mr Manuel Moreu Munaiz	Professor of the Master's Programme in Business and Maritime Law of the Spanish Maritime Institute and of Universidad Pontificia de Comillas.
Mr Manuel Moreu Munaiz	Professor of the Master's Programme in Oil at Universidad Politécnica de Madrid.

Identity of the director or representative	Other paid activities
Ms Sara de la Rica Goiricelaya	Director of Fundación Iseak
Ms María Ángeles Alcalá Díaz	Of Counsel at “Ramón y Cajal Abogados, S.L.P.”
Ms María Ángeles Alcalá Díaz	Professor of Commercial Law at Universidad de Castilla-La Mancha
Ms Isabel García Tejerina	Senior Advisor for sustainability issues and the agri-food sector at “Ernst & Young España, S.A.”
Ms Isabel García Tejerina	Visiting professor of Master’s in Sustainability of Universidad de Navarra

C.1.12. Indicate whether the company has established rules on the maximum number of company boards on which its directors may sit, explaining if necessary and identifying where this is regulated, if applicable:

Yes	No
Selected	Not selected

C.1.13. Indicate the remuneration received by the Board of Directors as a whole for the following items:

Remuneration accruing in favour of the Board of Directors in the financial year (thousands of euros)	Funds accumulated by current directors for long-term savings systems with consolidated economic rights (thousands of euros)	Funds accumulated by current directors for long-term savings systems with unconsolidated economic rights (thousands of euros)	Funds accumulated by former directors for long-term savings systems (thousands of euros)
24,309	1,438	0	0

C.1.14. Identify members of senior management who are not also executive directors and indicate their total remuneration accrued during the year:

Name or company name	Position(s)
Mr José Sainz Armada	Chief Finance, Control and Corporate Development Officer (CFO)
Mr Santiago Martínez Garrido	General Secretary and Secretary of the Board of Directors
Ms Sonsoles Rubio Reinoso	Chief Internal Audit and Risk Officer
Ms María Dolores Herrera Pereda	Chief Compliance Officer

Number of women in senior management	Percentage of total members of senior management
2	50%

Total remuneration of senior management (thousands of euros)
10,306

C.1.15. Indicate whether the Board regulations were amended during the year:

Yes	No
Selected	Not Selected

C.1.21. Explain whether there are any specific requirements, other than those relating to directors, for being appointed as chairman of the Board of Directors:

Yes	No
Not selected	Selected

C.1.23. Indicate whether the articles of incorporation or Board regulations establish any term limits for independent directors other than those required by law or any other additional requirements that are stricter than those provided by law:

Yes	No
Not selected	Selected

C.1.25. Indicate the number of meetings held by the Board of Directors during the year. Also indicate, if applicable, the number of times the Board met without the chairman being present. Meetings where the chairman gave specific proxy instructions are to be counted as attended.

Indicate the number of meetings held by the coordinating director with the other directors, where there was neither attendance nor representation of any executive director:

Number of board meetings	Number of board meetings held without the chairman's presence
9	0

Indicate the number of meetings held by the coordinating director with the other directors, where there was neither attendance nor representation of any executive director:

Number of meetings
1

Indicate the number of meetings held by each Board committee during the year:

Number of meetings held by the Executive Committee	Number of meetings held by the Audit and Risk Supervision Committee	Number of meetings held by the Appointments Committee	Number of meetings held by the Remuneration Committee	Number of meetings held by the Sustainable Development Committee
14	13	7	8	7

Pursuant to the provisions of Article 45 of the “By-Laws”, the lead independent director coordinates, meets with and reflects the concerns of the non-executive directors, and also directs the periodic evaluation of the chairman of the Board of Directors and leads any process for the succession thereof.

In the exercise of these powers, the lead independent director has held meetings with all of the non-executive directors, which meetings dealt with the evaluation of the chairman as well as with initiatives to improve the performance of each of the directors.

C.1.26. Indicate the number of meetings held by the Board of Directors during the year with member attendance data:

Number of meetings in which at least 80% of directors were present in person	Attendance in person as a % of total votes during the year	Number of meetings with attendance in person or proxies given with specific instructions, by all directors	Votes cast in person and by proxies with specific instructions, as a % of total votes during the year
9	98.89%	9	100%

C.1.27. Indicate whether the individual and consolidated financial statements submitted to the Board for issue are certified in advance:

Yes	No
Selected	Not Selected

Name	Position
Mr José Ignacio Sánchez Galán	Executive chairman
Mr José Sainz Armada	Chief Finance, Control and Corporate Development Officer (CFO)

C.1.29. Is the secretary of the Board also a director?

Yes	No
Not selected	Selected

If the secretary is not a director, complete the following table:

Name or company name of the secretary	Representative
Mr Santiago Martínez Garrido	-

C.1.31. Indicate whether the company changed its external auditor during the year. If so, identify the incoming and outgoing auditors:

Yes	No
Not selected	Selected

If there were any disagreements with the outgoing auditor, explain their content:

Yes	No
Not selected	Selected

C.1.32. Indicate whether the audit firm performs any non-audit work for the company and/or its group and, if so, state the amount of fees it received for such work and express this amount as a percentage of the total fees invoiced to the company and/or its group for audit work:

Yes	No
Selected	Not Selected

Other work	Company	Group companies	Total
Amount invoiced for non-audit services (thousands of euros)	2,169	2,387	4,556
Amount invoiced for non-audit work/Amount for audit work (in %)	58.70%	10.31%	16.97%

C.1.33. Indicate whether the auditors' report on the financial statements for the preceding year contains a qualified opinion or reservations. If so, indicate the reasons given to shareholders at the general meeting by the chairman of the audit committee to explain the content and extent of the qualified opinion or reservations.

Yes	No
Not selected	Selected

C.1.34. Indicate the number of consecutive years for which the current audit firm has been auditing the company's individual and/or consolidated financial statements. Also, indicate the number of years audited by the current audit firm as a percentage of the total number of years in which the financial statements have been audited:

Number of years	Individual	Consolidated
Number of consecutive years	8	8

Number of years	Individual	Consolidated
Number of years audited by the current audit firm/number of years in which the company has been audited (in %)	25.81%	25.81%

C.1.35. Indicate whether there is a procedure for directors to be sure of having the information necessary to prepare the meetings of the governing bodies with sufficient time; provide details if applicable:

Yes	No
Selected	Not Selected

Details of the procedure

The “Regulations of the Board of Directors” provide that the required support shall be provided for new directors to become rapidly and adequately acquainted with the Company and the Iberdrola Group, such that they can actively perform their duties as such and, if so appointed, as members of any of the committees of the Board of Directors as from their appointment as such.

The directors have access to a specific application, the directors’ website, that facilitates performance of their duties and the exercise of their right to receive information. This website includes information deemed appropriate for preparation of the meetings of the Board of Directors and the committees thereof in accordance with the agenda, the training materials intended for the directors, and presentations made to the Board of Directors.

In addition, the directors are given access through the directors’ website to the minutes of the meetings of the Board of Directors and the committees thereof, as well as such other information as the Board of Directors approves.

See section 6.1.3 of this report for more information on the orientation programme and the preparatory information for meetings.

C.1.39. Identify individually as regards directors, and in aggregate form in other cases, and provide details of any agreements between the company and its directors, executives or employees containing indemnity or golden parachute clauses in the event of resignation or dismissal without due cause or termination of employment as a result of a takeover bid or any other type of transaction.

Number of beneficiaries
21

Type of beneficiary	Description of the agreement
Executive directors	<p>When the current executive chairman joined the Company in 2001, the Company included clauses in the contracts with its key officers providing for severance pay of up to five times annual salary in order to achieve an effective and sufficient level of loyalty. Although the treatment in effect for such officers was applied to him at that time, he would currently be entitled to two (2) times his annual remuneration as severance pay (this was three (3) times his annual remuneration in the previous financial year) for instances in which a severance payment was required for termination of contract.</p> <p>The chief executive officer is entitled to receive severance pay equivalent to two (2) times his annual remuneration in the event of termination of his relationship with the Company, provided that said termination is not due to a breach attributable to the beneficiary or solely due to a voluntary decision thereof. This severance payment for termination of contract includes compensation for the commitment not to compete.</p> <p>The contractual relationship with the executive chairman in any event establishes a duty not to compete with respect to companies and activities that are similar in nature to those of the Company during the term of his relationship with the Company, with a post-contractual non-compete provision that was expanded in 2023 from two years (from the prior financial year) to three years, maintaining the compensation of two (2) times annual remuneration.</p> <p>In the case of the chief executive officer, the obligation not to compete covers the term of the contract and for one year after the termination thereof. In compensation for this post-contractual commitment not to compete, he is entitled to compensation equal to one times annual his annual fixed remuneration, which is in any case included in the severance payment for termination of contract, if one exists.</p>
Officers	<p>The employment contracts of some officers of Iberdrola who are deemed to make a decisive contribution to the creation of value due to their responsibility include specific severance pay clauses.</p> <p>The purpose of these clauses is to achieve an effective and sufficient degree of loyalty for the management of the Company, and thereby to prevent the loss of experience and knowledge that could endanger the achievement of the strategic objectives.</p> <p>The amount of severance pay depends on the length of service in the position and the reasons for the cessation of office of the officer, subject to a maximum of five (5) annual payments.</p> <p>Notwithstanding the foregoing, the remuneration policies have established since 2011 that the limit on the amount of severance pay will be two (2) annual payments for new contracts with members of senior management.</p> <p>As at 31 December 2024, there was a total of 21 beneficiaries of severance pay clauses, representing 2.66% of the officers and other professionals with management responsibilities of the Iberdrola Group. Of those officers and professionals, only 10 (1.3% of the group) have a severance pay limit in</p>

Type of beneficiary	Description of the agreement
	excess of two annual payments, which represents an 88.8% reduction in the number of beneficiaries since 2003.

Indicate whether, beyond the cases established by legislation, these agreements have to be communicated and/or authorised by the governing bodies of the company or its group. If so, specify the procedures, the cases concerned and the nature of the bodies responsible for their approval or communication:

Body authorising the clauses

Board of Directors	General shareholders' meeting
Selected	Not selected

Are these clauses notified to the general shareholders' meeting?

Yes	No
Selected	Not Selected

C.2. Committees of the Board of Directors

C.2.1. Provide details of all committees of the Board of Directors, their members, and the proportion of executive, proprietary, independent and other external directors forming them

Executive Committee

Name	Position	Category
Mr José Ignacio Sánchez Galán	Chairman	Executive
Mr Manuel Moreu Munaiz	Member	Independent
Mr Juan Manuel González Serna	Member	Independent
Mr Ángel Jesús Acebes Paniagua	Member	Independent
Mr Anthony L. Gardner	Member	Independent

Name	Position	Category
Mr Armando Martínez Martínez	Member	Executive

% of executive directors	% of proprietary directors	% of independent directors	% of other external directors
33.33%	0.00%	66.67%	00.00%

Audit and Risk Supervision Committee

Name	Position	Category
Mr Xabier Sagredo Ormaza	Chair	Independent
Ms Regina Helena Jorge Nunes	Member	Independent
Ms María Ángeles Alcalá Díaz	Member	Independent

% of executive directors	% of proprietary directors	% of independent directors	% of other external directors
0.00%	0.00%	100.00%	00.00%

Names of directors with experience
Mr Xabier Sagredo Ormaza
Ms Regina Helena Jorge Nunes
Ms María Ángeles Alcalá Díaz

Date of appointment of the chairperson
20/06/2024

Appointments Committee

Name	Position	Category
Mr Ángel Jesús Acebes Paniagua	Chair	Independent
Mr Anthony L. Gardner	Member	Independent
Ms Ana Colonques García-Planas	Member	Independent

% of executive directors	% of proprietary directors	% of independent directors	% of other external directors
0.00%	0.00%	100%	0.00%

Remuneration Committee

Name	Position	Category
Mr Juan Manuel González Serna	Chair	Independent
Mr Manuel Moreu Munaiz	Member	Independent
Mr Iñigo Víctor De Oriol Ibarra	Member	Other external

% of proprietary directors	% of independent directors	% of other external directors
0.00%	66.67%	33.33%

Sustainable Development Committee

Name	Position	Category
Ms Sara de la Rica Goiricelaya	Chair	Independent
Ms Nicola Mary Brewer	Member	Independent
Ms Isabel García Tejerina	Member	Independent

% of executive directors	% of proprietary directors	% of independent directors	% of other external directors
0.00%	0.00%	100.00%	0.00%

C.2.2. Complete the following table with information regarding the number of female directors who were members of Board committees at the close of the past four years:

Number of female directors	Year 2024	Year 2023	Year 2022	Year 2021
Executive Committee	0	0	0	0
Audit and Risk Supervision Committee	2	2	2	2
Appointments Committee	1	1	1	1
Remuneration Committee	0	0	0	0
Sustainable Development Committee	3	3	3	3

% of female directors	Year 2024	Year 2023	Year 2022	Year 2021
Executive Committee	0.00	0.00	0.00	0.00
Audit and Risk Supervision Committee	66.67	66.67	66.67	66.67
Appointments Committee	33.33	33.33	33.33	33.33

% of female directors	Year 2024	Year 2023	Year 2022	Year 2021
Remuneration Committee	0.00	0.00	0.00	0.00
Sustainable Development Committee	100.00	100.00	100.00	100.00

D. Related-party and intragroup transactions

D.2. Give individual details of operations that are significant due to their amount or of importance due to their subject matter carried out between the company or its subsidiaries and shareholders holding 10% or more of the voting rights or who are represented on the board of directors of the company, indicating which has been the competent body for its approval and if any affected shareholder or director has abstained. In the event that the board of directors has responsibility, indicate if the proposed resolution has been approved by the board without a vote against the majority of the independents:

Name or company name of the shareholder or any of its subsidiaries	% Shareholding	Name or company name of the company or entity within its group	Amount (thousands of euros)	Approving body	Identity of the significant shareholder or director who has abstained	The proposal to the board, if applicable, has been approved by the board without a vote against by a majority of independents
No data	-	-	-	-	-	-

Name or company name of the shareholder or any of its subsidiaries	Nature of the relationship	Type of operation and other information required for its evaluation
No data	-	-

D.3. Give individual details of the operations that are significant due to their amount or relevant due to their subject matter carried out by the company or its subsidiaries with the administrators or managers of the company, including those operations carried out with entities that the administrator or manager controls or controls jointly, indicating the competent body for its approval and if any affected shareholder or director has abstained. In the event that the board of directors has responsibility, indicate if the proposed resolution has been approved by the board without a vote against the majority of the independents:

Name or company name of the administrators or managers or their controlled or jointly controlled entities	Name or company name of the company or entity within its group	Relationship	Amount (thousands of euros)	Approving body	Identity of the significant shareholder or director who has abstained	The proposal to the board, if applicable, has been approved by the board without a vote against by a majority of independents
No data	-	-	-	-	-	-

Name or company name of the administrators or managers or their controlled or jointly controlled entities	Nature of the operation and other information necessary for its evaluation
No data	-

- D.4.** Report individually on intra-group transactions that are significant due to their amount or relevant due to their subject matter that have been undertaken by the company with its parent company or with other entities belonging to the parent's group, including subsidiaries of the listed company, except where no other related party of the listed company has interests in these subsidiaries or that they are fully owned, directly or indirectly, by the listed company.

In any case, report any intragroup transaction conducted with entities established in countries or territories considered as tax havens:

Company name of the entity within the group	Brief description of the operation and other information necessary for its evaluation	Amount (thousands of euros)
No data	-	-

- D.5.** Give individual details of the operations that are significant due to their amount or relevant due to their subject matter carried out by the company or its subsidiaries with other related parties pursuant to the International Accounting Standards adopted by the EU, which have not been reported in previous sections.

Company name of the related party	Brief description of the operation and other information necessary for its evaluation	Amount (thousands of euros)
No data	-	-

G. Degree of compliance with corporate governance recommendations

Specify the company’s degree of compliance with recommendations of the Good Governance Code of Listed Companies.

In the event that a recommendation is not followed or only partially followed, a detailed explanation of the reasons must be included so that shareholders, investors and the market in general have enough information to assess the company’s conduct. General explanations are not acceptable.

- 1. That the articles of incorporation of listed companies should not limit the maximum number of votes that may be cast by one shareholder or contain other restrictions that hinder the takeover of control of the company through the acquisition of its shares on the market:

Complies	Explain
Not selected	Selected

Following the introduction of this recommendation, the “Companies Act” has undergone successive reforms intended to improve corporate governance and it continues to expressly contemplate the possibility of any listed company’s by-laws setting the maximum number of votes that a single shareholder can cast.

At companies with a dispersed shareholder base such as this Company, shareholders may have very limited capacity to react against a potential shareholder owning a non-controlling interest and not reaching the threshold of 30% of share capital requiring a takeover bid, but who seeks to act counter to the corporate interest.

Therefore, pursuant to the provisions of Sections 188 and 527 of the “Companies Act”, Article 30.2 of the “By-Laws” sets the maximum number of votes that a single shareholder may cast, establishing that no shareholder may cast a number of votes greater than those corresponding to shares representing 10% of the share capital.

This measure to protect shareholders has been in effect since 16 June 1990, the date of the General Shareholders’ Meeting at which it was resolved, by unanimous vote, to bring the “By-Laws” into line with the consolidated text of the “Companies Act” approved by Royal Legislative Decree 1564/1989 of 22 December.

The measure has remained unchanged through the successive reforms to the by-laws examined by the shareholders at a General Shareholders’ Meeting since then, showing the consensus that has existed from the outset, and it continues to offer additional bargaining power for the shareholders in the event of hostile offers or transactions.

Such voting limitation will be deprived of effect if the Company is subject to a takeover bid that is accepted by the percentage of share capital provided for in

applicable legal provisions, for which reason it is in no case a barrier intended to prevent takeover bids.

2. That when the listed company is controlled by another entity in the meaning of Article 42 of the Commercial Code, whether listed or not, and has, directly or through its subsidiaries, business relations with said entity or any of its subsidiaries (other than the listed company) or carries out activities related to those of any of them it should make accurate public disclosures on:
 - a) The respective areas of activity and possible business relationships between the listed company or its subsidiaries and the parent company or its subsidiaries.
 - b) The mechanisms in place to resolve any conflicts of interest that may arise.

Complies	Complies partially	Explain	Not applicable
Not selected	Not selected	Not selected	Selected

3. That, during the ordinary General Shareholders' Meeting, as a complement to the distribution of the written annual corporate governance report, the chairman of the Board of Directors should inform shareholders orally, in sufficient detail, of the most significant aspects of the company's corporate governance, and in particular:
 - a) Changes that have occurred since the last General Shareholders' Meeting.
 - b) Specific reasons why the company has not followed one or more of the recommendations of the Code of Corporate Governance and the alternative rules applied, if any.

Complies	Complies partially	Explain
Selected	Not selected	Not selected

4. That the company should define and promote a policy on communication and contact with shareholders and institutional investors, within the framework of their involvement in the company, and with proxy advisors that complies in all aspects with rules against market abuse and gives equal treatment to similarly situated shareholders. And that the company should publish this policy on its website, including information on how it has been put into practice and identifying the contact persons or those responsible for implementing it.

And that, without prejudice to the legal obligations regarding dissemination of inside information and other types of regulated information, the company should also have a general policy regarding the communication of economic-financial, non-financial and corporate information through such channels as it may consider appropriate (communication media, social networks or other channels)

that helps to maximise the dissemination and quality of information available to the market, investors and other stakeholders.

Complies	Complies partially	Explain
Selected	Not selected	Not selected

5. That the Board of Directors should not submit to the General Shareholders' Meeting any proposal for delegation of powers allowing the issue of shares or convertible securities with the exclusion of preemptive rights in an amount exceeding 20% of the capital at the time of delegation.

And that whenever the Board of Directors approves any issue of shares or convertible securities with the exclusion of preemptive rights, the company should immediately publish the reports referred to by company law on its website.

Complies	Complies partially	Explain
Selected	Not selected	Not selected

6. That listed companies that prepare the reports listed below, whether under a legal obligation or voluntarily, should publish them on their website with sufficient time before the General Shareholders' Meeting, even if their publication is not mandatory:

- a) Report on the auditor's independence.
- b) Reports on the workings of the audit and nomination and remuneration committees.
- c) Report by the audit committee on related party transactions.

Complies	Complies partially	Explain
Selected	Not selected	Not selected

7. That the company should transmit in real time, through its website, the proceedings of the General Shareholders' Meetings.

And that whenever the Board of Directors approves any issue of shares or convertible securities with the exclusion of preemptive rights, the company should immediately publish the reports referred to by company law on its website.

Complies	Complies partially	Explain
Selected	Not selected	Not selected

8. That the audit committee should ensure that the financial statements submitted to the General Shareholders' Meeting are prepared in accordance with accounting regulations. And that in cases in which the auditor has included a qualification or reservation in its audit report, the chairman of the audit committee should clearly explain to the general meeting the opinion of the audit committee on its content and scope, making a summary of this opinion available to shareholders at the time when the meeting is called, alongside the other Board proposals and reports.

Complies	Complies partially	Explain
Selected	Not selected	Not selected

9. That the company should permanently publish on its website the requirements and procedures for certification of share ownership, the right of attendance at the General Shareholders' Meetings, and the exercise of the right to vote or to issue a proxy.

And that such requirements and procedures promote attendance and the exercise of shareholder rights in a non-discriminatory fashion.

Complies	Complies partially	Explain
Selected	Not selected	Not selected

10. That when a duly authenticated shareholder has exercised his or her right to complete the agenda or to make new proposals for resolutions in advance of the General Shareholders' Meeting, the company:

- Should immediately distribute such complementary points and new proposals for resolutions.
- Should publish the attendance, proxy and remote voting card specimen with the necessary changes such that the new agenda items and alternative proposals can be voted on in the same terms as those proposed by the Board of Directors.
- Should submit all these points or alternative proposals to a vote and apply the same voting rules to them as to those formulated by the Board of Directors including, in particular, assumptions or default positions regarding votes for or against.
- That after the General Shareholders' Meeting, a breakdown of the voting on said additions or alternative proposals be communicated.

Complies	Complies partially	Explain	Not applicable
Selected	Not selected	Not selected	Not selected

11. That if the company intends to pay premiums for attending the General Shareholders' Meeting, it should establish in advance a general policy on such premiums and this policy should be stable.

Complies	Complies partially	Explain	Not applicable
Selected	Not selected	Not selected	Not selected

12. That the Board of Directors should perform its functions with a unity of purpose and independence of criterion, treating all similarly situated shareholders equally and being guided by the best interests of the company, which is understood to mean the pursuit of a profitable and sustainable business in the long term, promoting its continuity and maximising the economic value of the business.

And that in pursuit of the company's interest, in addition to complying with applicable law and rules and conducting itself on the basis of good faith, ethics and a respect for commonly accepted best practices, it should seek to reconcile its own company interests, when appropriate, with the interests of its employees, suppliers, clients and other stakeholders that may be affected, as well as the impact of its corporate activities on the communities in which it operates and on the environment.

Complies	Complies partially	Explain
Selected	Not selected	Not selected

13. That the Board of Directors should be of an appropriate size to perform its duties effectively and in a collegial manner, which makes it advisable for it to have between five and fifteen members.

Complies	Explain
Selected	Not selected

14. That the Board of Directors should approve a policy aimed at favouring an appropriate composition of the Board and that:

- Is concrete and verifiable;
- ensures that proposals for appointment or re-election are based upon a prior analysis of the skills required by the Board of Directors; and
- favours diversity of knowledge, experience, age and gender. For these purposes, it is considered that the measures that encourage the company to have a significant number of female senior executives favour gender diversity.

That the result of the prior analysis of the skills required by the Board of Directors be contained in the supporting report from the nomination committee published upon calling the General Shareholders' Meeting to which the ratification, appointment or re-election of each director is submitted.

The nomination committee will annually verify compliance with this policy and explain its findings in the annual corporate governance report.

Complies	Complies partially	Explain
Selected	Not selected	Not selected

15. That proprietary and independent directors should constitute a substantial majority of the Board of Directors and that the number of executive directors be kept to a minimum, taking into account the complexity of the corporate group and the percentage of equity participation of executive directors.

And that the number of female directors should represent at least 40% of the members of the Board of Directors before the end of 2022 and thereafter, and no less 30% prior to that date.

Complies	Complies partially	Explain
Selected	Not selected	Not selected

16. That the number of proprietary directors as a percentage of the total number of non-executive directors not be greater than the proportion of the company's share capital represented by those directors and the rest of the capital.

This criterion may be relaxed:

- In large-cap companies where very few shareholdings are legally considered significant.
- In the case of companies where a plurality of shareholders is represented on the Board of Directors without ties among them.

Complies	Explain
Selected	Not selected

17. That the number of independent directors should represent at least half of the total number of directors.

That, however, when the company does not have a high level of market capitalisation or in the event that it is a large-cap company with one shareholder or a group of shareholders acting in concert who together control more than 30% of the company's share capital, the number of independent directors should represent at least one third of the total number of directors.

Complies	Explain
Selected	Not selected

18. That companies should publish the following information on its directors on their website, and keep it up to date:

- a) Professional profile and biography.
- b) Any other Boards to which the directors belong, regardless of whether or not the companies are listed, as well as any other remunerated activities engaged in, regardless of type.
- c) Category of directorship, indicating, in the case of individuals who represent significant shareholders, the shareholder that they represent or to which they are connected.
- d) Date of their first appointment as a director of the company's Board of Directors, and any subsequent re-elections.
- e) Company shares and share options that they own.

Complies	Complies partially	Explain
Selected	Not selected	Not selected

19. That the annual corporate governance report, after verification by the nomination committee, should explain the reasons for the appointment of any proprietary directors at the proposal of shareholders whose holding is less than 3%. It should also explain, if applicable, why formal requests from shareholders for presence on the Board were not honoured, when their shareholding was equal to or exceeded that of other shareholders whose proposal for proprietary directors was honoured.

Complies	Complies partially	Explain	Not applicable
Not selected	Not selected	Not selected	Selected

20. That proprietary directors representing significant shareholders should resign from the Board when the shareholder they represent disposes of its entire shareholding. They should also resign, in a proportional fashion, in the event that said shareholder reduces its percentage interest to a level that requires a decrease in the number of proprietary directors.

Complies	Complies partially	Explain	Not applicable
Selected	Not selected	Not selected	Not selected

21. That the Board of Directors should not propose the dismissal of any independent director before the completion of the director’s term provided for in the articles of incorporation unless the Board of Directors finds just cause and a prior report has been prepared by the nomination committee. Specifically, just cause is considered to exist if the director takes on new duties or commits to new obligations that would interfere with his or her ability to dedicate the time necessary for attention to the duties inherent to his or her post as a director, fails to complete the tasks inherent to his or her post, or is affected by any of the circumstances which would cause the loss of independent status in accordance with applicable law.

The dismissal of independent directors may also be proposed as a result of a public takeover bid, merger or other similar corporate transaction entailing a change in the shareholder structure of the company, provided that such changes in the structure of the Board are the result of application of the proportionate representation criterion provided in Recommendation 16.

Complies	Explain
Selected	Not selected

22. That companies should establish rules requiring that directors inform the Board of Directors and, where appropriate, resign from their posts, when circumstances arise which affect them, whether or not related to their actions in the company itself, and which may harm the company’s standing and reputation, and in particular requiring them to inform the Board of any criminal proceedings in which they appear as suspects or defendants, as well as of how the legal proceedings subsequently unfold.

And that, if the Board is informed or becomes aware in any other manner of any of the circumstances mentioned above, it must investigate the case as quickly as possible and, depending on the specific circumstances, decide, based on a report from the nomination and remuneration committee, whether or not any measure must be adopted, such as the opening of an internal investigation, asking the director to resign or proposing that he or she be dismissed. And that these events must be reported in the annual corporate governance report, unless there are any special reasons not to do so, which must also be noted in the minutes. This without prejudice to the information that the company must disseminate, if appropriate, at the time when the corresponding measures are implemented.

Complies	Complies partially	Explain
Selected	Not selected	Not selected

23. That all directors clearly express their opposition when they consider any proposal submitted to the Board of Directors to be against the company’s interests. This particularly applies to independent directors and directors who

are unaffected by a potential conflict of interest if the decision could be detrimental to any shareholders not represented on the Board of Directors.

Furthermore, when the Board of Directors makes significant or repeated decisions about which the director has serious reservations, the director should draw the appropriate conclusions and, in the event the director decides to resign, explain the reasons for this decision in the letter referred to in the next recommendation.

This recommendation also applies to the secretary of the Board of Directors, even if he or she is not a director.

Complies	Complies partially	Explain	Not applicable
Not selected	Not selected	Not selected	Selected

- 24.** That whenever, due to resignation or resolution of the General Shareholders' Meeting, a director leaves before the completion of his or her term of office, the director should explain the reasons for this decision, or in the case of non-executive directors, their opinion of the reasons for cessation, in a letter addressed to all members of the Board of Directors.

And that, without prejudice to all this being reported in the annual corporate governance report, insofar as it is relevant to investors, the company must publish the cessation as quickly as possible, adequately referring to the reasons or circumstances adduced by the director.

Complies	Complies partially	Explain	Not applicable
Selected	Not selected	Not selected	Not selected

- 25.** That the nomination committee should make sure that non-executive directors have sufficient time available in order to properly perform their duties.

And that the Board regulations establish the maximum number of company Boards on which directors may sit.

Complies	Complies partially	Explain
Selected	Not selected	Not selected

- 26.** That the Board of Directors meet frequently enough to be able to effectively perform its duties, and at least eight times per year, following a schedule of dates and agendas established at the beginning of the year and allowing each director individually to propose other items that do not originally appear on the agenda.

Complies	Complies partially	Explain
Selected	Not selected	Selected

27. That director absences occur only when absolutely necessary and be quantified in the annual corporate governance report. And when absences do occur, that the director appoint a proxy with instructions.

Complies	Complies partially	Explain
Selected	Not selected	Not selected

28. That when directors or the secretary express concern regarding a proposal or, in the case of directors, regarding the direction in which the company is headed and said concerns are not resolved by the Board of Directors, such concerns should be included in the minutes at the request of the director expressing them.

Complies	Complies partially	Explain	Not applicable
Not selected	Not selected	Not selected	Selected

29. That the company should establishes adequate means for directors to obtain appropriate advice in order to properly fulfil their duties including, should circumstances warrant, external advice at the company's expense.

Complies	Complies partially	Explain
Selected	Not selected	Not selected

30. That, without regard to the knowledge necessary for directors to complete their duties, companies make refresher courses available to them when circumstances make this advisable.

Complies	Complies partially	Explain
Selected	Not selected	Not selected

31. That the agenda for meetings should clearly indicate those matters on which the Board of Directors is to make a decision or adopt a resolution so that the directors may study or gather all relevant information ahead of time.

When, in exceptional circumstances, the chairman wishes to bring urgent matters for decision or resolution before the Board of Directors which do not appear on the agenda, prior express agreement of a majority of the directors shall be necessary, and said consent shall be duly recorded in the minutes.

Complies	Complies partially	Explain
Selected	Not selected	Not selected

32. That directors be periodically informed of changes in shareholding and of the opinions of significant shareholders, investors and rating agencies of the company and its group.

Complies	Complies partially	Explain
Selected	Not selected	Not selected

33. That the chairman, as the person responsible for the efficient workings of the Board of Directors, in addition to carrying out the duties assigned by law and the articles of incorporation, should prepare and submit to the Board of Directors a schedule of dates and matters to be considered; organise and coordinate the periodic evaluation of the Board as well as, if applicable, the chief executive of the company, should be responsible for leading the Board and the effectiveness of its work; ensuring that sufficient time is devoted to considering strategic issues, and approve and supervise refresher courses for each director when circumstances make this advisable.

Complies	Complies partially	Explain
Selected	Not selected	Not selected

34. That when there is a coordinating director, the articles of association or Board regulations should confer upon him or her the following powers in addition to those conferred by law: to chair the Board of Directors in the absence of the chairman and deputy chairmen, should there be any; to reflect the concerns of non-executive directors; to liaise with investors and shareholders in order to understand their points of view and respond to their concerns, in particular as those concerns relate to corporate governance of the company; and to coordinate a succession plan for the chairman.

Complies	Complies partially	Explain	Not applicable
Selected	Not selected	Not selected	Not selected

35. That the secretary of the Board of Directors should pay special attention to ensure that the activities and decisions of the Board of Directors take into account such recommendations regarding good governance contained in this Good Governance Code as may be applicable to the company.

Complies	Explain
Selected	Not selected

- 36.** That the Board of Directors meet in plenary session once a year and adopt, where appropriate, an action plan to correct any deficiencies detected in the following:
- a) The quality and efficiency of the Board of Directors' work.
 - b) The workings and composition of its committees.
 - c) Diversity in the composition and skills of the Board of Directors.
 - d) Performance of the chairman of the Board of Directors and of the chief executive officer of the company.
 - e) Performance and input of each director, paying special attention to those in charge of the various Board committees.

In order to perform its evaluation of the various committees, the Board of Directors will take a report from the committees themselves as a starting point and for the evaluation of the Board, a report from the nomination committee.

Every three years, the Board of Directors will rely for its evaluation upon the assistance of an external advisor, whose independence shall be verified by the nomination committee.

Business relationships between the external adviser or any member of the adviser's group and the company or any company within its group must be specified in the annual corporate governance report.

The process and the areas evaluated must be described in the annual corporate governance report.

Complies	Complies partially	Explain
Selected	Not selected	Not selected

- 37.** That if there is an executive committee, it must contain at least two non-executive directors, at least one of whom must be independent, and its secretary must be the secretary of the Board.

Complies	Complies partially	Explain	Not applicable
Selected	Not selected	Not selected	Not selected

- 38.** That the Board of Directors must always be aware of the matters discussed and decisions taken by the executive committee and that all members of the Board of Directors receive a copy of the minutes of meetings of the executive committee.

Complies	Complies partially	Explain	Not applicable
Selected	Not selected	Not selected	Not selected

39. That the members of the audit committee, in particular its chairman, be appointed in consideration of their knowledge and experience in accountancy, audit and risk management issues, both financial and non-financial.

Complies	Complies partially	Explain
Selected	Not selected	Not selected

40. That under the supervision of the audit committee, there should be a unit in charge of the internal audit function, which ensures that information and internal control systems operate correctly, and which reports to the non-executive chairman of the Board or of the audit committee.

Complies	Complies partially	Explain
Selected	Not selected	Not selected

41. That the person in charge of the unit performing the internal audit function should present an annual work plan to the audit committee, for approval by that committee or by the Board, reporting directly on its execution, including any incidents or limitations of scope, the results and monitoring of its recommendations, and present an activity report at the end of each year.

Complies	Complies partially	Explain	Not applicable
Selected	Not selected	Not selected	Not selected

42. In addition to the provisions of applicable law, the audit committee should be responsible for the following:

1. With regard to information systems and internal control:

- a) Supervising and evaluating the process of preparation and the completeness of the financial and non-financial information, as well as the control and management systems for financial and non-financial risk relating to the company and, if applicable, the group - including operational, technological, legal, social, environmental, political and reputational risk, or risk related to corruption - reviewing compliance with regulatory requirements, the appropriate delimitation of the scope of consolidation and the correct application of accounting criteria.
- b) Ensuring the independence of the unit charged with the internal audit function; proposing the selection, appointment and dismissal of the head of internal audit; proposing the budget for this service; approving or proposing its orientation and annual work plans for approval by the

Board, making sure that its activity is focused primarily on material risks (including reputational risk); receiving periodic information on its activities; and verifying that senior management takes into account the conclusions and recommendations of its reports.

- c) Establishing and supervising a mechanism that allows employees and other persons related to the company, such as directors, shareholders, suppliers, contractors or subcontractors, to report any potentially serious irregularities, especially those of a financial or accounting nature, that they observe in the company or its group. This mechanism must guarantee confidentiality and in any case provide for cases in which the communications can be made anonymously, respecting the rights of the whistleblower and the person reported.
- d) Generally ensure that the internal control policies and systems are effectively applied in practice.

2. With regard to the external auditor:

- a) In the event that the external auditor resigns, examining the circumstances leading to such resignation.
- b) Ensuring that the remuneration paid to the external auditor for its work does not compromise the quality of the work or the auditor's independence.
- c) Making sure that the company informs the CNMV of the change of auditor, along with a statement on any differences that arose with the outgoing auditor and, if applicable, the contents thereof.
- d) Ensuring that the external auditor holds an annual meeting with the Board of Directors in plenary session in order to make a report regarding the tasks performed and the development of the company's accounting situation and risks.
- e) Ensuring that the company and the external auditor comply with applicable rules regarding the provision of services other than auditing, limits on the concentration of the auditor's business, and, in general, all other rules regarding auditors' independence.

Complies	Complies partially	Explain
Selected	Not selected	Not selected

43. That the audit committee be able to require the presence of any employee or manager of the company, even stipulating that he or she appear without the presence of any other member of management.

Complies	Complies partially	Explain
Selected	Not selected	Not selected

44. That the audit committee be kept abreast of any corporate and structural changes planned by the company in order to perform an analysis and draw up a prior report to the Board of Directors on the economic conditions and accounting implications and, in particular, any exchange ratio involved.

Complies	Complies partially	Explain	Not applicable
Selected	Not selected	Not selected	Not selected

45. That the risk management and control policy identify or determine, as a minimum:
- a) The various types of financial and non-financial risks (including operational, technological, legal, social, environmental, political and reputational risks and risks relating to corruption) which the company faces, including among the financial or economic risks contingent liabilities and other off-balance sheet risks.
 - b) A risk control and management model based on different levels, which will include a specialised risk committee when sector regulations so require or the company considers it to be appropriate.
 - c) The level of risk that the company considers to be acceptable.
 - d) The measures planned in order to mitigate the impact of identified risks in the event that they materialise.
 - e) Internal control and information systems to be used in order to control and manage the aforementioned risks, including contingent liabilities or off-balance sheet risks.

Complies	Complies partially	Explain
Selected	Not selected	Not selected

46. That under the direct supervision of the audit committee or, if applicable, of a specialised committee of the Board of Directors, an internal risk control and management function should exist, performed by an internal unit or department of the company which is expressly charged with the following responsibilities:
- a) Ensuring the proper functioning of the risk management and control systems and, in particular, that they adequately identify, manage and quantify all material risks affecting the company.
 - b) Actively participating in drawing up the risk strategy and in important decisions regarding risk management.

- c) Ensuring that the risk management and control systems adequately mitigate risks as defined by the policy laid down by the Board of Directors.

Complies	Complies partially	Explain
Selected	Not selected	Not selected

47. That in designating the members of the nomination and remuneration committee – or of the nomination committee and the remuneration committee if they are separate – care be taken to ensure that they have the knowledge, aptitudes and experience appropriate to the functions that they are called upon to perform and that the majority of said members are independent directors.

Complies	Complies partially	Explain
Selected	Not selected	Not selected

48. That large-cap companies have separate nomination and remuneration committees.

Complies	Complies partially	Explain
Selected	Not selected	Not selected

49. That the nomination committee consult with the chairman of the Board of Directors and the chief executive of the company, especially in relation to matters concerning executive directors.

And that any director be able to ask the nomination committee to consider potential candidates that he or she considers suitable to fill a vacancy on the Board of Directors.

Complies	Complies partially	Explain
Selected	Not selected	Not selected

50. That the remuneration committee exercise its functions independently and that, in addition to the functions assigned to it by law, it should be responsible for the following:

- a) Proposing the basic conditions of employment for senior management to the Board of Directors.
- b) Verifying compliance with the company's remuneration policy.
- c) Periodically reviewing the remuneration policy applied to directors and senior managers, including share-based remuneration systems and their application, as well as ensuring that their individual remuneration is proportional to that received by the company's other directors and senior managers.

- d) Making sure that potential conflicts of interest do not undermine the independence of external advice given to the committee.
- e) Verifying the information on remuneration of directors and senior managers contained in the various corporate documents, including the annual report on director remuneration.

Complies	Complies partially	Explain
Selected	Not selected	Not selected

51. That the remuneration committee should consult with the chairman and the chief executive of the company, especially on matters relating to executive directors and senior management.

Complies	Complies partially	Explain
Selected	Not selected	Not selected

52. That the rules regarding the composition and workings of the supervision and control committees should appear in the regulations of the Board of Directors and that they should be consistent with those applying to legally mandatory committees in accordance with the foregoing recommendations, including:

- a) That they be composed exclusively of non-executive directors, with a majority of independent directors.
- b) That their chairpersons be independent directors.
- c) That the Board of Directors select members of these committees taking into account their knowledge, skills and experience and the duties of each committee; discuss their proposals and reports; and require them to render account of their activities and of the work performed in the first plenary session of the Board of Directors held after each committee meeting.
- d) That the committees be allowed to avail themselves of outside advice when they consider it necessary to perform their duties.
- e) That their meetings be recorded and their minutes be made available to all directors.

Complies	Complies partially	Explain	Not applicable
Selected	Not selected	Not selected	Not selected

53. That verification of compliance with the company's policies and rules on environmental, social and corporate governance matters, and with the internal codes of conduct be assigned to one or divided among more than one committee of the Board of Directors, which may be the audit committee, the nomination committee, a specialised committee on sustainability or corporate social responsibility or such other specialised committee as the Board of

Directors, in the exercise of its powers of self-organisation, may have decided to create. And that such committee be composed exclusively of non-executive directors, with a majority of these being independent directors, and that the minimum functions indicated in the next recommendation be specifically assigned to it.

Complies	Complies partially	Explain
Selected	Not selected	Not selected

54. The minimum functions referred to in the foregoing recommendation are the following:

- a) Monitoring of compliance with the company's internal codes of conduct and corporate governance rules, also ensuring that the corporate culture is aligned with its purpose and values.
- b) Monitoring the application of the general policy on communication of economic and financial information, non-financial and corporate information, as well as communication with shareholders and investors, proxy advisors and other stakeholders. The manner in which the entity communicates and handles relations with small and medium-sized shareholders must also be monitored.
- c) The periodic evaluation and review of the company's corporate governance system, and environmental and social policy, with a view to ensuring that they fulfil their purposes of promoting the interests of society and take account, as appropriate, of the legitimate interests of other stakeholders.
- d) Supervision of the company's environmental and social practices to ensure that they are in alignment with the established strategy and policy.

Complies	Complies partially	Explain
Selected	Not selected	Not selected

55. That environmental and social sustainability policies identify and include at least the following:

- a) The principles, commitments, objectives and strategy relating to shareholders, employees, clients, suppliers, social issues, the environment, diversity, tax responsibility, respect for human rights, and the prevention of corruption and other unlawful conduct.
- b) Means or systems for monitoring compliance with these policies, their associated risks, and management.
- c) Mechanisms for supervising non-financial risk, including that relating to ethical aspects and aspects of business conduct.
- d) Channels of communication, participation and dialogue with stakeholders.

- e) Responsible communication practices that impede the manipulation of data and protect integrity and honour.

Complies	Complies partially	Explain
Selected	Not selected	Not selected

56. That director remuneration be sufficient in order to attract and retain directors who meet the desired professional profile and to adequately compensate them for the dedication, qualifications and responsibility demanded of their posts, while not being so excessive as to compromise the independent judgement of non-executive directors.

Complies	Explain
Selected	Not selected

57. That only executive directors should receive variable remuneration linked to corporate results and personal performance, as well as remuneration in the form of shares, options or rights to shares or instruments referenced to the share price and long-term savings plans such as pension plans, retirement schemes or other provident schemes.

Consideration may be given to delivering shares to non-executive directors as remuneration providing this is conditional upon their holding them until they cease to be directors. The foregoing shall not apply to shares that the director may need to sell in order to meet the costs related to their acquisition.

Complies	Complies partially	Explain
Selected	Not selected	Not selected

58. That as regards variable remuneration, remuneration policies should incorporate the necessary limits and technical safeguards to ensure that such remuneration is in line with the professional performance of its beneficiaries and not based solely on general developments in the markets or in the sector in which the company operates, or other similar circumstances.

And, in particular, that variable remuneration components:

- Are linked to pre-determined and measurable performance criteria and that such criteria take into account the risk incurred to achieve a given result.
- Promote the sustainability of the company and include non-financial criteria that are geared towards creating long term value, such as compliance with the company's rules and internal operating procedures and with its risk management and control policies.
- Are based on balancing the attainment of short-, medium- and long-term objectives, so as to allow remuneration of continuous performance over a period long enough to be able to assess its contribution to the sustainable

creation of value, such that the elements used to measure performance are not associated only with one-off, occasional or extraordinary events.

Complies	Complies partially	Explain	Not applicable
Selected	Not selected	Not selected	Not selected

59. That the payment of variable remuneration components be subject to sufficient verification that previously established performance or other conditions have effectively been met. Entities must include in their annual report on director remuneration the criteria for the time required and methods used for this verification depending on the nature and characteristics of each variable component.

That, additionally, companies consider the inclusion of a reduction ('malus') clause for the deferral of the payment of a portion of variable remuneration components that would imply their total or partial loss if an event were to occur prior to the payment date that would make this advisable.

Complies	Complies partially	Explain	Not applicable
Selected	Not selected	Not selected	Not selected

60. That remuneration related to company results should take into account any reservations that might appear in the external auditor's report and that would diminish said results.

Complies	Complies partially	Explain	Not applicable
Selected	Not selected	Not selected	Not selected

61. That a material portion of executive directors' variable remuneration be linked to the delivery of shares or financial instruments referenced to the share price.

Complies	Complies partially	Explain	Not applicable
Selected	Not selected	Not selected	Not selected

62. That once shares or options or financial instruments have been allocated under remuneration schemes, executive directors be prohibited from transferring ownership or exercising options or rights until a term of at least three years has elapsed.

An exception is made in cases where the director has, at the time of the transfer or exercise of options or rights, a net economic exposure to changes in the share price for a market value equivalent to at least twice the amount of his or her fixed annual remuneration through the ownership of shares, options or other financial instruments.

The forgoing shall not apply to shares that the director may need to sell in order to meet the costs related to their acquisition or, following a favourable assessment by the nomination and remuneration committee, to deal with such extraordinary situations as may arise and so require.

Complies	Complies partially	Explain	Not applicable
Selected	Not selected	Not selected	Not selected

63. That contractual arrangements should include a clause allowing the company to demand reimbursement of the variable remuneration components in the event that payment was not in accordance with the performance conditions or when payment was made based on data subsequently shown to have been inaccurate.

Complies	Complies partially	Explain	Not applicable
Selected	Not selected	Not selected	Not selected

64. That payments for contract termination should not exceed an amount equivalent to two years of total annual remuneration and should not be paid until the company has been able to verify that the director has fulfilled all previously established criteria or conditions for payment.

For the purposes of this recommendation, payments for contractual termination will be considered to include any payments the accrual of which or the obligation to pay which arises as a consequence of or on the occasion of the termination of the contractual relationship between the director and the company, including amounts not previously vested of long-term savings schemes and amounts paid by virtue of post-contractual non-competition agreements.

Complies	Complies partially	Explain	Not applicable
Not selected	Selected	Not selected	Not selected

When the current executive chairman joined the Company in 2001, the Company included clauses in the contracts with its key officers providing for severance pay of up to five times annual salary in order to achieve an effective and sufficient level of loyalty. Although the treatment in effect for such officers was applied to him at that time, he would currently be entitled to two (2) times his annual remuneration as severance pay for instances in which a severance payment was required for termination of contract.

The chief executive officer is entitled to receive severance pay equivalent to two (2) times his annual remuneration in the event of termination of his relationship with the Company, provided that said termination is not due to a breach attributable to the beneficiary or solely due to a voluntary decision thereof. This severance payment for termination of contract includes compensation for the commitment not to compete.

The contractual relationship with the executive chairman in any event establishes a duty not to compete with respect to companies and activities that are similar in nature to those of the Company during the term of his relationship with the Company, with a post-contractual non-compete provision that was expanded in 2023 from two years (from prior financial years) to three years, maintaining the compensation of two (2) times annual remuneration.

In the case of the chief executive officer, the obligation not to compete covers the term of the contract and for one year after the termination thereof. In compensation for this post-contractual commitment not to compete, he is entitled to compensation equal to one times annual his annual fixed remuneration, which is in any case included in the severance payment for termination of contract, if one exists.

Indicate whether any director voted against or abstained from approving this report.

Yes	No
Not selected	Selected

I declare that the information included in this statistical annex coincides and is consistent with the descriptions and information included in the annual corporate governance report published by the company.



Imagine, innovate, create, build, make it a reality and... continue.

Continue, to keep growing.

Building new pathways has made us the outstanding innovative electricity utility in the world. A sustainable company with differential **growth**, because our activity represents a positive legacy for society and for the planet: growing based on an energy model that protects nature, creates shareholder value and generates progress and well-being for society, improving the present and the future of current generations and those to come. **This is the pathway along which we will keep growing.**

Keep growing, keep building a better world.