



General Shareholders' Meeting

29 May 2026



Report of the Board of Directors

Proposed increases in capital by means of scrip issues of the “Iberdrola Retribución Flexible” optional dividend system

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REPORT OF THE BOARD OF DIRECTORS REGARDING THE PROPOSED IMPLEMENTATION OF TWO INCREASES IN CAPITAL BY MEANS OF SCRIP ISSUES IN ORDER TO IMPLEMENT THE "IBERDROLA RETRIBUCIÓN FLEXIBLE" OPTIONAL DIVIDEND SYSTEM INCLUDED IN ITEMS 8 AND 9 ON THE AGENDA FOR THE GENERAL SHAREHOLDERS' MEETING

1. Object of the report

This report has been prepared by the Board of Directors of "Iberdrola, S.A." (the "**Company**") pursuant to the provisions of Sections 286 and 296 of the Spanish "Companies Act" (*Ley de Sociedades de Capital*), in order to provide a rationale for the two proposed increases in capital by means of scrip issues through the issuance of new shares with a charge to reserves, which are submitted to the shareholders for approval at the General Shareholders' Meeting under items 8 and 9 on the agenda and under the section "Common terms and conditions of the dividend payment and increase in share capital resolutions proposed under items number 7, 8 and 9 on the agenda, pursuant to which the "Iberdrola Retribución Flexible" optional dividend system is implemented" (the "**Common Terms**").

Pursuant to such sections of the "Companies Act", to the extent that the approval of each of the increases in share capital and the respective implementations thereof entails the amendment of the article of the "By-Laws" setting the share capital, the Board of Directors has prepared this report setting forth the purpose of and rationale for the proposals being submitted for the approval of the shareholders at the General Shareholders' Meeting.

Given that the two increases in share capital by means of scrip issues have the same purpose and are implemented in a similar manner, this report provides the rationale for both proposals. For purposes of easier understanding by the shareholders of the transaction that gives rise to them, a description of the purpose of, rationale for and structure of the proposals is first provided. Set forth below are the main terms and conditions of the increases in capital by means of scrip issues. Finally, the proposed resolutions submitted to the shareholders for approval at the General Shareholders' Meeting are included.

2. Purpose of, rationale for and structure of the proposals

2.1. Purpose of and rationale for the proposals

The "Iberdrola Retribución Flexible" optional dividend system reflects the Company's desire to continuously apply the best corporate governance practices, especially in the area of its shareholder remuneration policy.

This system, the approval of which is again submitted to the shareholders at the General Shareholders' Meeting, offers shareholders the ability to receive their remuneration in new bonus shares or to monetise the amount of their remuneration.

Thus, shareholders who prefer to receive their remuneration in cash may do so through the payment of a supplementary dividend, which is submitted for the approval of the shareholders at the General Shareholders' Meeting, or through payment of the interim dividend for financial year 2026, which will be approved by the Board of Directors. These shareholders will also have the option to sell their free-of-charge allocation rights on the market, although in this case the amount of the remuneration they receive will depend on market conditions in general and the listing price of the free-of-charge allocation rights in particular.

For this reason, in addition to the dividend contemplated in the proposed resolution corresponding to item 7 on the agenda for the General Shareholders' Meeting (the "**Supplementary Dividend**"), it is expected that, prior to 31 December 2026, the Board of Directors will approve the payment of an amount on account of the dividend for financial year 2026 (the "**Interim Dividend**"), which will in any case be subject to compliance with the requirements established in Section 277 of the "Companies Act" (the "**Requirements**").

Notwithstanding the foregoing, if the Requirements to pay the Interim Dividend are not met in the Second Implementation (as such term is defined below), the Company will make an irrevocable commitment to purchase the free-of-charge allocation rights arising from the second Increase in Capital (as such term is defined below) at a guaranteed fixed price upon the terms described below (the "**Purchase Commitment**" and the "**Fixed Purchase Price**", respectively).

2.2. Structure of the proposals

The proposals submitted to the shareholders for approval at the General Shareholders' Meeting under items 8 and 9 on the agenda and under the Common Terms have been structured in the form of two increases in share capital with a charge to the reserves contemplated in Section 303.1 of the "Companies Act" (each such increase in capital shall be referred to as an "**Increase in Capital**" and both of them collectively as the "**Increases in Capital**"), which shall be implemented together with the payment of the Supplementary Dividend and the Interim Dividend, respectively. In particular:

- (a) The first implementation of the "Iberdrola Retribución Flexible" optional dividend system for financial year 2026 (the "**First Implementation**") shall be carried out through the implementation of the Increase in Capital proposed under item 8 on the agenda, together with the payment of the Supplementary Dividend.
- (b) The second implementation of the "Iberdrola Retribución Flexible" optional dividend system for financial year 2026 (the "**Second Implementation**", and collectively with the First Implementation, the "**Implementations**" and each of the Implementations, individually, an "**Implementation**") shall be carried out through the implementation of the Increase in Capital proposed under item 9 on the agenda together with the payment of the Interim Dividend, to the extent that the Requirements are met. The Purchase Commitment would be implemented if they are not met.

It is expected that the First Implementation will take place in the month of July 2026 and that the Second Implementation will occur in the month of January 2027.

It is also proposed to introduce an amendment to the “Iberdrola Retribución Flexible” system (the “**Amendment**”) to ensure that remuneration through the system is aligned with the gross target amount per share that the Company deems appropriate to distribute in order to comply with the “Shareholder Remuneration Policy” and enhance the long-term creation of value for the shareholders (the “**Target Dividend**”). As such, the Amendment will ensure that the dividend per share is always aligned with the Target Dividend.

As a result of the Amendment, and subject to the following, in each Implementation a small component of the remuneration may be paid in cash as an adjustment dividend (the “**Adjustment Dividend**”). All shareholders who hold shares on the record date of the corresponding edition of the “Iberdrola Retribución Flexible” system will have the right to receive such payment. All of the foregoing is regardless of the remuneration option chosen. Pursuant to the provisions of Section 148 of the “Companies Act”, the Adjustment Dividend will not be paid to the shares held as treasury shares on the corresponding record date.

The ultimate beneficiaries of the Amendment will be the Company’s shareholders, due to the Company’s increased ability to maintain sustained dividend growth in line with results, as is customary for the Company. In addition, the Amendment strengthens the Company’s financial position and represents an opportunity for improvement in the strategic planning of the Company’s financial and non-financial objectives, which always pursue: (i) maximisation of the corporate interest; (ii) improved profitability; and (iii) the sustainable creation of value for shareholders and groups linked to the Company’s business activity, all in line with the provisions of the “Shareholder Remuneration Policy”. In short, the Amendment is made in the best interest of the Company and, ultimately, of its shareholders, avoiding upward deviations in the dividend that would undermine the efficiency and long-term sustainability of the “Shareholder Remuneration Policy”.

The Adjustment Dividend will be classified as a supplementary dividend or an interim dividend, depending on whether it corresponds to the First Implementation or the Second Implementation.

The Supplementary Dividend, the Interim Dividend and the Adjustment Dividend, if applicable, shall hereinafter be referred to collectively as the “**Dividends**” and each of them individually as a “**Dividend**”.

In each of the Implementations, the shareholders may choose from among the following options for remuneration upon the terms and conditions established by the Board of Directors (with express power of substitution):

- (i) Receiving their remuneration in newly-issued bonus shares of the Company. To this end, shareholders must refrain from transferring their free-of-charge allocation rights on the market. In this case, upon completion of the trading period for the free-of-charge allocation rights and implementation of the Increase in Capital, the shareholders shall receive such number of new shares

as they are proportionately entitled to receive, entirely as bonus shares. This is the default option.

- (ii) Transferring their free-of-charge allocation rights on the market during the trading period pursuant to the provisions of Section 3.2 below. In this case, the consideration for such rights will depend on market conditions in general and on the listing price of such rights in particular.
- (iii) Receiving their remuneration in cash by collecting the Supplementary Dividend or the Interim Dividend, as applicable, for which purpose the shareholders shall be required to make an express election in this regard.

The final amount of each Dividend payment and of each Increase in Capital shall be determined by the Company's Board of Directors (or the body acting by delegation therefrom) within the context of each of the Implementations pursuant to the provisions of the sections below. In addition, the Board of Directors (or the body acting by delegation therefrom) shall determine whether the Adjustment Dividend should be paid (and, if applicable, the amount thereof), in accordance with the provisions of Section 3.1 below.

Within the year following the date of approval of the resolutions included in items 8 and 9 on the agenda, each of the Implementations may be made by the Board of Directors (with express power of substitution) at its sole discretion, and therefore without having to once again obtain the approval of the shareholders at a General Shareholders' Meeting, and based on the legal and financial conditions existing at the time of each Implementation, in order to offer the Company's shareholders a flexible and efficient remuneration formula.

The shareholders may only elect remuneration option (iii) above (i.e. receive the Supplementary Dividend or the Interim Dividend, as applicable) during the "**Common Election Period**". This period will begin on the same day as the trading period for the free-of-charge allocation rights, and the Board of Directors (with express power of substitution) must establish the specific term of the Common Election Period, which may in no event exceed the term of said trading period.

In addition, the default option will apply to shareholders who do not communicate the flexible remuneration option chosen in respect of their different groups of shares during the Common Election Period, for which reason they will receive their remuneration through the delivery of new fully paid-up shares of the Company (i.e. the remuneration option referred to in paragraph (i) above) and, if applicable, the payment of the Adjustment Dividend.

Based on their preferences and needs, the Company's shareholders may combine any of the alternatives mentioned in paragraphs (i) through (iii) above. In any event, the election of one of the remuneration options automatically excludes the ability to choose either of the other two options regarding the same shares, for which reason the ability to combine options referred to above will only be possible with respect to different groups of shares.

Furthermore, as mentioned, if the Requirements to pay the Interim Dividend are not met on occasion of the Second Implementation, the shareholders may sell their free-of-charge allocation rights to the Company at the Fixed Purchase Price and receive a cash amount equal to the one that they would have received as an Interim Dividend.

Without prejudice to the foregoing, it is expressly stated for the record that: (a) the Fixed Purchase Price must also be aligned with the Target Dividend; and (b) any difference arising from rounding between the amount of the Fixed Purchase Price and the Target Dividend shall be offset against the payment of the Adjustment Dividend, provided that the Requirements are met in relation to its payment (which shall be classified as an interim dividend payment).

In this regard, it should be borne in mind that the tax treatment of the above alternatives may be different, as described in Section 3.8 below.

The Company assumes no liability for the choices made by the holders of the free-of-charge allocation rights (or for a failure to choose, if an express and valid communication is not received from said holders).

The Company also rejects any liability of any kind as a result of the failure of the depositaries to transmit in due time and form the election requests made by the holders of free-of-charge allocation rights. In this regard, it should be noted that if the depositaries do not process the elections of the holders of free-of-charge allocation rights in a timely manner, they may receive the default flexible remuneration option (i.e. the delivery of new fully paid-up shares of the Company). Any claims on these grounds must be made directly to the depositaries.

It is also stated for the record that the holders of free-of-charge allocation rights may only communicate their preferences (regarding the remuneration options) to the entities with which their rights are deposited during the Common Election Period, regardless of whether they are institutional or retail holders of rights. The Company assumes no liability for potential breach in this area by the depositaries (whether due to not accepting communications during a portion of the Common Election Period, for accepting them after the passage of said period, or for any other reason), for which reason any claim in this regard must be addressed by the shareholders or holders of free-of-charge allocation rights to the depositary in question.

3. Main terms and conditions of the Increases in Capital.

Set forth below are the main terms and conditions of the Increases in Capital.

3.1. Nominal amount of the Increases in Capital, number of shares to be issued, and number of free-of-charge allocation rights required for the allocation of one new share

The amount of each of the Increases in Capital shall be the amount resulting from multiplying: (a) the nominal value of each share of the Company, equal to seventy-five euro cents; by (b) the total determinable number of new shares of the Company to be issued, in accordance with the applicable formula according to this section, on the date of each of the Implementations (the new shares of the Company issued by way of implementation of each of the Increases in

Capital shall be collectively referred to as the “**New Shares**”, and each one, individually, as a “**New Share**”). The Increases in Capital will thus be carried out at par (i.e. without a share premium).

In turn, the maximum number of New Shares to be issued in each of the Increases in Capital shall be the number resulting from the application of the following formula (with the resulting number being rounded to the next lower integer):

$$\text{NNS} = \text{TNShrs.} / \text{Num. rights}$$

where:

NNS = Maximum number of New Shares to be issued within the framework of the relevant Increase in Capital;

TNShrs. = Number of shares of the Company outstanding on the date that the Board of Directors (with express power of substitution) resolves to implement the relevant Increase in Capital. In this regard, those shares of the Company that have previously been retired by virtue of the implementation of the resolution approving the reduction in share capital by means of the retirement of own shares submitted to the shareholders for approval at the General Shareholders' Meeting under item 10.1 on the agenda, even if the corresponding public instrument formalising the reduction in share capital has not been executed or is pending registration with the Commercial Registry, shall not be deemed to be outstanding shares of the Company; and

Num. rights = Number of free-of-charge allocation rights required for the allocation of one New Share within the framework of the relevant Increase in Capital, which number will result from the application of the following formula, with the resulting number being rounded to the next higher integer:

$$\text{Num. rights} = \text{TNShrs.} / \text{Provisional number of shares}$$

where:

Provisional number of shares = Amount of the Option / ListPri.

For these purposes, “**Amount of the Option**” shall mean the maximum reference market value of the relevant Increase in Capital to be set by the Board of Directors (with express power of substitution) and which shall not be greater than the amount referred to in the proposed Increase in Capital resolutions submitted for the approval of the shareholders at the General Shareholders' Meeting under items 8 and 9 on the agenda (i.e. €3,150 and €2,150 million, respectively). The Amount of the Option shall be set as closely as possible to the Target Dividend, such that the gross dividend per share is aligned with the Target Dividend. If - as a result of the rounding rules contained in the formulas referred to below - the resulting gross dividend per share is not aligned with the Target Dividend, the Amount of the Option will be the minimum amount which, having applied the foregoing formulas, is closest to the Target

Dividend (without exceeding it) and the difference arising from rounding shall be offset against the payment of the Adjustment Dividend.

For its part, “**ListPri**” shall be the arithmetic mean of the average weighted listing prices of the Company’s shares on the Madrid, Barcelona, Bilbao and Valencia Stock Exchanges through the Automated Quotation System (*Sistema de Interconexión Bursátil*) (Continuous Market) for the five trading sessions determined by the Board of Directors (or the body acting by delegation therefrom) to set the number of free-of-charge allocation rights needed for the allocation of one New Share in the relevant Increase in Capital, rounding the result to the closest one-thousandth part of one euro.

The maximum number of New Shares to be issued thus calculated shall be rounded to obtain a whole number of shares (with the result being rounded to the next lower integer) and a ratio for the conversion of rights into shares that is also an integer (with the result being rounded to the next higher integer). In addition, and for the same purposes, the Company (or any company within its group that holds shares of the Company) shall waive the corresponding free-of-charge allocation rights as provided in section 3.2 below.

Upon the launch of each edition of the “Iberdrola Retribución Flexible” system, the Board of Directors (with express powers of substitution) will analyse whether - as a result of the rounding rules provided for in the above formula - the resulting gross dividend per share exceeds the Target Dividend and, therefore, is not aligned therewith. If such conclusion is reached following the corresponding analysis, there will be a declaration that the Adjustment Dividend is payable.

In view of the above, the following circumstances may arise¹:

(a) The Adjustment Dividend is not payable:

In this case, the gross amount per share of the Dividend in question, or if the Requirements are not met in the Second Implementation, the Fixed Purchase Price per free-of-charge allocation right will be that which results from the application of the following formula, rounding the result to the closest one-thousandth part of one euro:

Dividend (or, if applicable, Fixed Purchase Price) = ListPri / (Num. rights +1)

¹ It should be noted that due to the inherent nature and purpose of the Adjustment Dividend, in each of these scenarios, the calculations are performed using a different Amount of the Option, which entails the corresponding variation in the Num. Rights. Without prejudice to the foregoing, the remuneration that the shareholders will receive from the Company in both scenarios will be equivalent (in terms of market value and without prejudice to the applicable tax treatment in each of them).

(b) The Adjustment Dividend is payable:

In this case, the gross amount per share of the Supplementary Dividend, or of the Interim Dividend, as applicable, will be the amount resulting from the application of the following formula, with the result being rounded to the closest one-thousandth part of one euro:

Supplementary Dividend or Interim Dividend, as applicable, = $\text{ListPri} / (\text{Num. rights} + 1)$

In addition, the gross amount per share of the Adjustment Dividend will be the amount resulting from the application of the following formula², with the result being rounded to the closest one-thousandth part of one euro:

Adjustment Dividend = $\text{Target Dividend} - \text{ListPri} / (\text{Num. rights} + 1)$

Finally, the gross amount per share of the relevant Dividend, or the Fixed Purchase Price, as applicable, will be the amount resulting from the application of the following formula³, with the result being rounded to the closest one-thousandth part of one euro:

Dividend (or, if applicable, Fixed Purchase Price) = $\text{ListPri} / (\text{Num. rights} + 1) + \text{Adjustment Dividend}$

Without prejudice to the foregoing, it is expressly stated for the record that the amount of the Supplementary Dividend, the Interim Dividend or the Fixed Purchase Price, as applicable, added to the amount of the Adjustment Dividend, may never exceed the Target Dividend, and must therefore be aligned therewith.

The analysis to determine whether the Adjustment Dividend is payable will be carried out in each edition of the “Iberdrola Retribución Flexible” system for financial year 2026, which –in accordance with its usual schedule– is expected to take place upon the approval of the resolutions or corporate decisions through which the initial figures are determined for purposes of launching each Implementation. In any event, the result of such analysis shall be communicated to the market by issuing the corresponding notice of other relevant information, which shall be published on the corporate website (www.iberdrola.com) and on

² The gross amount per share of the Adjustment Dividend can also be obtained by applying the following formula, with the result being rounded to the closest one-thousandth part of one euro:
Adjustment Dividend = $\text{Target Dividend} - \text{Supplementary Dividend or Interim Dividend, as applicable.}$

³ The gross amount per share of the Dividend can also be obtained by applying the following formula, with the result being rounded to the closest one-thousandth part of one euro:
Dividend = $\text{Supplementary Dividend or Interim Dividend, as applicable,} + \text{Adjustment Dividend.}$

the website of the National Securities Market Commission (*Comisión Nacional del Mercado de Valores*) (www.cnmv.es).

It is also stated for the record that, in strict compliance with Section 94 of the “Companies Act” and in order to guarantee the equal treatment of all shareholders, the Adjustment Dividend would be paid to all shareholders who hold shares of the Company on the record date of the corresponding edition of the “Iberdrola Retribución Flexible” system, regardless of the remuneration option they have chosen under the “Iberdrola Retribución Flexible” system, and excluding the shares held as treasury shares on the record date of the corresponding edition of the “Iberdrola Retribución Flexible” system, in accordance with the provisions of Section 148 of the “Companies Act”.

In addition, the Company’s shareholders should bear in mind that the participants in “Sociedad de Gestión de los Sistemas de Registro, Compensación y Liquidación de Valores, S.A.” (Sociedad Unipersonal) (“**IBERCLEAR**”) may establish such pass-through fees and expenses as they may freely determine as a consequence of the payment of the Adjustment Dividend, in accordance with applicable law.

Solely for purposes of facilitating an understanding of the application hereof, the Common Terms include two sample calculations (depending on whether or not the Adjustment Dividend is payable) of the maximum number of New Shares to be issued in the Increase in Capital proposed under item 8 on the agenda, of the maximum nominal value of such Increase in Capital, of the number of free-of-charge allocation rights required for the allocation of one new share, and of the gross Supplementary Dividend per share.

The Amount of the Option of each Increase in Capital, as well as the determination of whether the Adjustment Dividend should be paid and the amount thereof, if applicable, together with the other items to be determined on each of the Implementations, shall be made public by means of a corresponding notice, which will be sent to the National Securities Market Commission (*Comisión Nacional del Mercado de Valores*).

3.2. Free-of-charge allocation rights

In each Increase in Capital, each outstanding share of the Company will grant its holder one free-of-charge allocation right.

It shall be deemed that the shareholders choosing to receive their remuneration in cash (in whole or in part) through the collection of the Supplementary Dividend or of the Interim Dividend, according to the relevant edition of the “Iberdrola Retribución Flexible” system, expressly, automatically and irrevocably waive the corresponding free-of-charge allocation rights and the ability to transfer them on the market. To this end, the participants in IBERCLEAR will block said free-of-charge allocation rights, which may not be transferred on the market and which shall automatically expire at the end of the trading period, without the holders thereof being entitled to receive New Shares.

The number of free-of-charge allocation rights required to receive one New Share in each Increase in Capital shall be automatically determined according to the ratio existing between the number of shares of the Company then outstanding on the date of implementation of the Increase in Capital in question (TNShrs.) and the provisional number of New Shares, calculated by using the applicable formula in accordance with the provisions of Section 3.1 above. Specifically, the holders of free-of-charge allocation rights shall be entitled to receive one New Share in exchange for a number of free-of-charge allocation rights held by them, which shall be determined as provided in Section 3.1 above.

If the number of free-of-charge allocation rights required for the allocation of one New Share (Num. rights) multiplied by the maximum number of New Shares to be issued (NNS) results in a number that is lower than the number of outstanding shares of the Company on the date of implementation of the Increase in Capital in question, the Company (or any company within its group that holds shares of the Company) shall waive a number of free-of-charge allocation rights equal to the difference between both figures for the sole purpose that the number of New Shares be a whole number and not a fraction. In such an event, as well as to the extent that shareholders of the Company elect to receive the Supplementary Dividend or the Interim Dividend, as applicable, there will be an incomplete allocation of the Increase in Capital in question, and share capital shall be increased solely by the amount corresponding to the free-of-charge allocation rights that have not been waived, pursuant to the provisions of Section 311 of the "Companies Act".

The free-of-charge allocation rights shall be allocated to those who are registered as being entitled thereto in the book-entry registers of IBERCLEAR on the relevant date pursuant to the securities clearing and settlement rules from time to time in effect.

The Company will waive the free-of-charge allocation rights corresponding to the shares of the Company that have been retired prior to the date of Implementation of the corresponding Increase in Capital if said shares have not yet been removed from the book-entry registers of IBERCLEAR because the corresponding public instrument formalising the implementation of the resolution on the reduction in share capital, the approval of which is submitted to the shareholders at the General Shareholders' Meeting under item 10.1 on the agenda, has not yet been executed or is still pending registration.

The free-of-charge allocation rights may be traded during such term as is established by the Board of Directors (with express power of substitution), which term shall not be less than fourteen calendar days. During such term, a sufficient number of free-of-charge allocation rights may be acquired on the market in the proportion required to receive New Shares. Notwithstanding the foregoing, these free-of-charge allocation rights acquired on the market during the trading period shall not give the acquiring party the right to choose to receive the corresponding Dividend (including any Adjustment Dividend) or, if

applicable, to enforce the Purchase Commitment and receive the Fixed Purchase Price. Therefore, the new holders of these rights may only monetise their investment through the sale thereof on the market, or alternatively receive any paid-up New Shares of the Company to which they are entitled. For the avoidance of doubt and as previously mentioned, those acquiring free-of-charge allocation rights on the market shall not have the right to receive the Adjustment Dividend (if payable).

Shareholders that do not have free-of-charge allocation rights in a number sufficient to receive one New Share in each Increase in Capital may: (a) acquire on the market a sufficient number of free-of-charge allocation rights which, added to those already held by them, grant them the right to receive one New Share; (b) transfer their free-of-charge allocation rights on the market (with the consideration for their rights depending on market conditions in general and on the listing price of the free-of-charge allocation rights in particular); or (c) elect to receive the Supplementary Dividend or the Interim Dividend, according to the relevant edition of the “Iberdrola Retribución Flexible” system.

Upon completion of the trading period for the free-of-charge allocation rights and implementation of the Increase in Capital in question, the holders of the free-of-charge allocation rights (provided that they have not waived them upon the terms set forth above) shall receive a number of New Shares –as they are proportionately entitled to receive– entirely as bonus shares.

3.3. Gross amount per share to be paid to the shareholders as a Dividend in the Implementations. Total amount of the Dividend in each of the Implementations

As previously explained, upon the implementation of each Increase in Capital, the shareholders may choose to receive the Supplementary Dividend or the Interim Dividend, as applicable, per share. The gross amount to be paid to the shareholders as the Supplementary Dividend or Interim Dividend, depending on the relevant edition of the “Iberdrola Retribución Flexible” system, for each share of the Company with the right to receive it shall be determined within the context of each of the Implementations by the Board of Directors (with express power of substitution), pursuant to the rules set forth below.

In both Implementations, the gross amount per share of the Supplementary Dividend or of the Interim Dividend, according to the relevant edition of the “Iberdrola Retribución Flexible” system, will be the amount resulting from the application of the following formula, with the result being rounded to the closest one-thousandth part of one euro:

Dividend (or, if applicable, Fixed Purchase Price) = ListPri / (Num. rights +1)

Notwithstanding the foregoing, if the Adjustment Dividend is payable, the gross amount per share of this dividend will be the amount resulting from the

application of the following formula⁴, with the result being rounded to the closest one-thousandth part of one euro:

$$\text{Adjustment Dividend} = \text{Target Dividend} - \text{ListPri} / (\text{Num. rights} + 1)$$

If the Adjustment Dividend is payable, the gross amount per share of the relevant Dividend will be the amount resulting from the application of the following formula⁵, with the result being rounded to the closest one-thousandth part of one euro:

$$\text{Dividend} = \text{ListPri} / (\text{Num. rights} + 1) + \text{Adjustment Dividend}$$

Without prejudice to the foregoing, it is expressly stated for the record that the amount of the Supplementary Dividend or the Interim Dividend, as applicable, added to the amount of the Adjustment Dividend may never exceed the Target Dividend, and must therefore be aligned therewith. For these purposes, it is stated for the record that the gross Target Dividend per share will amount to €0.427 in the First Implementation.

In the Second Implementation, the Board of Directors shall approve the payment of the Interim Dividend prior to 31 December 2026, subject in any case to the Requirements being met⁶.

During the Common Election Period for each Implementation, the Company's shareholders shall have the ability to expressly choose to receive the Supplementary Dividend or the Interim Dividend, as applicable, per share with respect to all or part of the shares they own and that are outstanding on the relevant date upon the terms set by the Board of Directors (with express power of substitution), and pursuant to applicable securities clearing and settlement rules from time to time in effect. If they choose to receive the Supplementary Dividend or the Interim Dividend, as applicable, per share with respect to all or part of their shares, the shareholders shall expressly, automatically and

⁴ The gross amount per share of the Adjustment Dividend can also be obtained by applying the following formula, with the result being rounded to the closest one-thousandth part of one euro: Adjustment Dividend = Target Dividend – Supplementary Dividend or Interim Dividend, as applicable.

⁵ The gross amount per share of the Dividend can also be obtained by applying the following formula, with the result being rounded to the closest one-thousandth part of one euro: Dividend = Supplementary Dividend or Interim Dividend, as applicable, + Adjustment Dividend.

⁶ If the Requirements to pay the Interim Dividend are not met, the gross amount of the Fixed Purchase Price per free-of-charge allocation right will be equal to the gross amount of the Interim Dividend per share (see Section 3.4 below) and will be calculated with the same formula. As previously stated, the Fixed Purchase Price must be aligned with the Target Dividend and any difference arising from rounding shall be offset against the payment of the Adjustment Dividend, provided that the Requirements for its payment are met.

irrevocably waive the free-of-charge allocation rights corresponding to said shares pursuant to the provisions of Section 3.2 above.

Upon completion of the Common Election Period, the Board of Directors (with express power of substitution) shall determine the aggregate gross amount in euros corresponding to the payment of the Dividend, which is equivalent to the sum of the Supplementary Dividend or the Interim Dividend, as applicable, and any Adjustment Dividend, for each Implementation, and shall make payment thereof through the participants in IBERCLEAR. For these purposes, it is stated for the record that the date of payment of the Adjustment Dividend may be different from that of the Supplementary Dividend or the Interim Dividend, as applicable. Finally, after calculating said aggregate gross amount of the Dividend corresponding to each Implementation, the Board of Directors (with express power of substitution) shall rescind the resolution on payment of the corresponding Dividend with respect to the part corresponding to the shareholders who elect (expressly or implicitly) to receive New Shares or sell their free-of-charge allocation rights on the market and/or because the Adjustment Dividend is not payable.

Moreover, in the case of the First Implementation, after calculating the aggregate gross amount of the Dividend for such Implementation (equivalent to the final amount of the Supplementary Dividend added to the amount of the Adjustment Dividend, if applicable), the aggregate total amount paid as a dividend with a charge to the results for the financial year ended 31 December 2025 pursuant to the provisions of item 7 on the agenda shall be determined and, in view of said amount, the amount of the total basis for distribution established in said item on the agenda to be allocated to remainder shall be specified, and the resulting proposed allocation of profits and payment of the dividend for financial year 2025 shall be completed.

In view of the foregoing, it is stated for the record that:

- (a) The total gross amount of the Supplementary Dividend shall be the result of multiplying:
 - (i) the gross amount per share of the Supplementary Dividend; by
 - (ii) the total number of shares with respect to which the holders thereof have elected to receive the Supplementary Dividend within the framework of the First Implementation.
- (b) The total gross amount of the Interim Dividend shall be the result of multiplying:
 - (i) the gross amount per share of the Interim Dividend; by
 - (ii) the total number of shares with respect to which the holders thereof have elected to receive the Interim Dividend within the framework of the Second Implementation.
- (c) If the Adjustment Dividend is payable, the gross total amount thereof shall be the result of multiplying:

- (i) the gross amount per share that the Company would pay as an Adjustment Dividend within the framework of the First Implementation and/or the Second Implementation, which shall be determined by the Board of Directors (or the body acting by delegation therefrom) in accordance with the provisions of the Common Terms; by
- (ii) the total number of outstanding shares of the Company on the record date of the corresponding Implementation (excluding shares held as treasury shares on such date, pursuant to the provisions of Section 148 of the "Companies Act").

3.4. Purchase Commitment within the framework of the Second Implementation

As mentioned, if the Requirements to pay the Interim Dividend are not met in the Second Implementation, and in order to ensure that the shareholders can receive all or part of their remuneration in cash, the Company will make an irrevocable commitment to purchase the free-of-charge allocation rights arising from the second Increase in Capital at a guaranteed fixed price (i.e. the Purchase Commitment and the Fixed Purchase Price, respectively) upon the following terms and conditions.

The Fixed Purchase Price shall be calculated with the same formula that determines the gross amount per share of the Interim Dividend, so that the amount received by shareholders is equal to the amount they would have received if the Interim Dividend had been payable. Such price shall be calculated prior to the commencement of the trading period for the free-of-charge allocation rights of the second Increase in Capital and shall be published as soon as it is determined. The Fixed Purchase Price must be aligned with the Target Dividend and any difference arising from rounding shall be offset against the payment of the Adjustment Dividend, provided that the Requirements are met for its payment (which shall be classified as an interim dividend).

The Purchase Commitment shall cover the free-of-charge allocation rights of those who are included as holders in the book-entry records of IBERCLEAR on the relevant date, pursuant to the securities clearing and settlement rules from time to time in effect, but excluding those rights that have been transferred on the market.

The Purchase Commitment shall be in effect and may be accepted during such term as is established for these purposes by the Board of Directors (with express power of substitution), and which must in any case be included within the trading period for the free-of-charge allocation rights.

In relation to the foregoing, the Company is authorised to acquire said free-of-charge allocation rights, with a maximum limit of all rights issued in relation to the second Increase in Capital, but must in any case comply with the legal requirements applicable from time to time.

The acquisition by the Company of the free-of-charge allocation rights as a result of the Purchase Commitment shall be carried out with a charge to the reserves contemplated in Section 303.1 of the "Companies Act".

The Company shall waive the New Shares corresponding to the free-of-charge allocation rights that it has acquired by application of the Purchase Commitment. In such an event, there will be an incomplete allocation of the Increase in Capital corresponding to the Second Implementation, and share capital shall be increased solely by the amount corresponding to the free-of-charge allocation rights that have not been waived, pursuant to the provisions of Section 311 of the "Companies Act".

3.5. Rights attaching to the New Shares

The New Shares issued in each Increase in Capital shall be ordinary shares having a nominal value of seventy-five euro cents each, of the same class and series as those currently outstanding, represented by book entries, and the book-entry registration of which will be entrusted to IBERCLEAR and its participants.

As from the date that each Increase in Capital is declared to be subscribed and paid up, the New Shares shall grant the holders thereof the same financial, voting and like rights as the ordinary shares of the Company then outstanding.

The Increases in Capital shall be carried out free of expenses and fees as to the allocation of the New Shares issued. The Company shall bear the costs of issuance, subscription, flotation, admission to trading and other costs associated with the Increases in Capital.

Without prejudice to the foregoing, the Company's shareholders should bear in mind that the participants in IBERCLEAR with which they keep their shares on deposit may establish such pass-through management fees and expenses as they may freely determine as a consequence of maintaining the securities in their book-entry records. Moreover, these participants may establish such pass-through fees and expenses as they may freely determine for the processing of orders to purchase and sell free-of-charge allocation rights.

3.6. Balance sheet for the transaction and reserves with a charge to which the Increases in Capital are carried out

The balance sheet used as a basis for the Increases in Capital is the one for the financial year ended 31 December 2025, which has been audited by "KPMG Auditores, S.L." and which is submitted to the shareholders for approval at the General Shareholders' Meeting under item 1 on the agenda.

The Increases in Capital shall be entirely carried out with a charge to the reserves contemplated in Section 303.1 of the "Companies Act". When implementing each of them, the Board of Directors (with express power of substitution) shall determine the reserve(s) that will be used and the amount of such reserve(s) in accordance with the balance sheet used as a basis for the transaction.

3.7. New Shares that cannot be allocated to their holders

Once the period for trading the free-of-charge allocation rights during each of the Increases in Capital has ended, the New Shares that could not be allocated for reasons not attributable to the Company shall be kept for those who provide evidence that they are the lawful holders of the corresponding free-of-charge allocation rights. Once six years have passed from the end of the relevant period for trading the free-of-charge allocation rights, the New Shares issued by virtue of the relevant Increase in Capital that are still pending allocation will become owned by the Company, by analogous application of the provisions of Article 1,955 of the “Civil Code”.

It is also stated for the record that pursuant to the resolution approved by the shareholders at the General Shareholders' Meeting of the Company held on 30 May 2025 on first call under item 10 on the agenda, an amendment was introduced to the regime applied until that date with respect to the new shares not allocated for reasons not attributable to the Company, issued in increases in capital executed to implement previous editions of the “Iberdrola Retribución Flexible” system for financial year 2025, which are pending allocation. In this way:

- (a) Once three years have passed from the end date of the trading periods for the free-of-charge allocation rights for each of the increases in capital executed to implement each one of the two editions of the 2022, 2023 and 2024 “Iberdrola Retribución Flexible” optional dividend systems, the six-year period at the end of which the Company will become the owner of the new shares that are pending allocation will start to run.
- (b) Once six years have passed from 30 May 2025 (i.e. on 30 May 2031), the Company will become the owner of all of the new shares not allocated for reasons not attributable to the Company, issued in increases in capital executed in the pre-2022 editions of the “Iberdrola Flexible Dividend” or “Iberdrola Retribución Flexible” system that are pending allocation.

In any event, during the periods referred to in the two preceding sections, the new shares pending allocation will be kept available for those who provide evidence that they are the lawful holders of the corresponding free-of-charge allocation rights.

3.8. Tax regime

Within the framework of the implementation of the “Iberdrola Retribución Flexible” optional dividend system in 2018, and particularly the option for the Supplementary Dividend and the Interim Dividend, the Company submitted a binding consultation to the General Tax Authority (*Dirección General de Tributos*) (the “DGT”) regarding the tax treatment applicable to its shareholders in Spain subject to the Personal Income Tax (*Impuesto sobre la Renta de las Personas Físicas*) (“IRPF”), which was submitted to such agency on 14 July

2017. This binding consultation was answered by the DGT on 16 January 2018 with reference number V0042-18.

In addition to the foregoing, on 10 October 2019 the Company submitted a binding consultation to the DGT in order to clarify the tax impact for purposes of withholding of the Resolution of 5 March 2019 of the Accounting and Statutory Auditing Institute developing the standards for presentation of financial instruments and other accounting aspects relating to the commercial regulation of capital enterprises published in the Spanish Official Government Bulletin (*Boletín Oficial del Estado*) on 11 March 2019 (the “**ICAC Resolution**”) on the delivery of bonus shares or free-of-charge allocation rights in this context (the “**Consultation**”). The consultation was answered on 12 May 2020 with reference number V1357-20.

The answers to the binding consultation, as well as the answers by the DGT to the binding consultations obtained by the Company on 27 April 2010 and 1 October 2010 (made in relation to the traditional “Iberdrola Flexible Dividend” remuneration system), indicate that the tax treatment applicable on the date of preparation of this report is as described below.

In any event, shareholders and the holders of free-of-charge allocation rights are advised to consult their tax advisers before making a decision regarding the “Iberdrola Retribución Flexible” optional dividend system, taking into account the particular circumstances of each shareholder or holder of free-of-charge allocation rights.

As stated above, for tax purposes, the following possibilities should be distinguished based on the option chosen by each shareholder within the framework of the “Iberdrola Retribución Flexible” optional dividend system:

A) If choosing to receive fully paid-up New Shares

Pursuant to Spanish tax regulations, individual shareholders choosing to receive New Shares as a consequence of the Increases in Capital will not include any income within their tax basis upon delivery thereof for purposes of the Spanish IRPF or the Non-Resident Income Tax (*Impuesto sobre la Renta de no Residentes*) (“**IRNR**”) if they do not act through a permanent establishment in Spain, nor will any withholding or payment on account apply.

However, the acquisition value for these shareholders of both the New Shares received as a consequence of each Increase in Capital and the shares from which they derive will result from distributing the total cost of acquisition among the applicable number of securities, including both existing securities and those issued as bonus shares. In respect of these shareholders, such bonus shares will be deemed to have been held for as long as the shares from which they derive. Consequently, in the event of a subsequent transfer, the income subject to taxation that is obtained will be calculated by reference to such new acquisition value.

Shareholders subject to the Corporate Income Tax (*Impuesto sobre Sociedades*) (“**IS**”) of the IRNR for non-residents with a permanent

establishment in Spain, to the extent that a complete commercial cycle is closed, will pay tax pursuant to applicable accounting rules (taking into account the ICAC Resolution, and particularly Article 35.4 thereof regarding the treatment of members of shareholder remuneration programmes that can be implemented by acquiring newly-issued bonus shares, disposing of the free-of-charge allocation rights on the market or selling them to the issuing company, which is mandatory for financial years beginning on 1 January 2020), and any specific rules regarding the above taxes. All of the foregoing is without prejudice to the rules for determining any applicable tax basis for these taxes, and particularly the ability to apply the exemption of Section 21 of “Law 27/2014 of 27 November on the Corporate Income Tax” (*Ley del Impuesto sobre Sociedades*) (“**LIS**”), upon compliance with the requirements set forth therein, or, in cases where the reserve used to issue the bonus shares in the Increase in Capital is the reserve from the share premium, the rule set forth in Section 17.6 of the LIS. Shareholders subject to the IS or the IRNR who act through a permanent establishment in Spain are advised to consult their tax advisers on the impact of the ICAC Resolution and the government’s approach as described above before making a decision regarding the Increases in Capital.

In any case, pursuant to the standard provided by the DGT in the Consultation in favour of the Company, the Company is not required to apply withholding or payments on account upon the delivery of bonus shares or free-of-charge allocation rights within this context.

B) If choosing to transfer their free-of-charge allocation rights on the market

In the event that the shareholders sell their free-of-charge allocation rights on the market, the amount obtained for the transfer of such rights on the market will be subject to the following tax treatment:

- For individual shareholders subject to the Spanish IRPF or the IRNR for non-residents who do not act through a permanent establishment in Spain, the amount obtained in transfers of free-of-charge allocation rights will be deemed to be a financial profit, all without prejudice to the potential application to persons subject to the IRNR without a permanent establishment of international treaties, including the treaties signed by Spain for the avoidance of double taxation and for the prevention of tax evasion in the area of Income Tax and to which they might be entitled, and the exemptions established in the IRNR rules.

In addition, for individual shareholders subject to the IRPF applicable within the common regions of Spain, the amount obtained in the transfers of free-of-charge allocation rights will be subject to the corresponding withholding on account of this tax. The withholding will be applied by the corresponding depositary (and in the absence thereof, by the financial intermediary or notary public that has participated in the transfer thereof).

- For shareholders subject to the IS or the IRNR with a permanent establishment in Spain, to the extent that a complete commercial cycle is closed, taxes will be paid pursuant to applicable rules (taking into account, if applicable, the ICAC Resolution, and particularly the aforementioned Article 35.4 thereof, which will be mandatory for financial years beginning on 1 January 2020), and any specific rules regarding the aforementioned taxes. All of the foregoing is without prejudice to the rules for determining any applicable tax basis for these taxes, and particularly the ability to apply the exemption of Section 21 of the LIS, upon compliance with the requirements set forth therein, or, in cases where the reserve used to issue the bonus shares in the Increase in Capital is the reserve from the share premium, the rule set forth in Section 17.6 of the LIS. Shareholders subject to the IS and the IRNR who act through a permanent establishment in Spain are advised to consult their tax advisers on the impact of the ICAC Resolution and the government's approach as described above before making a decision regarding the Increases in Capital.
- In any case, pursuant to the standard provided by the DGT in the Consultation in favour of the Company, the Company is not required to apply withholding or payments on account upon the sale of free-of-charge allocation rights on the market within this context.

C) If choosing to receive their remuneration in cash by collecting the Supplementary Dividend or the Interim Dividend, as applicable, or alternatively, transferring all of their free-of-charge allocation rights to the Company at the Fixed Purchase Price pursuant to the Purchase Commitment⁷ or if the shareholders receive the Adjustment Dividend where it is determined to be payable

Finally, if the shareholders (whether individuals or legal entities) choose to receive the Supplementary Dividend or the Interim Dividend (or if they receive the Fixed Purchase Price, if applicable) or receive the Adjustment Dividend because it is applicable in accordance with the provisions of Section 3.1, the amount obtained will be covered by the tax regime for returns obtained from participation in the own funds of entities (as dividends), and will therefore be subject to the corresponding withholding and taxation.

D) Other considerations regarding the tax regime

It should be borne in mind that this analysis of the tax regime (which has been performed on the basis of specific assumptions) does not cover all the possible tax consequences of the various options relating to the "Iberdrola Retribución Flexible" optional dividend system, the implementation of the

⁷ If the Requirements to pay the Interim Dividend are not met.

Increases in Capital or the payment of the Supplementary Dividend, of the Interim Dividend and, if applicable, of the Adjustment Dividend. If a change in these assumptions changes the description of the taxation of the proposals covered by this report, the new tax treatment will be communicated to the market as appropriate. In particular, it does not describe the consequences to which shareholders that are not residents in Spain for tax purposes may be subject in their countries of residence. Nor is there an analysis of any particularities that may apply to shareholders residing in the Historical Territories of the Basque Country or the Chartered Community of Navarre. Therefore, it is recommended that shareholders and holders of free-of-charge allocation rights consult with their tax advisers regarding the specific tax impact of the proposed remuneration system, taking into account the particular circumstances of each shareholder or holder of free-of-charge allocation rights, and that they pay attention to: (i) any amendments that may be made to the law applicable following the date of this report; (ii) the text of the transitional provisions thereof; and (iii) the rules for interpretation.

Finally, the holders of “American Depositary Receipts” (ADRs) and “CREST Depository Interests” (CDIs) representing shares of the Company are advised to consult with their tax advisers on the taxation thereof in Spain or their jurisdictions of residence before making a decision in connection with the Increases in Capital.

In any case, it should be noted that the “Financial Transactions Tax Act” (*Ley del Impuesto sobre las Transacciones Financieras*) (the “LITF” and the “ITF”, respectively) came into force on 16 January 2021.

According to the terms of the LITF, the Financial Transactions Tax (ITF) taxes acquisitions for consideration of shares of Spanish companies that are admitted to trading on a Spanish market, a regulated market of the European Union or a market considered equivalent in a third country at a fixed rate of 0.2%, provided that the capitalisation of the company as at 1 December of the year preceding the acquisition is more than €1,000 million. A taxable event for purposes of the ITF also covers the acquisition of shares arising from the acquisition of certificates of deposit representing said shares (e.g. ADRs or CDIs), among other transactions or contracts.

Pursuant to the provisions of the LITF, the Spanish National Tax Administration Agency has published a list of Spanish companies whose shares have a market capitalisation of more than €1,000 million as at 1 December 2025. The Company is included in this list, for which reason, in principle, acquisitions for consideration of its shares (or certificates of deposit representing such shares, like ADRs or CDIs) during 2026 would fall within the scope of the ITF (without prejudice to the corresponding exemptions that may apply).

That said, the Spanish National Tax Administration Agency has published a document on “Frequently asked questions regarding the Financial

Transactions Tax” document (which is regularly updated), pursuant to which acquisitions of shares within the framework of shareholder remuneration programmes known as “scrip dividend” programmes (to the extent that the shares delivered are new shares resulting from a totally paid-up increase in capital) are not subject to the ITF.

However, the ITF may subject to taxation (at a fixed rate of 0.2%) other transactions in shares of the Company (or ADRs or CDIs), regardless of the residence of the participating parties.

In any event, shareholders and the holders of free-of-charge allocation rights are advised to consult their tax advisers regarding the impact of the ITF and of any other tax measure, taking into account the particular circumstances of each shareholder or holder of free-of-charge allocation rights.

3.9. Delegation to carry out each of the Implementations

It is proposed to delegate to the Board of Directors (with express power of substitution) the power to set the date on which each of the Implementations is to be carried out, as well as to establish the terms and conditions applicable to each of the Implementations as to all matters not provided for by the shareholders at the General Shareholders' Meeting (including, in particular, the Amount of the Option), all on the terms and within the period of one year contemplated in Section 297.1.a) of the “Companies Act”. Notwithstanding the foregoing, if the Board of Directors (with express power of substitution) does not deem it advisable to carry out one or both Implementations, in whole or in part, within the aforementioned period, it may refrain from doing so, with the duty to inform the shareholders thereof at the next General Shareholders' Meeting. Specifically, the Board of Directors (with express power of substitution) shall analyse and take into account the market conditions, the circumstances of the Company itself or those deriving from an event that has social or financial significance for the Company and, if these or other factors make it inadvisable, in its opinion, to carry out one or both Implementations, it may refrain from doing so. In addition, the resolutions approved by the shareholders at the General Shareholders' Meeting relating to the Supplementary Dividend, to the Increases in Capital and to the Adjustment Dividend shall be deprived of any and all effect in the event that the Board of Directors (or the body acting by delegation therefrom) does not exercise the powers delegated thereto or, in the case of the Second Implementation, does not approve the payment of the Interim Dividend and any Adjustment Dividend, or honour the Purchase Commitment, within a period of one year from approval of the resolutions.

For these purposes, it is hereby stated for the record that the payment of the Adjustment Dividend is intrinsically linked to each of the Implementations, so that if any of them is not carried out, the resolutions of this General Shareholders' Meeting relating to the Adjustment Dividend in respect of the relevant Implementation shall be deprived of any and all effect. In addition, and as previously stated, the Adjustment Dividend will be classified as a

supplementary dividend or an interim dividend, depending on whether it corresponds to the First Implementation or the Second Implementation.

On the dates that the Board of Directors (or the body acting by delegation therefrom) decides to implement an Increase in Capital, establishing for such purpose all of the final terms and conditions thereof as to all matters not provided for by the shareholders at the General Shareholders' Meeting, the Company shall make public such terms and conditions. In particular, prior to the commencement of each free-of-charge allocation period, the Company shall make available to the public a document containing information on the number and nature of the shares, the reasons for the Increase in Capital and the gross amount of the Supplementary Dividend or Interim Dividend, as applicable, per share, all as provided by Article 1.5.(g) of "Regulation (EU) 2017/1129 of the European Parliament and of the Council of 14 June 2017 on the prospectus to be published when securities are offered to the public or admitted to trading on a regulated market, and repealing Directive 2003/71/EC" or the legal provisions that apply at any particular time. Without prejudice to the foregoing, whether the Adjustment Dividend is payable and its amount, if applicable, will be subsequently communicated to the market, expected to occur upon the approval of the resolutions or corporate decisions through which the initial figures are determined for purposes of launching each edition of the "Iberdrola Retribución Flexible" system.

Once the period for trading the free-of-charge allocation rights corresponding to each of the Increases in Capital has ended, the following shall apply:

- (a) The New Shares shall be allocated to those who, according to the book-entry registers maintained by IBERCLEAR and its participants, are the holders of free-of-charge allocation rights in the required proportion (due to not having waived them on the terms provided above).
- (b) The period for trading the free-of-charge allocation rights shall be declared to have ended and the appropriation of the account(s) with a charge to which the relevant Increase in Capital will be implemented shall be formalised on the books in the respective amount, with which appropriation the Increase in Capital will be paid up.
- (c) The Company shall pay the Supplementary Dividend or the Interim Dividend (or, if the Requirements are not met within the framework of the Second Implementation, the Fixed Purchase Price), as applicable, to the shareholders that have expressly chosen this remuneration option within the period and subject to the terms and conditions determined for these purposes by the Board of Directors (with express power of substitution).
- (d) If after the analysis set out in Section 3.1 above it is determined that the Adjustment Dividend is payable, the Company will make payment thereof on the date determined in the specific schedule for each Implementation. All shareholders of the Company who hold shares of the Company on the record date of the corresponding edition of the "Iberdrola Retribución

Flexible” system shall be entitled to receive the Adjustment Dividend, regardless of the remuneration option that each of them has chosen under the “Iberdrola Retribución Flexible” system, and excluding the shares held as treasury shares on the record date of the corresponding edition of the “Iberdrola Retribución Flexible” system, in accordance with the provisions of Section 148 of the “Companies Act”.

Finally, in each Increase in Capital, the Board of Directors (with express power of substitution) shall adopt the resolutions required to amend the “By-Laws” so that they reflect the new amount of share capital and the number of shares resulting from the Increase in Capital in question, and to make application for trading the New Shares as described in the next section.

3.10. Admission of the New Shares to trading

The Company shall make application for trading the New Shares to be issued as a consequence of each Increase in Capital on the Madrid, Barcelona, Bilbao and Valencia Stock Exchanges, through the Automated Quotation System (*Sistema de Interconexión Bursátil*) (Continuous Market), and shall carry out such acts and formalities as are required for this purpose.

4. Proposed resolutions submitted to the shareholders at the General Shareholders' Meeting

The proposed resolutions relating to the allocation of profits and dividend for financial year 2025 and to the increases in share capital by means of scrip issues submitted to the shareholders for approval at the General Shareholders' Meeting read as follows:

ITEM 7 ON THE AGENDA

Allocation of profits and dividend for 2025: approval and supplementary payment which will be made within the framework of the “Iberdrola Retribución Flexible” optional dividend system.

RESOLUTION

*To approve the proposed allocation of profits/losses and payment of the dividend for the financial year ended 31 December 2025, formulated by the Board of Directors at its meeting held on 24 February 2026, which is described below, and which introduces an amendment to the “Iberdrola Retribución Flexible” optional dividend system (the “**Amendment**”) to ensure that remuneration through the system is aligned with the gross target amount per share that the Company deems appropriate to distribute in order to comply with the “Shareholder Remuneration Policy” and enhance the long-term creation of value for the shareholders (the “**Target Dividend**”).*

As such, the Amendment will ensure that the dividend per share paid to the shareholders is always aligned with the Target Dividend.

As a result of the implementation of the Amendment, and subject to the following, a small component of the remuneration may be paid in cash as an adjustment dividend

(the “**Adjustment Dividend**”), which will also be classified as a supplementary payment of the dividend for financial year 2025. All shareholders who hold shares on the record date of the first edition of the “Iberdrola Retribución Flexible” system for financial year 2026 will have the right to receive it. All of the foregoing is regardless of the remuneration option chosen. In accordance with the provisions of Section 148 of the “Companies Act”, the Adjustment Dividend will not be paid to the shares held as treasury shares on the aforementioned record date.

In particular, the aforementioned proposal involves approving the payment, with a charge to the results for financial year 2025 and to the balance from prior financial years, of a dividend (the “**Dividend**”) in an aggregate gross amount equal to the sum of:

- (1) The “**Total Interim Dividend**”, amounting to €275,288,489.64, which was paid on account of the dividend for financial year 2025 on 2 February 2026 to the holders of 1,088,096,797 shares of “Iberdrola, S.A.” (the “**Company**”) who, within the framework of the second implementation of the “Iberdrola Retribución Flexible” optional dividend system for financial year 2025, elected to receive their remuneration in cash by collecting an amount of €0.253 (gross) per share.
- (2) The “**Total Supplementary Dividend**”, which is the determinable amount that will be the sum of the items identified in sub-sections (a) and (b) below:
 - (a) The amount resulting from multiplying:
 - (i) the gross amount per share to be paid by the Company as a supplementary dividend payment for financial year 2025 within the framework of the first implementation of the “Iberdrola Retribución Flexible” optional dividend system for financial year 2026 (the “**Supplementary Dividend**”), and which will be as determined by the Company’s Board of Directors pursuant to the rules set forth in the section “Common terms and conditions of the dividend payment and increase in share capital resolutions proposed under items 7, 8 and 9 on the agenda pursuant to which the “Iberdrola Retribución Flexible” optional dividend system is implemented” (the “**Common Terms**”); by
 - (ii) the total number of shares with respect to which the holders thereof have elected to receive the Supplementary Dividend within the framework of the first implementation of the “Iberdrola Retribución Flexible” optional dividend system for financial year 2026.
 - (b) If the Adjustment Dividend is payable pursuant to the provisions of the Common Terms, the amount resulting from multiplying:
 - (i) the gross amount per share that the Company would pay as an Adjustment Dividend within the framework of the first implementation

of the “Iberdrola Retribución Flexible” optional dividend system for financial year 2026, which shall be determined by the Board of Directors (or the body acting by delegation therefrom) in accordance with the provisions of the Common Terms; by

- (ii) the total number of outstanding shares of the Company on the record date of the first edition of the “Iberdrola Retribución Flexible” system for financial year 2026 (excluding shares held as treasury shares on such date, pursuant to the provisions of Section 148 of the “Companies Act”).*

Without prejudice to the foregoing, whether the Adjustment Dividend is payable will be subject to the satisfaction of the requirement provided for in the Common Terms, which it will not be possible to verify until the launch of and specification of the launch figures for the first edition of the “Iberdrola Retribución Flexible” system for financial year 2026.

As a result, the exact amount of the Total Supplementary Dividend, and therefore the amount of the Dividend, cannot be determined as of the date of formulation of this proposed resolution. In any event, it is stated for the record that the gross Total Supplementary Dividend per share will amount to €0.427, which amount will be equal to the gross Target Dividend per share in the first edition of the “Iberdrola Retribución Flexible” system for financial year 2026.

The payment of the Total Supplementary Dividend shall be made together with the implementation of the increase in share capital proposed in item 8 on the agenda. All of the foregoing is in order to offer the shareholders the ability to receive their remuneration in cash (by collecting the Total Supplementary Dividend) or in newly-issued bonus shares (through said increase in capital).

In accordance with the Common Terms, the collection of the Supplementary Dividend is one of the alternatives for shareholders in the first implementation of the “Iberdrola Retribución Flexible” system for 2026. As a result, it shall be deemed that the shareholders choosing to receive their remuneration in cash (in whole or in part) through the Supplementary Dividend expressly, automatically and irrevocably waive the corresponding free-of-charge allocation rights. Therefore, they will not be able to transfer them on the market or receive the new shares corresponding to those free-of-charge allocation rights.

The payment of the Total Supplementary Dividend, which is expected to become effective during the month of July 2026, shall be implemented through the participants in “Sociedad de Gestión de los Sistemas de Registro, Compensación y Liquidación de Valores, S.A.” (Sociedad Unipersonal) (IBERCLEAR), the Board of Directors being hereby authorised to establish the specific date for payment of the Supplementary Dividend and any Adjustment Dividend, to designate the entity that is to act as paying agent and to take such other steps as may be required or appropriate for the successful completion of the payment. For these purposes, it is stated for the record that the date of payment of the Adjustment Dividend may be different from that of the Supplementary Dividend.

Also, to delegate to the Board of Directors the power to set the conditions applicable to the payment of the Supplementary Dividend and, if applicable, the Adjustment Dividend, to the extent not provided for in this resolution, including the determination of the specific gross amount of the Supplementary Dividend and any Adjustment Dividend, subject to the provisions of the Common Terms.

Additionally, and as a result of the increase in share capital through cash contributions and excluding pre-emptive rights approved by the Company's Board of Directors at its meeting held on 22 July 2025, in exercise of the authorisation granted by the shareholders at the Company's General Shareholders' Meeting held on 17 May 2024 under item 20 of its agenda, which was formalised through two public deeds executed on 23 and 24 July 2025 before the notary of the Madrid Notarial Association Mr Miguel Ruiz-Gallardón García de la Rasilla, under numbers 3,850 and 3,866 of his notarial record, respectively, and registered in the Commercial Registry of Biscay, there has not been a sufficient allocation to the legal reserve up to the amount that represents at least twenty per cent of the Company's share capital. As a result and in accordance with the provisions of Section 274 of the "Companies Act", it is proposed to allocate a portion of the profit for financial year 2025 to the legal reserve in the amount necessary to make it equal to or greater than the minimum required by law (the "**Legal Reserve**") and to delegate to the Board of Directors (with express power of substitution) the power to carry out the necessary actions so that the proper amount is allocated to the Legal Reserve.

Finally, pursuant to the provisions of Section 249 bis.1) of the "Companies Act", to expressly authorise the Board of Directors to further delegate the powers referred to in this resolution.

The basis for distribution and the resulting proposed distribution (expressed in euros) is as follows:

BASIS FOR DISTRIBUTION:

Balance from prior financial years: €13,680,345,916.15

Profits for financial year 2025: €1,931,449,154.49

TOTAL BASIS FOR DISTRIBUTION: €15,611,795,070.64

DISTRIBUTION:

To Legal Reserves: €33,185,606.55

To Dividend: Amount pending determination, which will be the sum of: (a) the Total Interim Dividend; and (b) the Total Supplementary Dividend.

To remainder: Determinable amount that will result from subtracting the amount allocated to Legal Reserves and to the Dividend from the total basis for distribution.

TOTAL: **€15,611,795,070.64**

The amount of the gross Supplementary Dividend per share shall be announced on the date that the Board of Directors (or the body acting by delegation therefrom) performs the calculations to commence the first implementation of the “Iberdrola Retribución Flexible” optional dividend system for financial year 2026. Whether the Adjustment Dividend is payable and, if applicable, its amount, as well as the final amount of the Total Supplementary Dividend, will be announced as soon as they are determined. As previously stated, the gross Total Supplementary Dividend per share will amount to €0.427, which amount will be equal to the gross Target Dividend per share in the first edition of the “Iberdrola Retribución Flexible” system for financial year 2026.

Once the first implementation of the system is completed, the Board of Directors (with express power of substitution) shall specify the final distribution, setting the final amount of the Dividend and the amount to be allocated to remainder.

The Common Terms include two sample calculations of the Supplementary Dividend, depending on whether or not the Adjustment Dividend is payable pursuant to the provisions of the Common Terms and, if applicable, calculations of the Adjustment Dividend, among other figures relating to the implementation of the increase in share capital submitted for approval of the shareholders at the General Shareholders' Meeting under item 8 on the agenda.

ITEM 8 ON THE AGENDA

First increase in capital by means of a scrip issue at a maximum reference market value of €3,150 million in order to implement the “Iberdrola Retribución Flexible” optional dividend system.

RESOLUTION

*To increase the share capital of “Iberdrola, S.A.” (the “**Company**”) upon the terms and conditions described in the section below, entitled “Common terms and conditions of the dividend payment and increase in share capital resolutions proposed under items 7, 8 and 9 on the agenda, pursuant to which the “Iberdrola Retribución Flexible” optional dividend system is implemented” (the “**Common Terms**”) The maximum reference market value of the shares to be issued shall be €3,150 million.*

The increase in share capital shall be implemented: (i) in the context of the first edition of the “Iberdrola Retribución Flexible” optional dividend system for financial year 2026 (expected to be in July 2026); and (ii) together with the supplementary payment submitted for approval of the shareholders at the General Shareholders' Meeting under item 7 on the agenda. All of the foregoing is in order to offer the Company's shareholders the ability to receive their remuneration in cash (receiving the aforementioned supplementary dividend payment) or in newly-issued bonus shares of the Company (through the increase in share capital), or to transfer their free-of-charge allocation rights on the market during the trading period.

Pursuant to the provisions of Section 297.1.a) of the “Companies Act”, to delegate to the Board of Directors the power to set the date on which the increase in share capital is to be carried out, if at all, and to set the terms and conditions applicable to all matters not included in this resolution.

Pursuant to the provisions of Section 249 bis.l) of the “Companies Act”, to expressly authorise the Board of Directors to further delegate the powers referred to in this resolution.

ITEM 9 ON THE AGENDA

Second increase in capital by means of a scrip issue at a maximum reference market value of €2,150 million in order to implement the “Iberdrola Retribución Flexible” optional dividend system.

RESOLUTION

*To increase the share capital of “Iberdrola, S.A.” (the “**Company**”) upon the terms and conditions described in the section below, entitled “Common terms and conditions of the dividend payment and increase in share capital resolutions proposed under items 7, 8 and 9 on the agenda, pursuant to which the “Iberdrola Retribución Flexible” optional dividend system is implemented” (the “**Common Terms**”) The maximum reference market value of the shares to be issued shall be €2,150 million.*

*The increase in share capital shall be implemented: (i) in the context of the second edition of the “Iberdrola Retribución Flexible” optional dividend system for financial year 2026 (expected to be in January 2027); and (ii) together with the payment of an interim dividend for financial year 2026 that will be approved, if applicable, by the Company’s Board of Directors (the “**Interim Dividend**”). All of the foregoing is in order to offer the Company’s shareholders the ability to receive their remuneration in cash (by collecting the Interim Dividend) or in newly-issued bonus shares of the Company (through the increase in share capital), or to transfer their free-of-charge allocation rights on the market during the trading period.*

Pursuant to the provisions of Section 297.1.a) of the “Companies Act”, to delegate to the Board of Directors the power to set the date on which the increase in share capital is to be carried out, if at all, and to set the terms and conditions applicable to all matters not included in this resolution.

Pursuant to the provisions of Section 249 bis.l) of the “Companies Act”, to expressly authorise the Board of Directors to further delegate the powers referred to in this resolution.

COMMON TERMS AND CONDITIONS OF THE DIVIDEND PAYMENT AND INCREASE IN SHARE CAPITAL RESOLUTIONS PROPOSED UNDER ITEMS 7, 8 AND 9 ON THE AGENDA, PURSUANT TO WHICH THE “IBERDROLA RETRIBUCIÓN FLEXIBLE” OPTIONAL DIVIDEND SYSTEM IS IMPLEMENTED

1. Main characteristics of the “Iberdrola Retribución Flexible” optional dividend system

The purpose of the resolutions proposed under items 7, 8 and 9 on the agenda is to implement the “Iberdrola Retribución Flexible” system for financial year 2026. Through this system, the shareholders of “Iberdrola, S.A.” (the “**Company**”) are offered the opportunity to choose between receiving their remuneration in cash or in newly-issued bonus shares.

The system shall be implemented in two editions, in which dividend payments shall be made (the “**Dividend Payments**”, and individually a “**Dividend Payment**”) along with the implementations of the increases in share capital by means of scrip issues (the “**Increases in Capital**”, and individually, an “**Increase in Capital**”) submitted for approval of the shareholders at the General Shareholders' Meeting in items number 8 and 9 on the agenda:

- (a) The first implementation, which is expected to take place during the month of July 2026 (the “**First Implementation**”), shall be carried out through the supplementary payment of the dividend for financial year 2025 contemplated in item 7 on the agenda (the “**Supplementary Dividend**”) together with the implementation of the Increase in Capital submitted for approval of the shareholders at the General Shareholders' Meeting under item 8 on the agenda.
- (b) The second implementation, which is expected to take place during the month of January 2027 (the “**Second Implementation**”, and collectively with the First Implementation, the “**Implementations**” and each of the Implementations, individually, an “**Implementation**”), shall be carried out through the payment of an interim amount of the dividend for financial year 2026 (the “**Interim Dividend**”) to be approved, if appropriate, by the Board of Directors pursuant to the provisions of section 2.2 below, together with the implementation of the Increase in Capital submitted for approval of the shareholders at the General Shareholders' Meeting under item 9 on the agenda.

It is also proposed to introduce an amendment to the “Iberdrola Retribución Flexible” system (the “**Amendment**”) to ensure that remuneration through the system is aligned with the gross target amount per share that the Company deems appropriate to distribute in order to comply with the “Shareholder Remuneration Policy” and enhance the long-term creation of value for the shareholders (the “**Target Dividend**”). As such, the Amendment will ensure that the dividend per share is always aligned with the Target Dividend.

As a result of the Amendment, and subject to the following, in each Implementation a small component of the remuneration may be paid in cash as an adjustment dividend (the “**Adjustment Dividend**”). All shareholders who hold shares on the record date of the corresponding edition of the “Iberdrola Retribución Flexible” system will have the right to receive such payment. All of the foregoing is regardless of the remuneration

option chosen. Pursuant to the provisions of Section 148 of the “Companies Act”, the Adjustment Dividend will not be paid to the shares held as treasury shares on the corresponding record date.

The Adjustment Dividend will be classified as a supplementary dividend or an interim dividend, depending on whether it corresponds to the First Implementation or the Second Implementation.

The Supplementary Dividend, the Interim Dividend and the Adjustment Dividend, if applicable, shall hereinafter be referred to collectively as the “**Dividends**” and each of them individually as a “**Dividend**”.

In each of the Implementations, the shareholders may choose from among the following options for remuneration upon the terms and conditions established by the Board of Directors (with express power of substitution):

- (i) Receiving their remuneration in newly-issued bonus shares of the Company. To this end, shareholders must refrain from transferring their free-of-charge allocation rights on the market. In this case, upon completion of the trading period for the free-of-charge allocation rights and implementation of the Increase in Capital, the shareholders shall receive such number of new shares as they are proportionately entitled to receive, entirely as bonus shares. This is the default option.
- (ii) Transferring their free-of-charge allocation rights on the market during the trading period pursuant to the provisions of Section 4.2 below. In this case, the consideration for such rights will depend on market conditions in general and on the listing price of such rights in particular.
- (iii) Receiving their remuneration in cash by collecting the Supplementary Dividend or the Interim Dividend, as applicable, for which purpose the shareholders shall be required to make an express election in this regard.

The final amount of each of the Dividend Payments and of each Increase in Capital shall be determined by the Company's Board of Directors (or the body acting by delegation therefrom) within the context of each of the Implementations pursuant to the provisions of the sections below. In addition, the Board of Directors (or the body acting by delegation therefrom) shall determine whether the Adjustment Dividend should be paid (and, if applicable, the amount thereof), in accordance with the provisions of Section 4.1 below.

Within the year following the date of approval of the resolutions included in items 8 and 9 on the agenda, each of the Implementations may be made by the Board of Directors (with express power of substitution) at its sole discretion, and therefore without having to once again obtain the approval of the shareholders at a General Shareholders' Meeting, and based on the legal and financial conditions existing at the time of each Implementation, in order to offer the Company's shareholders a flexible and efficient remuneration formula.

The shareholders may only elect remuneration option (iii) above (i.e. receive the Supplementary Dividend or the Interim Dividend, as applicable) during the “**Common**

Election Period". This period will begin on the same day as the trading period for the free-of-charge allocation rights, and the Board of Directors (with express power of substitution) must establish the specific term of the Common Election Period, which may in no event exceed the term of said trading period.

In addition, the default option will apply to shareholders who do not communicate the flexible remuneration option chosen in respect of their different groups of shares during the Common Election Period, for which reason they will receive their remuneration through the delivery of new fully paid-up shares of the Company (i.e. the remuneration option referred to in paragraph (i) above) and, if applicable, the payment of the Adjustment Dividend.

Based on their preferences and needs, the Company's shareholders may combine any of the alternatives mentioned in paragraphs (i) through (iii) above. In any event, the election of one of the remuneration options automatically excludes the ability to choose either of the other two options regarding the same shares, for which reason the ability to combine options referred to above will only be possible with respect to different groups of shares.

As described in Section 3 below, if the requirements of Section 277 of the "Companies Act" to pay the Interim Dividend (the "**Requirements**") are not met in the Second Implementation, the Company shall make an irrevocable commitment to purchase the free-of-charge allocation rights arising from the second Increase in Capital at a guaranteed fixed price (the "**Purchase Commitment**" and the "**Fixed Purchase Price**", respectively). As such, the shareholders may sell their free-of-charge allocation rights to the Company at the Fixed Purchase Price and receive a cash amount equal to the one that they would have received as an Interim Dividend.

Without prejudice to the foregoing, it is expressly stated for the record that: (a) the Fixed Purchase Price must also be aligned with the Target Dividend; and (b) any difference arising from rounding between the amount of the Fixed Purchase Price and the Target Dividend shall be offset against the payment of the Adjustment Dividend, provided that the Requirements are met in relation to its payment (which shall be classified as an interim dividend payment).

The Company assumes no liability for the choices made by the holders of the free-of-charge allocation rights (or for a failure to choose, if an express and valid communication is not received from said holders).

The Company also rejects any liability of any kind as a result of the failure of the depositaries to transmit in due time and form the election requests made by the holders of free-of-charge allocation rights. In this regard, it should be noted that if the depositaries do not process the elections of the holders of free-of-charge allocation rights in a timely manner, they may receive the default flexible remuneration option (i.e. the delivery of new fully paid-up shares of the Company). Any claims on these grounds must be made directly to the depositaries.

It is also stated for the record that the holders of free-of-charge allocation rights may only communicate their preferences (regarding the remuneration options) to the entities with which their rights are deposited during the Common Election Period, regardless of whether they are institutional or retail holders of rights. The Company

assumes no liability for potential breach in this area by the depositaries (whether due to not accepting communications during a portion of the Common Election Period, for accepting them after the passage of said period, or for any other reason), for which reason any claim in this regard must be addressed by the shareholders or holders of free-of-charge allocation rights to the depositary in question.

2. Amount of the Dividends

2.1. Gross amount per share to be paid to the shareholders as a Supplementary Dividend and, if applicable, an Adjustment Dividend, in the First Implementation

The gross amount to be paid to the shareholders as a Supplementary Dividend and, if applicable, an Adjustment Dividend, for each share of the Company with the right to receive it shall be determined within the context of the First Implementation by the Board of Directors (with express power of substitution), subject to the terms and conditions set forth in item 8 on the agenda and in this section.

In any event, it is stated for the record that the gross Target Dividend per share will amount to €0.427 per share in the First Implementation.

During the Common Election Period for the First Implementation, the Company's shareholders shall have the ability to expressly choose to receive the Supplementary Dividend with respect to all or part of the shares they own and that are outstanding on the relevant date upon the terms set by the Board of Directors (with express power of substitution) and pursuant to applicable securities clearing and settlement rules from time to time in effect. If they choose to receive the Supplementary Dividend with respect to all or part of their shares, the shareholders shall expressly, automatically and irrevocably waive the free-of-charge allocation rights corresponding to said shares.

The free-of-charge allocation rights acquired on the market during the trading period established for this purpose by the Board of Directors (or the body acting by delegation therefrom) shall not give the acquiring parties the right to choose to receive the Supplementary Dividend or to receive any Adjustment Dividend. Therefore, the new holders of these rights may only monetise their investment through the sale thereof on the market during said trading period that has been activated for this purpose. Alternatively, they may choose to receive the newly-issued bonus shares of the Company to which they are entitled at the end of the aforementioned trading period.

Upon completion of the Common Election Period for the First Implementation, the Board of Directors (with express power of substitution) shall determine the aggregate gross amount in euros corresponding to the Dividend Payment for the First Implementation, which is equivalent to the sum of the Supplementary Dividend and any Adjustment Dividend, and shall make payment thereof through the participants in "Sociedad de Gestión de los Sistemas de Registro, Compensación y Liquidación de Valores, S.A." (Sociedad Unipersonal) (IBERCLEAR) ("IBERCLEAR"). For these purposes, it is stated for the record

that the date of payment of the Adjustment Dividend may be different from that of the Supplementary Dividend. Finally, the Board of Directors (with express power of substitution) shall rescind the resolution on payment of the Supplementary Dividend with respect to the part corresponding to the shareholders who elect (expressly or implicitly) to receive new shares or to sell their allocation rights on the market.

Moreover, after calculating the aggregate gross amount of the Supplementary Dividend and any Adjustment Dividend, the aggregate total amount paid as a dividend with a charge to the results for the financial year ended 31 December 2025 pursuant to the provisions of item 7 on the agenda shall be determined and, in view of said amount, the amount of the total basis for distribution established in said item on the agenda to be allocated to remainder shall be specified, and the resulting proposed allocation of profits and payment of the dividend for financial year 2025 shall be completed.

Section 4.1 below includes the formula for calculating the gross amount per share corresponding to the Supplementary Dividend and any Adjustment Dividend.

2.2. Gross amount per share to be paid to the shareholders as an Interim Dividend and, if applicable, an Adjustment Dividend, in the Second Implementation

The gross amount to be paid to the shareholders as an Interim Dividend for each share of the Company with the right to receive it shall be determined in the context of the Second Implementation by the Board of Directors pursuant to the corresponding resolution to be adopted prior to 31 December 2026, and which will be subject in any event to confirmation that the Requirements have been met (the “Interim Dividend”). The gross amount to be paid to the shareholders in respect of any payable Adjustment Dividend will be determined at the time when the calculations are performed to commence the second implementation of the “Iberdrola Retribución Flexible” optional dividend system for financial year 2026.

During the Common Election Period for the Second Implementation, the Company’s shareholders shall have the ability to expressly choose to receive the Interim Dividend with respect to all or part of the shares they own and that are outstanding on the relevant date upon the terms set by the Board of Directors (with express power of substitution) and pursuant to applicable securities clearing and settlement rules from time to time in effect. If they choose to receive the Interim Dividend with respect to all or part of their shares, the shareholders shall expressly, automatically and irrevocably waive the free-of-charge allocation rights corresponding to said shares.

The free-of-charge allocation rights acquired on the market during the trading period established for this purpose by the Board of Directors (or the body acting by delegation therefrom) shall not give the acquiring parties the right to choose to receive the Interim Dividend or to receive any Adjustment Dividend.

Therefore, the new holders of these rights may only monetise their investment through the sale thereof on the market during said trading period that has been

activated for this purpose. Alternatively, they may choose to receive the newly-issued bonus shares of the Company to which they are entitled at the end of the aforementioned trading period.

Upon completion of the Common Election Period for the Second Implementation, the Board of Directors (with express power of substitution) shall determine the aggregate gross amount in euros corresponding to the Dividend Payment for the Second Implementation, which is equivalent to the sum of the Interim Dividend and any Adjustment Dividend, and shall make payment thereof through the participants in IBERCLEAR. For these purposes, it is stated for the record that the date of payment of the Adjustment Dividend may be different from that of the Interim Dividend. Finally, the Board of Directors (with express power of substitution) shall rescind the resolution on payment of the Interim Dividend with respect to the part corresponding to the shareholders who elect (expressly or implicitly) to receive new shares or to sell their allocation rights on the market.

Section 4.1 below includes the formula for calculating the gross amount per share corresponding to the Interim Dividend and any Adjustment Dividend.

3. Purchase Commitment within the framework of the Second Implementation

If the Requirements are not met to pay the Interim Dividend within the framework of the Second Implementation (which circumstance shall be communicated to the market), the Company shall make the Purchase Commitment upon the terms described in this section in order to ensure that the shareholders can receive all or part of their remuneration in cash.

The Fixed Purchase Price shall be calculated with the same formula that determines the gross amount per share of the Interim Dividend (see Section 4.1 below), so that the amount received by shareholders is equal to the amount they would have received if the Interim Dividend had been payable. Such price shall be calculated prior to the commencement of the trading period for the free-of-charge allocation rights of the second Increase in Capital and shall be published as soon as it is determined. The Fixed Purchase Price must be aligned with the Target Dividend and any difference arising from rounding shall be offset against the payment of the Adjustment Dividend, provided that the Requirements are met for its payment (which shall be classified as an interim dividend).

The Purchase Commitment shall cover the free-of-charge allocation rights of those who are included as holders in the book-entry records of IBERCLEAR on the relevant date, pursuant to the securities clearing and settlement rules from time to time in effect. The holders of free-of-charge allocation rights acquired on the market during the trading period established for this purpose shall not be able to enforce the Purchase Commitment or receive the Fixed Purchase Price. They may only monetise their investment by selling the rights on the market during the trading period or, alternatively, they may choose to receive the newly-issued bonus shares to which they are entitled.

The Purchase Commitment shall be in effect and may be accepted during such term as is established for these purposes by the Board of Directors (with express power of substitution), and which must in any case be included within the trading period for the free-of-charge allocation rights.

In relation to the foregoing, the Company is authorised to acquire said free-of-charge allocation rights, with a maximum limit of all rights issued in relation to the second Increase in Capital, but must in any case comply with the legal requirements applicable from time to time.

The acquisition by the Company of the free-of-charge allocation rights as a result of the Purchase Commitment shall be carried out with a charge to the reserves contemplated in Section 303.1 of the “Companies Act”.

The Company shall waive the new shares corresponding to the free-of-charge allocation rights that it has acquired by application of the Purchase Commitment. In such an event, pursuant to the provisions of Section 311 of the “Companies Act”, there will be an incomplete allocation of the Increase in Capital corresponding to the Second Implementation, and share capital shall be increased solely by the amount corresponding to the free-of-charge allocation rights that have not been waived.

4. Common characteristics of the Increases in Capital

*The amount of each of the Increases in Capital shall be the amount resulting from multiplying: (a) the nominal value of each share of the Company, equal to seventy-five euro cents; by (b) the total determinable number of new shares of the Company to be issued, in accordance with the applicable formula as set forth in Section 4.1 below, on the date of each of the Implementations (the new shares of the Company issued by way of implementation of each of the Increases in Capital shall be collectively referred to as the “**New Shares**”, and each one, individually, as a “**New Share**”).*

Both Increases in Capital shall be carried out, if at all, by means of the issuance and flotation, on their respective dates of Implementation, of the New Shares, which shall be ordinary shares having a nominal value of seventy-five euro cents each, of the same class and series as those currently outstanding, represented by book entries.

The Increases in Capital shall be entirely carried out with a charge to the reserves contemplated in Section 303.1 of the “Companies Act”. When implementing each of the Increases in Capital, the Board of Directors (with express power of substitution) shall determine the reserve(s) to be used and the amount of such reserve(s) in accordance with the balance sheet used as a basis for the transaction.

The New Shares shall be issued at par, i.e. at their nominal value of seventy-five euro cents, without a share premium, and shall be allocated without charge to the shareholders of the Company who have opted for this remuneration alternative.

Pursuant to the provisions of Section 311 of the “Companies Act”, the possibility of an incomplete allocation of the Increases in Capital is contemplated in the event that the Company, a company within its group, a shareholder or a third party waives all or part of the free-of-charge allocation rights to which they are entitled at the time of implementation of each of the Increases in Capital, for which reason, in the event of

such waiver, the share capital shall be increased by the corresponding amount. For these purposes, it shall be deemed that those who have chosen to receive their remuneration in cash by means of collecting the Supplementary Dividend or the Interim Dividend, according to the relevant edition of the “Iberdrola Retribución Flexible” system, with respect to all or part of their shares, expressly, automatically and irrevocably waive the free-of-charge allocation rights corresponding to said shares, upon the terms and conditions set forth herein.

4.1 New Shares to be issued in each of the Increases in Capital

The maximum number of New Shares to be issued in each of the Increases in Capital shall be the number resulting from the application of the following formula, with the resulting number being rounded to the next lower integer:

$$\text{NNS} = \text{TNShrs.} / \text{Num. rights}$$

where:

NNS = Maximum number of New Shares to be issued within the framework of the relevant Increase in Capital;

TNShrs. = Number of shares of the Company outstanding on the date that the Board of Directors (with express power of substitution) resolves to implement the relevant Increase in Capital. In this regard, those shares of the Company that have previously been retired by virtue of the implementation of the resolution approving the reduction in share capital by means of the retirement of own shares submitted to the shareholders for approval at the General Shareholders' Meeting under item 10.1 on the agenda, even if the corresponding public instrument formalising the reduction in share capital has not been executed or is pending registration with the Commercial Registry, shall not be deemed to be outstanding shares of the Company; and

Num. rights = Number of free-of-charge allocation rights required for the allocation of one New Share within the framework of the relevant Increase in Capital, which number will result from the application of the following formula, with the resulting number being rounded to the next higher integer:

$$\text{Num. rights} = \text{TNShrs.} / \text{Provisional number of shares}$$

where:

Provisional number of shares = Amount of the Option / ListPri.

For these purposes, “**Amount of the Option**” shall mean the maximum reference market value of the relevant Increase in Capital to be set by the Board of Directors (with express power of substitution) and which shall not be greater than the amount referred to in the proposed Increase in Capital resolutions submitted for the approval of the shareholders at the General Shareholders' Meeting under items 8 and 9 on the agenda (i.e. €3,150 and €2,150 million, respectively). The Amount of the Option shall be set as closely as possible to the Target Dividend, such that the gross dividend per share is

aligned with the Target Dividend. If - as a result of the rounding rules contained in the formulas referred to below - the resulting gross dividend per share is not aligned with the Target Dividend, the Amount of the Option will be the minimum amount which, having applied the foregoing formulas, is closest to the Target Dividend (without exceeding it) and the difference arising from rounding shall be offset against the payment of the Adjustment Dividend.

For its part, "ListPri" shall be the arithmetic mean of the average weighted listing prices of the Company's shares on the Madrid, Barcelona, Bilbao and Valencia Stock Exchanges through the Automated Quotation System (Sistema de Interconexión Bursátil) (Continuous Market) for the five trading sessions determined by the Board of Directors (or the body acting by delegation therefrom) to set the number of free-of-charge allocation rights needed for the allocation of one New Share in the relevant Increase in Capital, rounding the result to the closest one-thousandth part of one euro.

The maximum number of New Shares to be issued thus calculated shall be rounded to obtain a whole number of shares (with the result being rounded to the next lower integer) and a ratio for the conversion of rights into shares that is also an integer (with the result being rounded to the next higher integer). In addition, and for the same purposes, the Company (or any company within its group that holds shares of the Company) shall waive the corresponding free-of-charge allocation rights as provided in section 4.2 below.

Upon the launch of each edition of the "Iberdrola Retribución Flexible" system, the Board of Directors (with express powers of substitution) will analyse whether - as a result of the rounding rules provided for in the above formula - the resulting gross dividend per share exceeds the Target Dividend and, therefore, is not aligned therewith. If such conclusion is reached following the corresponding analysis, there will be a declaration that the Adjustment Dividend is payable.

In view of the above, the following circumstances may arise⁸:

(a) The Adjustment Dividend is not payable:

In this case, the gross amount per share of the Dividend in question, or if the Requirements are not met in the Second Implementation, the Fixed Purchase Price per free-of-charge allocation right will be that which results

⁸ It should be noted that due to the inherent nature and purpose of the Adjustment Dividend, in each of these scenarios, the calculations are performed using a different Amount of the Option, which entails the corresponding variation in the Num. Rights. Without prejudice to the foregoing, the remuneration that the shareholders will receive from the Company in both scenarios will be equivalent (in terms of market value and without prejudice to the applicable tax treatment in each of them).

from the application of the following formula, rounding the result to the closest one-thousandth part of one euro:

$Dividend \text{ (or, if applicable, Fixed Purchase Price)} = ListPri / (Num. \text{ rights} + 1)$

(b) The Adjustment Dividend is payable:

In this case, the gross amount per share of the Supplementary Dividend, or of the Interim Dividend, as applicable, will be the amount resulting from the application of the following formula, with the result being rounded to the closest one-thousandth part of one euro:

$Supplementary \text{ Dividend or Interim Dividend, as applicable,} = ListPri / (Num. \text{ rights} + 1)$

In addition, the gross amount per share of the Adjustment Dividend will be the amount resulting from the application of the following formula⁹, with the result being rounded to the closest one-thousandth part of one euro:

$Adjustment \text{ Dividend} = Target \text{ Dividend} - ListPri / (Num. \text{ rights} + 1)$

Finally, the gross amount per share of the relevant Dividend, or the Fixed Purchase Price, as applicable, will be the amount resulting from the application of the following formula¹⁰, with the result being rounded to the closest one-thousandth part of one euro:

$Dividend \text{ (or, if applicable, Fixed Purchase Price)} = ListPri / (Num. \text{ rights} + 1) + Adjustment \text{ Dividend}$

Without prejudice to the foregoing, it is expressly stated for the record that the amount of the Supplementary Dividend, the Interim Dividend or the Fixed Purchase Price, as applicable, added to the amount of the Adjustment Dividend, may never exceed the Target Dividend, and must therefore be aligned therewith. For these purposes, it is stated for the record that the gross Target Dividend per share will amount to €0.427 in the First Implementation.

The analysis to determine whether the Adjustment Dividend is payable will be carried out in each edition of the “Iberdrola Retribución Flexible” system for financial year 2026, which –in accordance with its usual schedule– is expected

⁹ The gross amount per share of the Adjustment Dividend can also be obtained by applying the following formula, with the result being rounded to the closest one-thousandth part of one euro: Adjustment Dividend = Target Dividend – Supplementary Dividend or Interim Dividend, as applicable.

¹⁰ The gross amount per share of the Dividend can also be obtained by applying the following formula, with the result being rounded to the closest one-thousandth part of one euro: Dividend = Supplementary Dividend or Interim Dividend, as applicable, + Adjustment Dividend.

to take place upon the approval of the resolutions or corporate decisions through which the initial figures are determined for purposes of launching each Implementation. In any event, the result of such analysis shall be communicated to the market by issuing the corresponding notice of other relevant information, which shall be published on the corporate website (www.iberdrola.com) and on the website of the National Securities Market Commission (Comisión Nacional del Mercado de Valores) (www.cnmv.es).

It is also stated for the record that, in strict compliance with Section 94 of the "Companies Act" and in order to guarantee the equal treatment of all shareholders, the Adjustment Dividend would be paid to all shareholders who hold shares of the Company on the record date of the corresponding edition of the "Iberdrola Retribución Flexible" system, regardless of the remuneration option they have chosen under the "Iberdrola Retribución Flexible" system, and excluding the shares held as treasury shares on the record date of the corresponding edition of the "Iberdrola Retribución Flexible" system, in accordance with the provisions of Section 148 of the "Companies Act".

In addition, the Company's shareholders should bear in mind that the participants in IBERCLEAR may establish such pass-through fees and expenses as they may freely determine as a consequence of the payment of the Adjustment Dividend, in accordance with applicable law.

4.2 Free-of-charge allocation rights

In each of the Increases in Capital, each outstanding share of the Company on the date of Implementation of the corresponding Increase in Capital (TNShrs.) shall grant its holder one free-of-charge allocation right.

The number of free-of-charge allocation rights required to receive one New Share in each of the Increases in Capital shall be automatically determined according to the ratio existing between the number of outstanding shares of the Company on the date of Implementation of the relevant Increase in Capital (TNShrs.) and the provisional number of New Shares, calculated by using the applicable formula in accordance with the provisions of Section 4.1 above. Specifically, the holders of free-of-charge allocation rights shall be entitled to receive one New Share for the number of free-of-charge allocation rights held by them, which shall be determined as provided in section 4.1 above (Num. rights).

If the number of free-of-charge allocation rights required for the allocation of one New Share (Num. rights) multiplied by the maximum number of New Shares to be issued (NNS) results in a number that is lower than the number of outstanding shares of the Company on the date of Implementation of the corresponding Increase in Capital (TNShrs.), the Company (or any company within its group that holds shares of the Company) shall waive a number of free-of-charge allocation rights equal to the difference between both figures for the sole purpose that the number of New Shares be a whole number and not a fraction.

The free-of-charge allocation rights shall be allocated to those who are registered as being entitled thereto in the book-entry registers of IBERCLEAR on the relevant date pursuant to the securities clearing and settlement rules from time to time in effect.

The Company will waive the free-of-charge allocation rights corresponding to the shares of the Company that have been retired prior to the date of Implementation of the corresponding Increase in Capital if said shares have not yet been removed from the book-entry registers of IBERCLEAR because the corresponding public instrument formalising the implementation of the resolution on the reduction in share capital, the approval of which is submitted to the shareholders at the General Shareholders' Meeting under item 10.1 on the agenda, has not yet been executed or is still pending registration.

The free-of-charge allocation rights shall be transferable upon the same terms as the shares from which they derive and may be traded on the market during such term as is established by the Board of Directors (with express power of substitution) in implementing the relevant Increase in Capital, which term shall not be less than fourteen calendar days. During such term, a sufficient number of free-of-charge allocation rights may be acquired on the market in the proportion required to receive New Shares. Notwithstanding the foregoing, the free-of-charge allocation rights acquired on the market during the trading period established for this purpose shall not give the acquiring party the right to choose to receive the corresponding Dividend (including any Adjustment Dividend), or, if applicable, to enforce the Purchase Commitment and receive the Fixed Purchase Price. Therefore, the new holders of these free-of-charge allocation rights may only monetise their investment through the sale thereof on the market during said trading period that has been activated for this purpose. Alternatively, they may choose to receive the fully paid-up New Shares to which they are entitled at the end of the aforementioned trading period.

Therefore, during the trading period for the free-of-charge allocation rights, subject to any other terms and conditions established by the Board of Directors (with express power of substitution), the holders of free-of-charge allocation rights may choose between:

- (a) receiving their remuneration in New Shares, in which case, at the end of the period for trading the free-of-charge allocation rights, they shall be allocated the New Shares to which they are entitled pursuant to the terms and conditions of the implementation of the Increase in Capital in question;*
- (b) transferring all or part of their free-of-charge allocation rights on the market, in which case the consideration that the holders of free-of-charge allocation rights will receive for the sale thereof will depend on market conditions in general and on the listing price of said rights in particular; or*
- (c) only during the Common Election Period determined by the Board of Directors (with express power of substitution) and exclusively in favour of those originally allocated the free-of-charge allocation rights, receiving their*

remuneration in cash by collecting the Supplementary Dividend or the Interim Dividend, as applicable (or, if applicable, by collecting the Fixed Purchase Price), for which purpose the shareholders shall be required to make an express election in this regard. The shareholders may choose to receive their cash remuneration with respect to all or part of their shares.

In this case, it shall be deemed that those choosing to receive their remuneration in cash with respect to all or part of their shares expressly, automatically and irrevocably waive the free-of-charge allocation rights corresponding to said shares and the ability to transfer them on the market. To this end, the participants in IBERCLEAR will block said free-of-charge allocation rights, which may not be transferred on the market and which shall automatically expire at the end of the trading period, without the holders thereof being entitled to receive New Shares.

Based on their preferences and needs, the Company's shareholders may combine any of the alternatives mentioned in paragraphs (a) through (c) above. In any event, the election of one of the remuneration options automatically excludes the ability to choose either of the other two options regarding the same shares, for which reason the ability to combine options referred to above will only be possible with respect to different groups of shares.

When the Adjustment Dividend is payable in accordance with the above provisions, it shall be paid to all shareholders of the Company regardless of the remuneration option they have chosen from those indicated in paragraphs (a) through (c) above. For the avoidance of doubt and as previously mentioned, those acquiring free-of-charge allocation rights on the market shall not have the right to receive the Adjustment Dividend (if payable).

The Company assumes no liability for the choices made by the holders of the free-of-charge allocation rights (or for a failure to choose, if an express and valid communication is not received from said holders).

The Company also rejects any liability of any kind as a result of the failure of the depositaries to transmit in due time and form the election requests made by the holders of free-of-charge allocation rights. In this regard, it should be noted that if the depositaries do not process the elections of the holders of free-of-charge allocation rights in a timely manner, they may receive the default flexible remuneration option (i.e. the delivery of new fully paid-up shares of the Company). Any claims on these grounds must be made directly to the depositaries.

It is also stated for the record that the holders of free-of-charge allocation rights may only communicate their preferences (regarding the remuneration options) to the entities with which their rights are deposited during the Common Election Period, regardless of whether they are institutional or retail holders of rights. The Company assumes no liability for a breach of this period by the depositaries (whether due to not accepting communications during a portion of the Common Election Period, for accepting them after the passage of said period, or for any other reason), for which reason any claim in this regard must be addressed by the shareholders or holders of free-of-charge allocation rights to the depositary in question.

4.3 Balance sheet for the transaction and reserve with a charge to which the Increases in Capital are carried out

The balance sheet used as a basis for the two Increases in Capital is the one for the financial year ended 31 December 2025, duly audited and submitted to the shareholders for approval at this General Shareholders' Meeting under item 1 on the agenda.

The Increases in Capital shall be entirely carried out with a charge to the reserves contemplated in Section 303.1 of the "Companies Act". When implementing each of the Increases in Capital, the Board of Directors (with express power of substitution) shall determine the reserve(s) to be used and the amount of such reserve(s) in accordance with the balance sheet used as a basis for the transaction.

4.4 Representation of the New Shares

The New Shares will be represented by book entries, the book-entry registration of which is entrusted to IBERCLEAR and its participants.

4.5 Rights attaching to the New Shares

As from the date on which the relevant Increase in Capital is declared to be subscribed and paid up, the New Shares shall grant the holders thereof the same financial, voting and like rights as the ordinary shares of the Company then outstanding.

The Increases in Capital shall be carried out free of expenses and fees as to the allocation of the New Shares issued. The Company shall bear the costs of issuance, subscription, flotation, admission to trading and other costs associated with the Increases in Capital.

Without prejudice to the foregoing, the Company's shareholders should bear in mind that the participants in IBERCLEAR with which they keep their shares on deposit may establish such pass-through management fees and expenses as they may freely determine as a consequence of maintaining the securities in their book-entry records. Moreover, these participants may establish such pass-through fees and expenses as they may freely determine for the processing of orders to purchase and sell free-of-charge allocation rights.

4.6 New Shares that cannot be allocated to their holders

Once the period for trading the free-of-charge allocation rights during each of the Increases in Capital has ended, the New Shares that could not be allocated for reasons not attributable to the Company shall be kept for those who provide evidence that they are the lawful holders of the corresponding free-of-charge allocation rights. Once six years have passed from the end of the relevant period for trading the free-of-charge allocation rights, the New Shares issued by virtue of the relevant Increase in Capital that are still pending allocation will become owned by the Company, by analogous application of the provisions of Article 1,955 of the "Civil Code".

It is also stated for the record that pursuant to the resolution approved by the shareholders at the General Shareholders' Meeting of the Company held on 30 May 2025 on first call under item 10 on the agenda, an amendment was introduced to the regime applied until that date with respect to the new shares not allocated for reasons not attributable to the Company, issued in increases in capital executed to implement previous editions of the "Iberdrola Retribución Flexible" system for financial year 2025, which are pending allocation. In this way:

- (a) Once three years have passed from the end date of the trading periods for the free-of-charge allocation rights for each of the increases in capital executed to implement each one of the two editions of the 2022, 2023 and 2024 "Iberdrola Retribución Flexible" optional dividend systems, the six-year period at the end of which the Company will become the owner of the new shares that are pending allocation will start to run.*
- (b) Once six years have passed from 30 May 2025 (i.e. on 30 May 2031), the Company will become the owner of all of the new shares not allocated for reasons not attributable to the Company, issued in increases in capital executed in the pre-2022 editions of the "Iberdrola Flexible Dividend" or "Iberdrola Retribución Flexible" system that are pending allocation.*

In any event, during the periods referred to in the two preceding sections, the new shares pending allocation will be kept available for those who provide evidence that they are the lawful holders of the corresponding free-of-charge allocation rights.

4.7 Application for admission to trading

The Company shall make application for trading the New Shares to be issued as a consequence of each of the Increases in Capital on the Madrid, Barcelona, Bilbao and Valencia Stock Exchanges, through the Automated Quotation System (Sistema de Interconexión Bursátil) (Continuous Market), and shall carry out such acts and formalities as are required and submit the documents needed to the appropriate bodies for admission to trading of the New Shares issued as a result of each of the approved Increases in Capital, with an express statement for the record of the Company's submission to the rules that may now or hereafter exist with respect to Stock Exchange matters, and especially regarding trading, continued trading and removal from trading on official markets.

Any subsequent request for removal from trading of the shares of the Company shall be adopted with the same formalities as those that apply to the application for trading and, in such event, the interests of the shareholders opposing or not voting on the resolution to remove shall be safeguarded, in compliance with the requirements set out by applicable law at such time.

5. Application of the “Iberdrola Retribución Flexible” optional dividend system. Implementations

Within a period of one year from the date of approval of this resolution, the Board of Directors (with express power of substitution) may set the date on which each Implementation must be carried out and set the terms and conditions thereof as to all matters not provided for in this resolution (including, in particular, the power to perform the analysis to determine whether the Adjustment Dividend is payable in each of the Implementations, in accordance with the provisions of Section 4.1 above, the Amount of the Option corresponding to each of the Implementations, the amount of the Supplementary Dividend, and the amount of any Adjustment Dividend).

Furthermore, it is expected that prior to 31 December 2026, the Board of Directors will determine the Interim Dividend to be paid for purposes of the Second Implementation as well as the other conditions applicable to the Interim Dividend, including whether any Adjustment Dividend is payable in the context of the Second Implementation, pursuant to the provisions of Section 277 of the “Companies Act”. To this end, and in accordance with the provisions of Section 161 of the “Companies Act”, the shareholders acting at this General Shareholders' Meeting hereby instruct the Board of Directors, if the Requirements are met, to approve the payment of the Interim Dividend and any Adjustment Dividend, and set the terms and conditions applicable to the corresponding Dividend Payment, all in order to carry out the Second Implementation.

Notwithstanding the foregoing, if the Board of Directors (with express power of substitution) does not deem it advisable to carry out one or both Implementations, in whole or in part, within the aforementioned period, it may refrain from doing so, with the duty to inform the shareholders thereof at the next General Shareholders' Meeting.

Specifically, the Board of Directors (with express power of substitution) shall analyse and take into account the market conditions, the circumstances of the Company itself or those deriving from an event that has social or financial significance for the Company and, if these or other factors make it inadvisable, in its opinion, to carry out one or both Implementations, it may refrain from doing so. In addition, the resolutions approved by the shareholders at the General Shareholders' Meeting relating to the Supplementary Dividend, to the Increases in Capital and to the Adjustment Dividend shall be deprived of any and all effect in the event that the Board of Directors (or the body acting by delegation therefrom) does not exercise the powers delegated thereto or, in the case of the Second Implementation, does not approve the payment of the Interim Dividend or any Adjustment Dividend, or honour the Purchase Commitment, within a period of one year from approval of the resolutions.

For these purposes, it is hereby stated for the record that the payment of the Adjustment Dividend is intrinsically linked to each of the Implementations, so that if any of them is not carried out, the resolutions of this General Shareholders' Meeting relating to the Adjustment Dividend in respect of the relevant Implementation shall be deprived of any and all effect. In addition, and as previously stated, the Adjustment Dividend will be classified as a supplementary dividend or an interim dividend,

depending on whether it corresponds to the First Implementation or the Second Implementation.

Once the period for trading the free-of-charge allocation rights corresponding to each of the Increases in Capital has ended, the following shall apply:

- (a) The New Shares shall be allocated to those who, according to the book-entry registers maintained by IBERCLEAR and its participants, are the holders of free-of-charge allocation rights in the proportion resulting from section 4 above due to not having waived them on the terms provided above.
- (b) The period for trading the free-of-charge allocation rights shall be declared to have ended and the appropriation of the account(s) with a charge to which the relevant Increase in Capital will be implemented shall be formalised on the books in the respective amount, with which appropriation the Increase in Capital will be paid up.
- (c) The Company shall pay the Supplementary Dividend or the Interim Dividend (or, if the Requirements are not met within the framework of the Second Implementation, the Fixed Purchase Price), as applicable, to the shareholders that have expressly chosen this remuneration option within the period and subject to the terms and conditions determined for these purposes by the Board of Directors (with express power of substitution), pursuant to the provisions of section 2 above.
- (d) If after the analysis set out in Section 4.1 above it is determined that the Adjustment Dividend is payable, the Company will make payment thereof on the date determined in the specific schedule for each Implementation. All shareholders of the Company who hold shares of the Company on the record date of the corresponding edition of the "Iberdrola Retribución Flexible" system shall be entitled to receive the Adjustment Dividend, regardless of the remuneration option that each of them has chosen under the "Iberdrola Retribución Flexible" system, and excluding the shares held as treasury shares on the record date of the corresponding edition of the "Iberdrola Retribución Flexible" system, in accordance with the provisions of Section 148 of the "Companies Act".

Likewise, once each of the periods for trading the free-of-charge allocation rights has ended, the Board of Directors (with express power of substitution) shall adopt the resolutions required to amend the "By-Laws" so that they reflect the new amount of the share capital and the number of shares resulting from the implementation of the relevant Increase in Capital, and to make application for trading of the resulting New Shares on the Madrid, Barcelona, Bilbao and Valencia Stock Exchanges, through the Automated Quotation System (Continuous Market).

6. Delegation to carry out each of the Implementations

In particular, and by way of example only, the following powers are delegated to the Board of Directors (with express power of substitution):

- (a) To set the date on which each of the Implementations must be carried out, which shall in any case be within a period of one year from the approval of

this resolution, and to determine the specific schedule for each of the Implementations.

- (b) To analyse whether the Adjustment Dividend is payable with respect to each of the Implementations, applying the rules established by this resolution for such purpose.*
- (c) As regards each of the Implementations, to set the Target Dividend, the Amount of the Option subject to the aforementioned criteria with respect to the Target Dividend, the amount of the Supplementary Dividend (in the case of the First Implementation), the amount of any Adjustment Dividend, the number of New Shares and the number of free-of-charge allocation rights necessary for the allocation of one New Share, applying the rules established by this resolution for such purpose.*
- (d) To determine the reserve(s), among those contemplated in this resolution, with a charge to which each of the Increases in Capital will be implemented.*
- (e) To designate the company or companies that will assume the duties of agent and/or financial adviser in connection with each of the Implementations, and sign all required contracts and documents for such purpose. In particular, to appoint the entity that must act as paying agent in each of the Dividend Payments.*
- (f) To determine the five trading sessions that will be used to set the "ListPri"; as well as to perform the mathematical calculations provided for in this resolution and thus to calculate and set the "ListPri", which shall be the arithmetic mean of the average weighted listing prices of the Company's shares on the Madrid, Barcelona, Bilbao and Valencia Stock Exchanges through the Automated Quotation System (Sistema de Interconexión Bursátil) (Continuous Market) during said five trading sessions.*
- (g) To set the duration of the periods for trading the free-of-charge allocation rights corresponding to each of the Increases in Capital.*
- (h) As regards each of the Implementations, to set the specific duration of the Common Election Period and the terms and conditions under which the shareholders may state their preferences regarding the receipt of their remuneration (in cash or in New Shares).*
- (i) After the Common Election Period for each Implementation has ended, to determine the aggregate gross amount in euros corresponding to the Dividend Payment in question, to set the specific date for the payment thereof, and to make payment thereof through the participants in IBERCLEAR, taking all the steps that may be required or appropriate for the successful completion of the Dividend Payment.*
- (j) To determine, if applicable, the aggregate gross amount in euros corresponding to the payment of the Adjustment Dividend, to set the specific date for the payment thereof, and to make payment thereof through the participants in IBERCLEAR, taking all the steps that may be required or appropriate for the successful completion of such payment.*
- (k) To declare the Increases in Capital to be closed and implemented, for such purpose setting the number of New Shares actually allocated in each of*

them, and therefore the amount by which the Company's share capital must be increased in accordance with the rules established by the shareholders at this General Shareholders' Meeting, as well as declare, if applicable, the existence of an incomplete allocation of each of the Increases in Capital.

- (l) To rescind the resolution on payment of the corresponding Dividend with respect to the amounts that were not paid to those shareholders who elected (expressly or implicitly) to receive New Shares.*
- (m) To rescind the resolution on payment of the Adjustment Dividend because: (i) it is not applicable, in accordance with the rules and criteria set out herein; or (ii) the Board of Directors refrains from carrying out one or both of the Implementations.*
- (n) In the case of the First Implementation, to determine the aggregate total amount to be paid as a dividend with a charge to the results for the financial year ended 31 December 2025 pursuant to the provisions of item 7 on the agenda (i.e. the amount of the Total Supplementary Dividend and, if applicable, the Adjustment Dividend), to specify, in view of said amount, the amount of the total basis for distribution established in said item on the agenda to be allocated to remainder, and to complete the resulting proposed allocation of profits and payment of the dividend for financial year 2025.*
- (o) In the case of the First Implementation and if the Board of Directors (with express power of substitution) does not deem it appropriate to implement it, in whole or in part, during said period, to determine the aggregate total amount that has been paid as a dividend with a charge to the results for the financial year ended 31 December 2025 (which shall be equal to the total amount paid on account of the dividend for said financial year), to specify the amount of the total basis for distribution established in said item on the agenda to be allocated to remainder, and to complete the resulting proposed allocation of profits and payment of the dividend for financial year 2025.*
- (p) To amend the article of the "By-Laws" setting the share capital such that it reflects the amount of capital and the number of outstanding shares resulting from the implementation of the relevant Increase in Capital.*
- (q) To waive, if appropriate, and in each of the Increases in Capital, free-of-charge allocation rights to subscribe New Shares for the sole purpose of facilitating that the number of New Shares be a whole number and not a fraction, as well as any free-of-charge allocation rights allocated to shares of the Company that have been retired prior to the date of implementation of the corresponding Increase in Capital if said shares have not yet been removed from the book-entry registers of IBERCLEAR because the corresponding public instrument formalising the implementation of the resolution approving the reduction in share capital, the approval of which is submitted to the shareholders at the General Shareholders' Meeting under item 10.1 on the agenda, has not yet been executed or is still pending registration.*
- (r) If the Purchase Commitment must be honoured within the framework of the Second Implementation due to the Requirements for the payment of the*

Interim Dividend not having been met, to determine the acquisition by the Company of the corresponding free-of-charge allocation rights, set the period of time during which the Purchase Commitment will be in effect (within the limits established in the resolutions), determine the Fixed Purchase Price (which may not exceed the Target Dividend, and must therefore be aligned therewith) and the amount of any Adjustment Dividend, honour the Purchase Commitment by paying the corresponding amounts to the shareholders who have accepted said commitment, waive the free-of-charge allocation rights owned by the Company at the end of the trading period of the Second Implementation as a result of the Purchase Commitment, and thus the New Shares corresponding to such rights, and take any other measures or actions needed to fully honour the Purchase Commitment.

- (s) To take all steps required for the New Shares to be included in the book-entry registers of IBERCLEAR and admitted to trading on the Madrid, Barcelona, Bilbao and Valencia Stock Exchanges through the Automated Quotation System (Continuous Market) after each of the Increases in Capital.*
- (t) To take any actions that are necessary or appropriate to implement and formalise each of the Increases in Capital before any Spanish or foreign public or private entities or agencies, including acts for purposes of representation, supplementation, or correction of defects or omissions that might prevent or hinder the full effectiveness of the foregoing resolutions.*
- (u) To approve and implement such technical or other mechanisms as IBERCLEAR and the IBERCLEAR participants may deem necessary or appropriate in order to make any corresponding payment on account in relation to the Dividends.*
- (v) To perform any acts that may be necessary in connection with the procedures described in Section 4.6 above regarding the New Shares that cannot be allocated to their holders for reasons not attributable to the Company.*

7. Sample calculations relating to the First Implementation

Solely for purposes of facilitating the understanding of its application, included below is a first example of a calculation relating to the First Implementation in which it is assumed that the Adjustment Dividend is not payable. This calculation determines the maximum number of New Shares to be issued in the Increase in Capital submitted for the approval of the shareholders at the General Shareholders' Meeting under item 8 on the agenda, the maximum nominal value of such increase, the number of free-of-charge allocation rights required for the allocation of one new share and the Dividend (which in this First Implementation would only be the Supplementary Dividend, as the Adjustment Dividend is not payable).

The results of these calculations are not representative of those that might be obtained, which, in the case of the First Implementation, will depend on the different variables used in the formulas (basically, the listing price of the Company's shares at

that time (ListPri) and the Amount of the Option, as determined by the Board of Directors (with express power of substitution) in exercise of the power delegated by the shareholders at the General Shareholders' Meeting).

Solely for the purposes of this example:

- The Target Dividend is €0.427 (gross) per share.
- The Amount of the Option is €2,877 million.
- The TNShrs. is 6,575,000,000¹¹.
- A ListPri of €18.809 is assumed (this listing price of the Company's shares has been taken solely for the purposes of this example, as the Adjustment Dividend is not payable when the corresponding formulas are applied).

Therefore:

<i>Provisional number of shares = Amount of the Option / ListPri</i>	$2,877,000,000.00 / 18.809 =$ $152,958,689.988835 \approx 152,958,689$ shares <i>(rounded downwards)</i>
<i>Num. rights = TNShrs. / Provisional number of shares</i>	$6,575,000,000 / 152,958,689 =$ $42.9854625649936000 \approx 43$ rights <i>(rounded upwards)</i>
<i>NNS = TNShrs. / Num. rights</i>	$6,575,000,000 / 43 = 152,906,976.744186$ $\approx 152,906,976$ shares <i>(rounded downwards)</i>
<i>Dividend = ListPri / (Num. rights +1)</i>	$18.809 / (43 + 1) = €0.427$
<i>Target Dividend = Dividend</i>	$€0.427 = €0.427$

Therefore:

- (a) The maximum number of New Shares to be issued in the First Implementation would be 152,906,976.

¹¹ For purposes of this example, it is assumed that this would be the total number of shares of the Company outstanding after the implementation of the reduction in share capital provided for in the resolution corresponding to item 10.1 on the agenda if it is implemented in the total maximum amount thereof (i.e. 6,575,000,000 outstanding shares of the Company).

- (b) *The maximum nominal amount of the Increase in Capital submitted for approval of the shareholders at the General Shareholders' Meeting under item 8 on the agenda would be €114,680,232.00 (€152,906,976 x 0.75).*
- (c) *43 free-of-charge allocation rights (or old shares) would be necessary for the allocation of one new share.*
- (d) *In this example, the Company would be required to waive 32 free-of-charge allocation rights corresponding to 32 own shares in order for the number of shares to be issued to be an integer.*
- (e) *In this example, the Supplementary Dividend would be equal to €0.427 (gross) per share.*
- (f) *In this example, the Supplementary Dividend would be aligned with the Target Dividend and no Adjustment Dividend would be payable as a result.*

Additionally, and for the same purposes, a second sample calculation is included, also relating to the First Implementation, in which it is assumed that the Adjustment Dividend is payable. This case determines the maximum number of New Shares to be issued in the Increase in Capital submitted for the approval of the shareholders at the General Shareholders' Meeting under item 8 on the agenda, the maximum nominal value of such increase, the number of free-of-charge allocation rights required for the allocation of one new share and the Dividend (which in this First Implementation would be the Supplementary Dividend plus the Adjustment Dividend).

As stated in the previous example, the results of these calculations are not representative of those that might be obtained, which, in the case of the First Implementation, will depend on the different variables used in the formulas (basically, the listing price of the Company's shares at that time (ListPri) and the Amount of the Option, as determined by the Board of Directors (with express power of substitution) in exercise of the power delegated by the shareholders at the General Shareholders' Meeting).

Solely for the purposes of this example:

- *The Target Dividend is €0.427 (gross) per share.*
- *The Amount of the Option is €2,924 million.*
- *The TNShrs. is 6,575,000,000¹².*
- *A ListPri of €19.120 is assumed (solely for the purposes of this example, the listing price of the Company's shares at the closing of the trading session of 9*

¹² For purposes of this example, it is assumed that this would be the total number of shares of the Company outstanding after the implementation of the reduction in share capital provided for in the resolution corresponding to item 10.1 on the agenda if it is implemented in the total maximum amount thereof (i.e. 6,575,000,000 outstanding shares of the Company).

March 2026 has been used as a reference, since the application of the corresponding formulas means the Adjustment Dividend is also payable).

Therefore:

<i>Provisional number of shares = Amount of the Option / ListPri</i>	$2,924,000,000.00 / 19.120 =$ $152,928,870.292887 \approx 152,928,870$ shares <i>(rounded downwards)</i>
<i>Num. rights = TNShrs. / Provisional number of shares</i>	$6,575,000,000 / 152,928,870 =$ $42.9938441315888000 \approx 43$ rights <i>(rounded upwards)</i>
<i>NNS = TNShrs. / Num. rights</i>	$6,575,000,000 / 43 = 152,906,976.744186$ $\approx 152,906,976$ shares <i>(rounded downwards)</i>
<i>Dividend = ListPri / (Num. rights +1)</i>	$19.120 / (43 + 1) = \text{€}0.435$
<i>Dividend > Target Dividend</i>	$\text{€}0.435 > \text{€}0.427$

As a result of this calculation, the conclusion in this example is that the Supplementary Dividend is greater than the Target Dividend (and is therefore not aligned therewith), meaning that the Adjustment Dividend would be payable. As a result, it would be necessary to set a new Amount of the Option that, being lower than the previous one and in the minimum amount, would make it possible (having applied the calculation formulas) to be as close as possible to the Target Dividend (without exceeding it), and any difference resulting from rounding would be offset through the payment of the Adjustment Dividend, all in accordance with the provisions of Section 4.1 above. Pursuant to the foregoing, this example would proceed on the following terms:

- The Target Dividend remains €0.427 (gross) per share.
- The Amount of the Option becomes €2,858 million (this is the minimum amount that, when the calculation formulas are applied, would make it

possible to be as close as possible to the Target Dividend without exceeding it).

- The TNShrs. remains 6,575,000,000¹³.
- A ListPri of €19.120 continues to be assumed (solely for the purposes of this example, the listing price of the Company's shares at the closing of the trading session of 9 March 2026 has been used as a reference).

Therefore:

<i>Provisional number of shares = Amount of the Option / ListPri</i>	$2,858,000,000.00 / 19.120 =$ $149,476,987.447699 \approx 149,476,987$ shares <i>(rounded downwards)</i>
<i>Num. rights = TNShrs. / Provisional number of shares</i>	$6,575,000,000 / 149,476,987 =$ $43.9867041205480000 \approx 44$ rights <i>(rounded upwards)</i>
<i>NNS = TNShrs. / Num. rights</i>	$6,575,000,000 / 44 = 149,431,818.181818$ $\approx 149,431,818$ shares <i>(rounded downwards)</i>
<i>Supplementary Dividend = [ListPri / (Num. rights +1)]</i>	$[19.120 / (44 + 1)] = \text{€}0.425$
<i>Adjustment Dividend¹⁴ = Target Dividend – [ListPri / (Num. rights +1)]</i>	$\text{€}0.427 - [19.120 / (44 + 1)] = \text{€}0.002$
<i>Dividend¹⁵ = [ListPri / (Num. rights +1)] + Adjustment Dividend</i>	$[19.120 / (44 + 1)] + 0.002 = \text{€}0.427$

¹⁴ The same result is achieved by performing the following calculation: Adjustment Dividend = Target Dividend – Supplementary Dividend.

¹⁵ The same result is achieved by performing the following calculation: Dividend = Supplementary Dividend + Adjustment Dividend.

<i>Target Dividend = Dividend</i>	$€0.427 = €0.427$
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Therefore:

- (a) *The maximum number of New Shares to be issued in the First Implementation would be 149,431,818.*
- (b) *The maximum nominal amount of the Increase in Capital submitted for approval of the shareholders at the General Shareholders' Meeting under item 8 on the agenda would be €112,073,863.50 (€149,431,818 x 0.75).*
- (c) *44 free-of-charge allocation rights (or old shares) would be necessary for the allocation of one new share.*
- (d) *In this example, the Company would be required to waive 8 free-of-charge allocation rights corresponding to 8 own shares in order for the number of shares to be issued to be an integer.*
- (e) *In this example, the Adjustment Dividend would be equal to €0.002 (gross) per share.*
- (f) *In this example, the Supplementary Dividend would be equal to €0.425 (gross) per share.*
- (g) *In this example, the sum of the amounts of the Supplementary Dividend and the Adjustment Dividend would be equal to the Target Dividend. In no case may such sum exceed the Target Dividend, with which it must be aligned.*

In Bilbao, on 17 March 2026