



Annual Corporate Governance Report

Financial year 2025



NOTICE. This document is a translation of a duly approved Spanish-language document, and is provided for informational purposes only. In the event of any discrepancy between the text of this translation and the text of the original Spanish-language document that this translation is intended to reflect, the text of the original Spanish-language document shall prevail.

Annual Corporate Governance Report Year 2025

This “Annual Corporate Governance Report 2025” has been designed to be fully accessible, ensuring that everyone without exception can access its content via the corporate website, regardless of their abilities, their age or the technology used.

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

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

Index

- 1. Introduction 6
 - 1.1. Introductory letter 6
 - 1.2. Links to additional documents and resources 8
 - 1.3. Executive summary 10
- 2. Purpose and Structure of the Group 13
 - 2.1. Corporate purpose, values and structure 13
 - 2.2. Corporate and governance structure of the Group 13
- 3. Strategy and Creation of Value 16
 - 3.1. Business model and strategy 16
 - 3.2. Shareholder return 17
- 4. Ownership and Shareholder Structure 19
 - 4.1. Share capital 19
 - 4.1.1. Current approvals and limitations 19
 - 4.1.2. Management of treasury shares and buy-back programmes 23
 - 4.2. Shareholding structure 24
 - 4.2.1. Direct and indirect significant shareholders 24
 - 4.2.2. Stakes of directors and officers 25
 - 4.2.3. Shareholders’ agreements and free float 25
 - 4.3. Ongoing shareholder engagement 26
- 5. General Shareholders’ Meeting 27
 - 5.1. Rules of operation 27
 - 5.2. Information regarding the General Shareholders’ Meeting 2025... 28
 - 5.2.1. Information and participation process 28
 - 5.2.2. Quorum 28
 - 5.2.3. Results of votes 29
 - 5.2.4. Assurance and certifications 29

- 5.3. Next General Shareholders’ Meeting..... 31
- 6. Management and Leadership Structure 32
 - 6.1. Board of Directors 32
 - 6.1.1. Structure and composition 32
 - 6.1.2. Selection of directors and skills matrix 35
 - 6.1.3. Guarantees of suitability and dedication of directors 43
 - 6.1.4. Succession planning 49
 - 6.1.5. Training..... 49
 - 6.1.6. Operation of the Board of Directors and its committees..... 50
 - 6.1.7. Evaluation..... 55
 - 6.2. Senior management 60
 - 6.3. Remuneration of directors and officers 62
- 7. Related-Party and Intragroup Transactions 63
- 8. Risks, Corporate Control and Compliance 67
 - 8.1. Risk management and control system..... 67
 - 8.1.1 Scope and operation of the system..... 67
 - 8.1.2 Governance bodies and organisations involved..... 70
 - 8.1.3 Risk categories..... 73
 - 8.1.4 Risk guidelines and tolerance levels..... 74
 - 8.1.5 Relevant risks materialising in 2025..... 75
 - 8.2. Control and management of financial reporting risks 76
 - 8.2.1. Scope and main features of the system..... 76
 - 8.2.2. Elements of the control environment..... 80
 - 8.2.3. Internal control methodology..... 82
 - 8.2.4. Effectiveness of the system and supervisory activities 87
 - 8.2.5. External auditor’s report 88
 - 8.3. Control and management of sustainability reporting risks 89
 - 8.4. Compliance 89
- 9. External Audit 92
 - 9.1. Audit firm selection process 92

- 9.2. Appointment of audit firm..... 92
- 9.3. Fees of audit firm..... 93
- 9.4. Statutory Auditor Independence Report 93
- 10. Corporate Governance Recommendations 95
 - 10.1. Monitoring of the “Good Governance Code of Listed Companies” 95
 - 10.2. Information on good tax practices..... 97
- 11. Reconciliation with the CNMV Reporting Model..... 100
- Annex I. Shareholder Engagement Report 102
- Annex II. Details on the operation of the Board of Directors and its committees..... 110
- Annex III. Statistical information 134

1. Introduction

1.1. Introductory letter



Ignacio S. Galán
Chairman

The growth achieved in 2025 enables us to face 2026, the year of our 125th anniversary, with a record market capitalisation of €125 billion and fully consolidated as Europe's leading electricity company and one of the two largest worldwide.

The Strategic Plan 2025-2028, approved by the Board of Directors last September, is once again enabling Iberdrola to stay ahead of an environment characterised by the electrification of all energy uses, from building climate control to transport, industry and consumption linked to digitalisation and the use of artificial intelligence.

In this scenario, Iberdrola will make a record investment of €58 billion, almost 30% more than in the previous four-year period, with the United Kingdom and the United States of America as the main recipients. Of this total, €37 billion will be invested in transmission and distribution grids, the backbone of an electrified energy system, and €21 billion will be invested in renewables, mainly in projects already under construction.

Thanks to this unprecedented investment effort, we expect to achieve a net profit of €7.6 billion by the end of the period, €2 billion more than in 2024, while maintaining our financial strength and rating and allocating approximately €20 billion to dividends.

The plan also responds to the energy needs of the countries where we are present by increasing self-sufficiency, energy security and competitiveness through investments in the most environmentally friendly technologies, as well as promoting economic growth and employment: over the next four years, we will hire over 15,000 new employees and make over €65 billion of purchases from thousands of suppliers employing half a million people worldwide. In addition, our activity will generate a tax contribution of more than €40 billion and we will invest €400 million in R&D each year to continue implementing energy solutions that improve people's lives.

In short, Iberdrola closes financial year 2025 at record market highs, with a total return of 45% in just twelve months, 93% in three years, and 160% in the last five years, and we are facing the future with a transformational plan that provides us with predictability, security and stability and will lead us to continue to grow in size, profitability and social contribution, always guided by a culture based on transparency, ethics and good corporate governance.

In this context, in 2025 the Board of Directors approved an in-depth review of the Governance and Sustainability System that ensures the alignment of management with the Group's strategic goals, using the "Ethical and Basic Principles of Governance and Sustainability of the Iberdrola Group" as a guide for the achievement of our purpose and our values. And to coordinate its implementation, there has been a rollout of the second-tier governance structure, made up of committees to support the management team in cross-functional areas like risk, security, technology, sustainability and reputation, in addition to the compliance unit already in existence.

At the same time, guided by our commitment to full transparency, we have continued to update our corporate policies, which voluntarily incorporate the European Sustainability Reporting Standards ahead of their transposition into Spanish law. Specifically, the reform of the "Ongoing Shareholder Engagement Policy", approved to coincide with the tenth anniversary of this pioneering regulation, frames the General Meeting as part of the Company's ongoing relationship with the shareholders and expands the shareholders' power to submit queries and proposals throughout the year. Iberdrola's engagement with its shareholders in 2025 took the form of over 12,000 contacts, expanding, for the first time, to hold meetings and events like those held domestically with retail shareholders outside Spain. The implementation of this policy is now subject to external assurance.

All these advances in corporate governance have been achieved under the supervision of the Board of Directors and its committees through nearly 60 meetings held over the last year. The Board, with 92% independent directors among its external members, has carried out the activities described in this report while consistently ensuring effective independence in the performance of its duties and demonstrating its full commitment, availability and dedication.

We trust that this report, published for the second year in a free and fully accessible format that tripled the number of downloads from the corporate website in 2025, will again prove valuable and useful to you all and will allow us to continue promoting a governance model that last year once again earned us recognition from the British publication “World Finance” as the Spanish company with the best corporate governance.

1.2. Links to additional documents and resources

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

Reference	Link
“Engagement space” section of the corporate website	See Iberdrola website [opens in new window].
“Corporate structure and governance model of the Iberdrola Group” section of the corporate website	See Iberdrola website [opens in new window].
Corporate governance section of the corporate website	See Iberdrola website [opens in new window].
General Shareholders’ Meeting section of the corporate website	See Iberdrola website [opens in new window].
General Risk Control and Management Foundations of the Iberdrola Group	See Iberdrola website [opens in new window].
Foundations for the definition and coordination of the Iberdrola Group	See Iberdrola website [opens in new window].
Good Governance Code of Listed Companies of the National Securities Market Commission (<i>Comisión Nacional del Mercado de Valores</i>)	See document [PDF, opens in new window]
Code of Conduct for Directors, Professionals and Suppliers	See document [PDF, opens in new window]
By-Laws	See document [PDF, opens in new window]
Basic Internal Audit Regulations	See document [PDF, opens in new window]
Corporate website	See Iberdrola website [opens in new window].
Anti-Corruption and Anti-Fraud Policy	See Iberdrola website [opens in new window].
Biodiversity Policy	See document [PDF, opens in new window]
Policy regarding Communication and Contacts with Shareholders, Institutional Investors and Proxy Advisors	See Iberdrola website [opens in new window].
Board of Directors Composition and Member Selection Policy	See Iberdrola website [opens in new window].

Reference	Link
Statutory Auditor Contracting and Relations Policy	See Iberdrola website [opens in new window].
Compliance Policy	See Iberdrola website [opens in new window].
Sustainable Development Policy	See document [PDF, opens in new window]
Policy on the Responsible Development and Use of Artificial Intelligence Tools	See Iberdrola website [opens in new window].
Iberdrola Group Financial and Non-Financial Information Preparation Policy	See Iberdrola website [opens in new window].
Corporate Tax Policy	See Iberdrola website [opens in new window].
Policy on Management and Protection of Nature	See Iberdrola website [opens in new window].
Sustainable Human Capital Management and Anti-Harassment Policy	See Iberdrola website [opens in new window].
Corporate Governance Policy	See Iberdrola website [opens in new window].
Ongoing Shareholder Engagement Policy	See Iberdrola website [opens in new window].
Stakeholder Engagement Policy	See document [PDF, opens in new window]
Shareholder Remuneration Policy	See Iberdrola website [opens in new window].
Director Remuneration Policy	See Iberdrola website [opens in new window].
Operational Resiliency Policy	See Iberdrola website [opens in new window].
Policy on Respect for Human Rights	See Iberdrola website [opens in new window].
Security Policy	See Iberdrola website [opens in new window].
Ethical and Basic Principles of Governance and Sustainability of the Iberdrola Group	See document [PDF, opens in new window]
Purpose and Values of the Iberdrola Group	See document [PDF, opens in new window]
Regulations of the Audit and Risk Supervision Committee	See document [PDF, opens in new window]
Regulations of the Sustainable Development Committee	See document [PDF, opens in new window]
Regulations of the Appointments Committee	See document [PDF, opens in new window]

Reference	Link
Regulations of the Remuneration Committee	See document [PDF, opens in new window]
Regulations of the Board of Directors	See document [PDF, opens in new window]
Regulations for the General Shareholders' Meeting	See document [PDF, opens in new window]
Regulations of the Compliance Unit	See document [PDF, opens in new window]
Governance and Sustainability System	See Iberdrola website [opens in new window]
Internal Reporting and Whistleblower Protection System	See Iberdrola website [opens in new window]

1.3. Executive summary

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

This report describes the application during financial year 2025 of the corporate governance model of the Company, which shares its corporate purpose and values with an international group of which it is the parent company (together, “Iberdrola”, the “Iberdrola Group” or the “Group”), combining a decentralised management model with the necessary coordination and an effective system of separation of functions, checks, balances and controls (Section 2).

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

The Company’s shareholding structure is characterised by the fragmentation and dispersion of equity interests, with a large majority of international investors (71.8%) and a significant and stable presence of Spanish shareholders (21.3%). The Company is not aware of any shareholders’ agreements and, apart from the shareholding policy requiring permanent shareholding commitments by the directors and officers, the shares are freely transferable in compliance with the requirements of applicable law, with a very high free float level (Sections 4.1 and 4.2).

Based on a pioneering “Ongoing Shareholder Engagement Policy” approved over ten years ago by the Board of Directors, the Company maintains ongoing and effective dialogue with its shareholders, through the initiatives and communication channels that are described in the engagement report included in this report. In addition to periodic contact with analysts and rating agencies, over 850 meetings were held with around 1,800 equity, fixed-income and sustainable investors in 2025, and new engagement initiatives were implemented with retail shareholders, which translated

into the participation of a large majority of the retail shareholders in the General Meeting (Section 4.3).

The General Shareholders' Meeting 2025 thus reached a quorum of 76% of share capital, the highest level among Spanish peers with a similar shareholding structure, consolidating an extraordinary average level of participation in excess of 75% over the last 10 years. The proposals of the Board of Directors secured massive support (over 99% support on average out of the total votes in favour and against), further endorsed by the assurance regarding procedures provided through the engagement of an independent external firm (Section 5.2).

The Board of Directors maintained the percentage of independent members at 92% of all external directors in 2025, including the two vice-chairs and the lead independent director (Section 6.1.1). The orderly refreshment of its members takes place in accordance with succession plans and allows for combining high levels of qualifications with professional experience, as shown in the skills matrix included in this report, with the plurality inherent to external directors making up 86% of the total number of members and the presence of five nationalities. All of the foregoing is with a balanced presence of women and men (50/50 distribution of external directors of each gender and no gender with a representation of less than 43% of the total number of directors), having achieved in 2021 the 2026 objectives set by applicable legal provisions (Sections 6.1.2 and 6.1.3).

Of particular note is the absolute dedication the directors show to their duties, with an average attendance level of practically 100% at meetings of the Board of Directors and its committees, which held an overall total of 59 meetings in 2025 (Sections 6.1.3 and 6.1.6). Detailed information is provided on the main activities performed by these bodies, the appearances of officers and external advisors, as well as their priorities for the current financial year (Section 6.1.6).

The continuous improvement plan for the governance bodies is based on an external evaluation, the scope, methodology and results of which show a positive assessment of the quality and efficiency of their operation (Section 6.1.7).

In terms of the management team, the Company has also maintained the gender balance among senior management that it had already achieved in 2023, almost three years ahead of the obligations imposed on listed companies in Spain in this area, which will gradually become enforceable as from 30 June 2026. In addition, support committees for the management team have been implemented in strategic areas such as risk, security, technology, sustainability and reputation. These committees have become a key element in strengthening management bodies as effective decision-making centres and as support for the Board of Directors (Section 6.2).

The required information on remuneration of the members of the Board of Directors and of senior management is included and is expanded on in the annual report on remuneration of directors and officers, the consistency between them having been verified (Section 6.3).

In addition to confirming the absence of related-party transactions and including the required information on the statutory auditor, the reports issued by the Audit and Risk Supervision Committee on related-party transactions and on the independence of the external auditor are described (Sections 7 and 9).

Along with the mandatory information on risk management and control (Section 8.1) and the financial information control system (Section 8.2), references to the sustainability reporting control system (Section 8.3) and to the compliance system (Section 8.4) are included.

The final part of the report describes the degree of compliance with the 64 recommendations of the “Good Governance Code of Listed Companies”, 60 of which applied to the Company in 2025, of which it complied with 58 and explains 2. The Company’s good tax practices are also reported on (Section 10).

For purposes of comparability, this report retains a similar disclosure structure to the report for financial year 2024, simplifying some sections through references to annexes or to other reports, and providing a concordance table to facilitate the review of previous reports prepared in accordance with the National Securities Market Commission (*Comisión Nacional del Mercado de Valores*) (“CNMV”) model (Section 11).

2. Purpose and Structure of the Group

2.1. Corporate purpose, values and structure

In 2025 Iberdrola reaffirmed its corporate purpose, which reflects the strategy that the companies of the Group have been implementing for over twenty years, for the benefit of their shareholders and society as a whole, and their commitment to continue fighting, together with all their respective Stakeholders, for a real and global energy transition.

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

Priorities of Iberdrola’s sustainability roadmap



Together with the “Purpose and Values of the Iberdrola Group”, the “Ethical and Basic Principles of Governance and Sustainability of the Iberdrola Group” provide guidelines for the development of Iberdrola through the governance model described in this report.

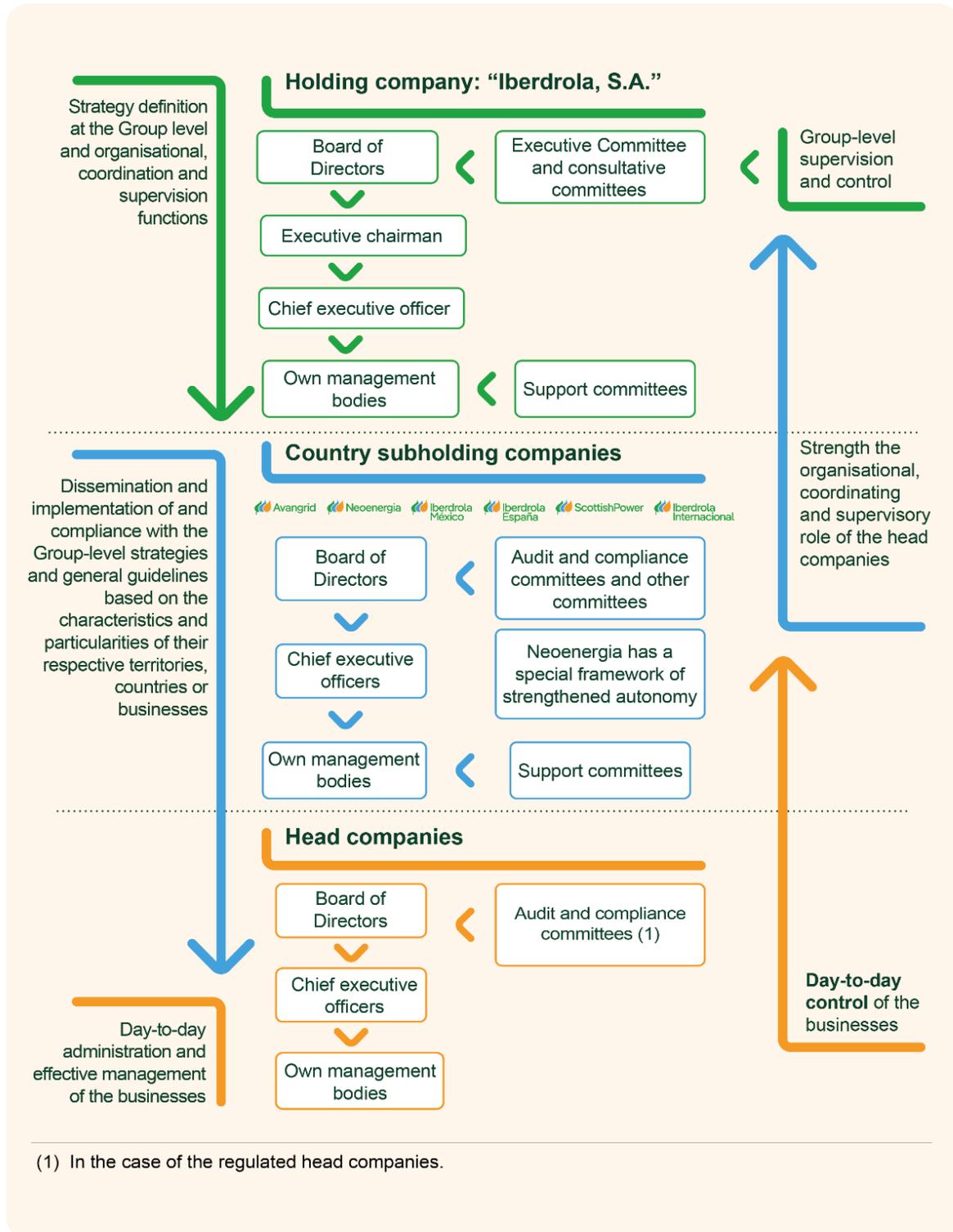
2.2. Corporate and governance structure of the Group

“Iberdrola, S.A.” is the holding company of a multinational group with a robust and diversified corporate structure that enables it to operate efficiently in the various markets in which it is present.

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

The Group’s governance structure is based on the principle of “subsidiarity” and on respect for corporate autonomy, distinguishing between the functions of strategic definition, organisation, coordination and supervision, on the one hand, and day-to-day and effective management of the businesses, on the other.

Governance structure of the Group



Holding company

- Board of Directors focused on approving strategic goals at the Group level, defining its organisational model, and supervising compliance therewith and further development thereof.
- Separation of functions and system of checks and balances with independent vice-chairs, lead independent director and consultative committees, the latter mainly or entirely made up of independent members (see Section 6 of this report).

Country subholding companies¹

- Boards of directors with executive directors, external directors and audit and compliance committees, in addition to internal audit divisions and compliance units, ensuring a special framework of strengthened autonomy for listed country subholding companies.²
- They strengthen organisation, coordination and supervision by disseminating, implementing and monitoring the overall strategy and the basic management guidelines at the Group level, grouping together equity stakes in the head of business or country companies (“head companies”).

Head companies

- Boards of directors and specific management bodies, which may have their own audit and compliance committees, internal audit areas, and compliance units or divisions.
- They assume executive responsibilities, carry out the day-to-day administration and effective management of the businesses, and are responsible for the day-to-day control thereof, without prejudice to the corporate autonomy of subsidiaries domiciled in different countries or territories.

¹ “Iberdrola España, S.A.” (Sociedad Unipersonal) (“Iberdrola España”), “Scottish Power Ltd.” (“Scottish Power”), “Avangrid, Inc.” (“Avangrid”), “Neoenergia S.A.” (“Neoenergia”), “Iberdrola México, S.A. de C.V.” (“Iberdrola México”) and “Iberdrola Energía Internacional, S.A.” (Sociedad Unipersonal) (“Iberdrola Energía Internacional”). On 31 July 2025, the signing of a contract for the sale of Iberdrola Mexico was announced, subject to the conditions precedent customary in this type of transaction: [Go to CNMV website \[opens in new window\]](#).

² As at financial year-end 2025, only Neoenergia, listed in Brazil, had the status of a listed country subholding company. On 24 November 2025, “Iberdrola Energía, S.A.” (Sociedad Unipersonal) submitted a takeover bid for all of the shares of Neoenergia not controlled by the Iberdrola Group or held by Neoenergia as treasury shares, in order to simplify the corporate and organisational structure. [Go to CNMV website \[opens in new window\]](#).

3. Strategy and Creation of Value

3.1. Business model and strategy

On 24 September 2025, the Company presented the Strategic Plan 2025-2028 during Capital Markets Day, updating its commitments and strengthening its investment strategy.



“This plan is intended to transform Iberdrola’s profile into a more regulated company, with networks as a growth vector.”

Ignacio S. Galán
Chairman

The aim of this Strategic Plan is to achieve a gross operating income (EBITDA) of €18,000 million by 2028, representing an increase of €3,000 million compared to 2024, thanks to the new roadmap, electricity networks, which will contribute 55% of these results.

Stable, predictable and secure growth

As such, the Company will be able to meet its commitment to increase shareholder remuneration in line with results, and it plans to distribute close to €20,000 million in dividends between 2025 and 2028. Thus, it will allocate between 65% and 75% of profits to shareholder remuneration, setting the dividend floor at €0.64 for this period as part of the “*Iberdrola Retribución Flexible*” programme.

This investment plan ensures stable, predictable, profitable and secure growth, participating in markets with an A+ rating and consolidating its financial position aligned with a BBB+ credit rating, made possible by a highly diversified portfolio.

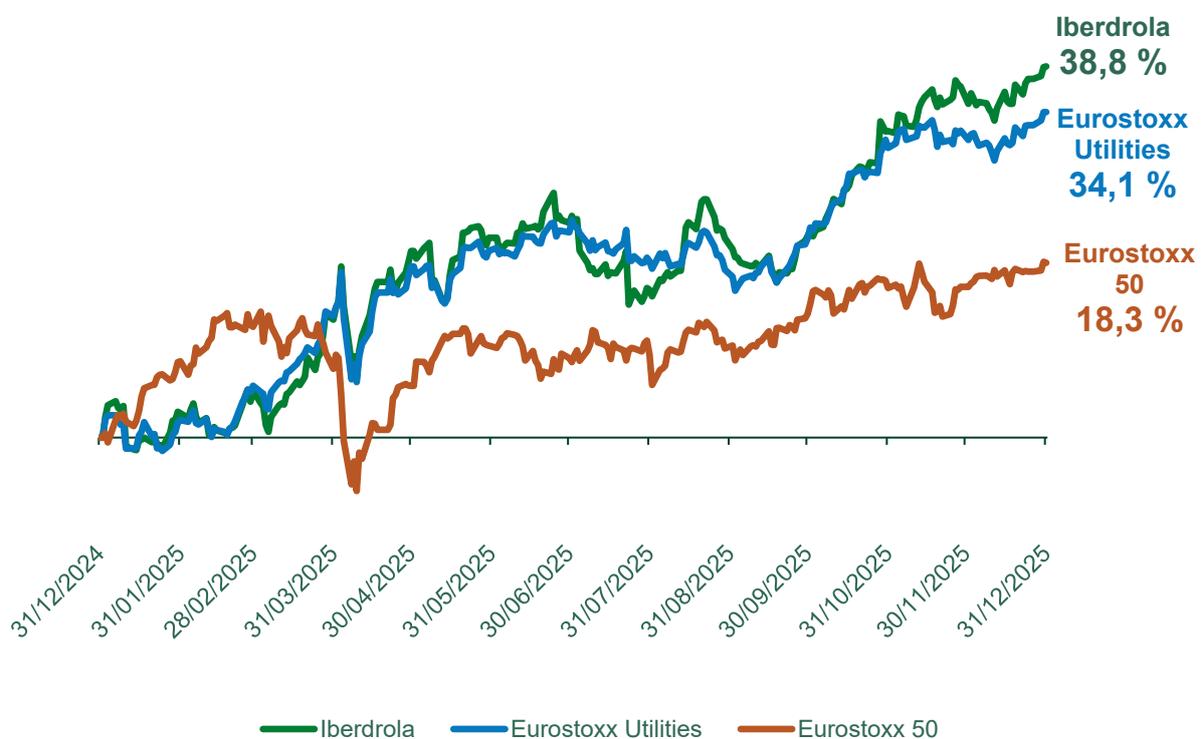
All the information on the Strategic Plan 2025-2028 is available on the corporate website: [Go to Iberdrola website \[opens in new window\]](#).

3.2. Shareholder return

In financial year 2025, Iberdrola's share price increased to 38.8%.

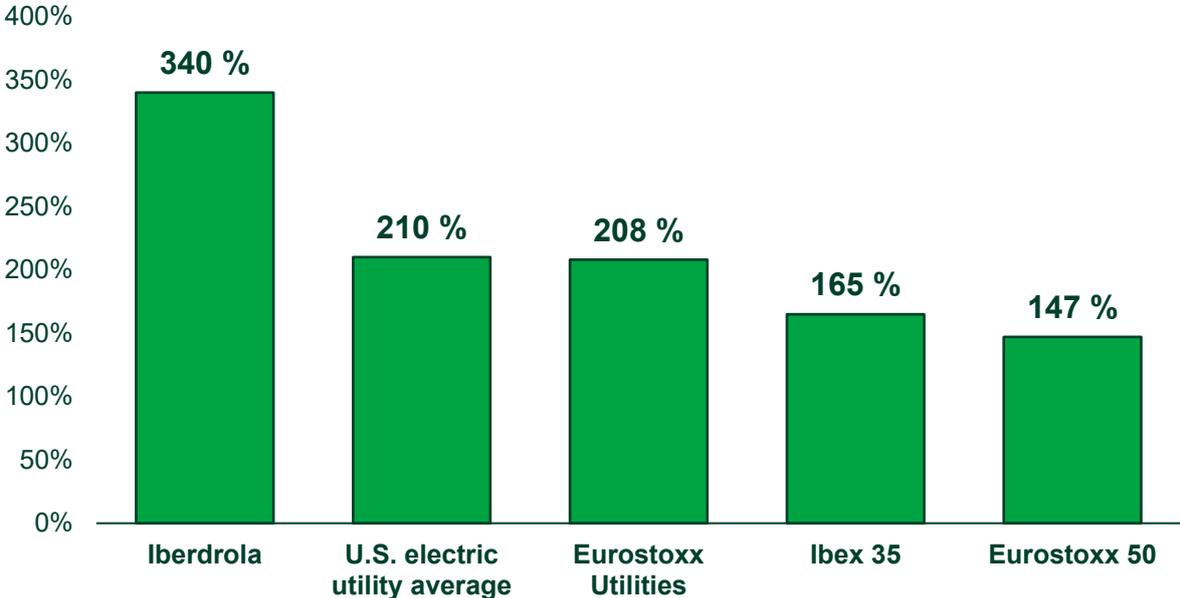
After adding dividend yield, total shareholder return reached 43.7%, almost 3.8 points higher than the EuroStoxx Utilities sector index and almost 22 points higher than the EuroStoxx 50 index, which includes the 50 leading companies in the European Union.

Share price in 2025



The Company's total shareholder return over the last 10 years (including dividend reinvestment) is far higher than the average of the main U.S. utilities by capitalisation (+130 percentage points), that of the EuroStoxx Utilities sector index (+132 percentage points), that of the Ibex-35 index (+175 percentage points), and that of the EuroStoxx 50 index (+193 percentage points).

Total shareholder return over the last 10 years (2016-2025)



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

4. Ownership and Shareholder Structure

4.1. Share capital

Set out below is the information on the share capital of “Iberdrola, S.A.” at year-end 2025:

Reference date	Share capital (€)	Par value (€ per share)	Number of shares and voting rights	Market capitalisation (€)
31/12/2025	5,010,920,532.75	0.75	6,681,227,377	123,368,863,516.31 (€18.465 per share)

As of the date of approval of this report, the share capital comes to €5,068,384,202.25 and is represented by 6,757,845,603 ordinary shares having a nominal value of €0.75 each, belonging to a single class and series and fully subscribed and paid up, as a result of the implementation of the second increase in share capital by means of a scrip issue approved by the shareholders at the General Shareholders’ Meeting 2025.

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

4.1.1. Current approvals and limitations

Issue of new shares

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

Both authorisations were granted for a term of five years and include the power to exclude pre-emptive rights up to an overall maximum nominal amount of 10% of the share capital.

Pursuant to this authorisation and in view of the attractive opportunities presented to Iberdrola in the different markets in which it operates, on 23 July 2025 the Company carried out a share capital increase in the total nominal amount of €248,344,371.00, with the issuance of 331,125,828 new shares and a total share premium of €4,768,211,923.20, through an accelerated placement of the shares with cash contributions and exclusion of pre-emptive rights.

The purpose of this increase is to fund the high and increasing volume of planned corporate investments in the upcoming years, through a formula that makes it possible to strengthen the Company’s balance sheet, as well as reinforce and optimise its capital structure, increasing its capacity to assume new indebtedness

and, at the same time, maintain leverage ratios and preserve its current credit ratings.

Furthermore, the shareholders acting at the General Shareholders' Meeting held on 30 May 2025 approved the two customary increases in share capital by means of a scrip issue to implement the "*Iberdrola Retribución Flexible*" optional dividend system through the issuance of new bonus shares, together with a reduction in share capital by means of the retirement of own shares to contribute to the "Shareholder Remuneration Policy". Both the increases and the reduction in share capital have been implemented as of the date of approval of this report.

Acquisition of own shares

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

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

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

Transferability of significant stakes

Pursuant to applicable legal provisions in Spain, prior government approval is required for any acquisition by residents of countries outside the European Union and the European Free Trade Association, or by residents of countries within the European Union or the European Free Trade Association, where beneficial ownership corresponds to residents of countries outside them, as a result of which such investor acquires a stake equal to or greater than 10% of the Company’s share capital or acquires control over the Company as a result of the corporate transaction, act or legal arrangement (Section 7 bis of “Law 19/2003 of 4 July on the legal regime governing capital flows and non-domestic economic transactions and on certain anti-money laundering measures”).

Likewise, on a transitional basis until 31 December 2026, prior government approval will also be required if such investment is made by a resident of European Union and European Free Trade Association countries other than Spain, and by residents in Spain whose beneficial ownership corresponds to residents of other European Union and European Free Trade Association countries (sole transitional provision of “Royal Decree-law 8/2020 of 17 November”).

In addition, in view of the activities carried out by the companies of the Iberdrola Group outside Spain, the acquisition of a significant interest in the share capital of “Iberdrola, S.A.” would also be subject to the following authorisations, without prejudice to other specific rules that might apply depending on the details of each transaction:

Country	Transaction	Required authorisation
United States of America	Acquisition amounting to at least 10% of share capital.	Approval by Federal and State regulatory authorities, including but not limited to the Federal Energy Regulatory Commission and the sector-specific regulatory bodies in the states of New York, Maine, Massachusetts and Connecticut.
Australia	Acquisition of at least 20% of share capital.	Approval from Australian Treasury in accordance with the “Foreign Acquisitions and Takeovers Act 1975 (Cth)”.
United Kingdom	Acquisition of over 25%, over 50% or over 75% of the Company’s voting rights or shares.	Approval from the Chancellor of the Duchy of Lancaster in accordance with the “National Security and Investment Act 2021”.

Country	Transaction	Required authorisation
Brazil	Takeover of the Company.	Obligation to make a takeover bid for transfer of control to acquire the shares of the other shareholders of Neoenergia. ³ Prior authorisation from the National Electricity Agency for the indirect takeover of its regulated subsidiaries and, if applicable, from the Administrative Council for Economic Defence and from creditors.
Mexico	Takeover of the Company.	Prior authorisation from the Federal Economic Competition Commission, depending on the level of economic concentration in accordance with the thresholds established in applicable law.

At 31 December 2025 there are bonds issued by companies of the Iberdrola Group, as well as loans and other agreements with financial institutions, the maturity of which could be affected or which would require additional security in the event of a takeover of the Company in accordance with the terms of each contract, the most significant of which are listed below:

- Bond issues in the amount of €13,579 million in various currencies in the European market, in the U.S. market and in the Australian market.
- Loans arranged with the European Investment Bank and with the Official Credit Institute in various currencies, totalling €5,809 million, bank loans in various currencies in the amount of €1,551 million, and development bank loans in various currencies in the amount of €3,544 million.
- Bond issues in Brazilian reais amounting to €4,711 million and loans in various currencies amounting to €3,916 million corresponding to the Brazilian country subholding company Neoenergia and its subsidiaries.

Voting rights

Pursuant to the provisions of Section 34 of Royal Decree-Law 6/2000 of 23 June on Urgent Measures to Intensify Competition in the Goods and Services Market, the individuals or legal entities having a direct or indirect interest equal to or greater than 3% of the capital or voting rights of two or more companies that have the status of principal operator of one of the economic markets or sectors in Spain contemplated in said legal provision (which includes the generation and supply of electricity, as well as the production and supply of natural gas, in which Iberdrola has the status of principal operator) may not exercise rights in excess of such percentage in more than

³ On 24 November 2025, "Iberdrola Energía, S.A." (Sociedad Unipersonal) submitted a takeover bid for all of the shares of Neoenergia not controlled by the Iberdrola Group or held by Neoenergia as treasury shares, in order to simplify the corporate and organisational structure. [Go to CNMV website \[opens in new window\]](#).

one entity. However, this regulation includes the possibility of shareholders in such a situation asking the National Markets and Competition Commission (“CNMC”) for authorisation to be able to exercise voting rights above 3% in several companies.

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

If there are shares subject to any of these limitations, the shareholding position of their holders will be fully taken into account in calculating the quorum for the General Meeting and the affected shares will be discounted from the voting quorum, for purposes of calculating the required majority for approval of resolutions according to the provisions of Article 44.3 of the “Regulations for the General Shareholders’ Meeting”.

4.1.2. Management of treasury shares and buy-back programmes

For more than a decade, the Company has been managing its treasury shares in order to retire the shares acquired through the corresponding capital reduction, thus avoiding the dilution of the shareholders’ interest in the share capital caused by the repeated issuance of new shares as a result of the capital increase required to implement the “*Iberdrola Retribución Flexible*” optional dividend system.

Capital reduction through the retirement of own shares operates as a shareholder remuneration formula that supplements the “*Iberdrola Retribución Flexible*” system, insofar as the retirement of own shares has a concentration effect on the value of the shares inherent to the decrease in the number of outstanding shares, with the resulting increase in certain ratios per share.

In accordance with the approval for the acquisition of own shares established in Section 4.1.1 of this report, on 30 May 2025, the Company’s Board of Directors approved a buy-back programme for shares that were acquired and subsequently retired without return of contributions, the Company being the owner of the retired shares).

In accordance with applicable legal provisions, in financial year 2025, the Company periodically informed the CNMV of the acquisitions made under said buy-back programme, as well as the following updates to its treasury share position:⁴

- 10 February 2025: subsequent update due to implementation of the second increase in capital by means of a scrip issue approved by the shareholders at the 2024 General Meeting (“*Iberdrola Retribución Flexible*”).

⁴ These notices are available on the CNMV website: [Go to CNMV website \[opens in new window\]](#).

- 6 June 2025: acquisitions equal to or greater than 1% of share capital.
- 15 July 2025: retirement of shares (share capital reduction approved by the shareholders at the 2025 General Meeting).
- 28 July 2025: subsequent update due to the implementation of the accelerated capital increase approved by the shareholders at the 2024 General Meeting.

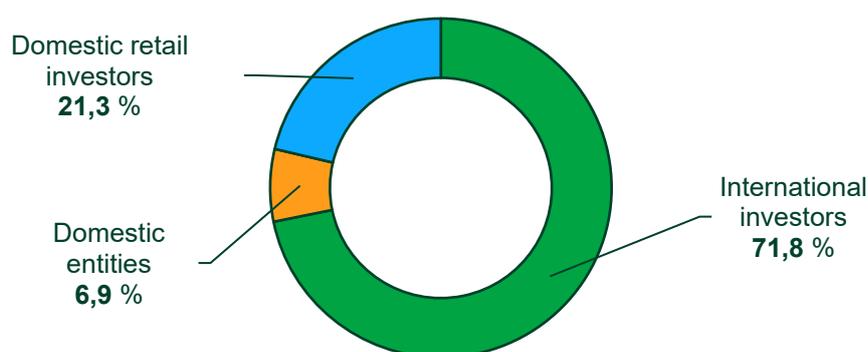
At financial year-end 2025, the Company held a treasury share position of 1.25% of share capital, through direct ownership of 83,675,683 own shares.

4.2. Shareholding structure

4.2.1. Direct and indirect significant shareholders

According to available information, the approximate breakdown of the interests in the share capital by type of shareholder at year-end 2025 is as follows:

Shareholding structure



The percentages of voting rights corresponding to the shares declared by the holders of significant shareholdings as at 31 December 2025, none of whom has nominated or proposed the nomination of a member of the Board of Directors, are set out below:

Significant shareholders⁵

Name or company name of the indirect owner	Name or company name of the direct owner	% of voting rights attached to the shares	% of voting rights through financial instruments	% of total voting rights
Qatar Investment Authority	-	6.98	0.00	6.98

⁵ This information is based on the reports sent by the holders to the CNMV or to the Company itself. Pursuant to the provisions of Sections 23.1 and 32 of Royal Decree 1362/2007 of 19 October, it is deemed that the holder of a significant interest is a shareholder holding at least 3% of voting rights (or 1% if the party required to report resides in a tax haven or in a country or territory with no taxation or with which there is no effective exchange of tax information).

Name or company name of the indirect owner	Name or company name of the direct owner	% of voting rights attached to the shares	% of voting rights through financial instruments	% of total voting rights
-	Qatar Holding LLC	5.03	0.00	5.03
-	DIC Holding LLC	1.95	0.00	1.95
BlackRock, Inc.	BlackRock Group	6.01	0.02	6.03

4.2.2. Stakes of directors and officers

All the members of the Board of Directors are shareholders of the Company and, as a whole, they held 16,045,191 shares (0.24% of the share capital) as at financial year-end 2025. Their respective individual shareholdings are published in Section A.3 of Annex III of this report and kept updated on the corporate website.

In accordance with the shareholding policy established in the “Director Remuneration Policy”, as at financial year-end 2025 all the members of the Board of Directors held a volume of investment in shares of the Company at least equivalent to 20% of their annual fixed remuneration, which they must retain for a period of four years. This commitment is applied per year in office on a cumulative basis.

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

The aforementioned “Director Remuneration Policy” was approved by the shareholders with 95.64% of votes in favour (out of the total votes in favour and against) at the General Shareholders’ Meeting held on 17 May 2024.

4.2.3. Shareholders’ agreements and free float

The Company is not aware of the existence of shareholders’ agreements, of concerted actions among its shareholders, or of family, commercial, contractual or corporate relationships between significant shareholders, or of any relationship between significant shareholders and the members of the Board of Directors, during financial year 2025.

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

However, if we discount the shareholding positions of the significant shareholders and of members of the Board of Directors, as well as treasury shares, the estimated float at financial year-end 2025 would be 85.50% of share capital.

4.3. Ongoing shareholder engagement

The Company has had an “Ongoing Shareholder Engagement Policy” since 2015. As established in this policy, shareholder engagement is not limited to the holding of the General Meeting but is promoted throughout the year, to continue driving the sustainable creation of long-term value in accordance with the provisions of the “By-Laws”.

To this end, the Company maintains permanent communication channels and instruments, which enable it to identify and respond to the opinions and concerns of shareholders, whether individuals or institutional investors, based on the principles of transparency, participation, interaction, active listening, respect, innovation and continuous improvement.

With the corporate website and the official registers of the CNMV as general information channels, the Company has created specific channels and continues to develop new initiatives for ongoing communication with shareholders and the investment community, the operation of which is governed by the principles established in the “Ongoing Shareholder Engagement Policy” and in the “Policy regarding Communication and Contacts with Shareholders, Institutional Investors and Proxy Advisors”.

The shareholder engagement report included as an annex to this report describes the results of the application of such policies during financial year 2025.

5. General Shareholders' Meeting

5.1. Rules of operation

The principle guiding the rules for the Company's General Meeting is to promote shareholder participation, which takes form not only in the "Ongoing Shareholder Engagement Policy" but also in Articles 14 and 16.2 of the "By-Laws" and in Article 1, among others, of the "Regulations for the General Shareholders' Meeting".

On this basis, the Company allows all shareholders to participate in the General Meeting without requiring a minimum number of shares and fosters their participation through measures the practical application of which in financial year 2025 is described in Section 5.2 of this report.

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

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

Matters and applicable regime	Quorum (% of share capital)	Majority
General rule (applicable regime: Sections 193 and 201.1 of the "Companies Act")	<ul style="list-style-type: none"> 25% on first call. Not required on second call. 	<ul style="list-style-type: none"> Simple (more votes in favour than against).
Merger, split-off (except for total split-off), overall assignment of assets and liabilities, bond issues, removal or limitation of pre-emptive rights, increase or reduction in capital, and any other amendment to the "By-Laws" other than those indicated in the following rows (applicable regime: Sections 194 and 201.2 of the "Companies Act").	<ul style="list-style-type: none"> 50% on first call. 25% on second call. 	<ul style="list-style-type: none"> Absolute (more than half of votes in favour, against, blank ballots and abstentions), if the capital present in person or by proxy exceeds 50% of the share capital. Two-thirds of the capital in attendance in person or by proxy, if it does not amount to 50% of the share capital on second call.
Change in the object of the Company, transformation, total split-off, dissolution and the amendment of Article 22.2 of the "By-Laws" (applicable regime for the establishment of a quorum for	<ul style="list-style-type: none"> 66.67% (two-thirds) on first call. 60% on second call. 	<ul style="list-style-type: none"> Absolute (more than half of votes in favour, against, blank ballots and abstentions), if the capital present in person or by proxy exceeds 50% of the share capital.

Matters and applicable regime	Quorum (% of share capital)	Majority
the Meeting: Article 22.2 of the "By-Laws"; and applicable regime for the approval of resolutions: Section 201 of the "Companies Act").		<ul style="list-style-type: none"> Two-thirds of the capital in attendance in person or by proxy, if it does not amount to 50% of the share capital on second call. For dissolution: majorities established in Section 201 of the "Companies Act".
Elimination or amendment of the provisions contained in Article 29, in Sections 2 to 4 of Article 30 and in Title IV (applicable regime: Article 53 of the "By-Laws").	<ul style="list-style-type: none"> 50% on first call. 25% on second call. 	<ul style="list-style-type: none"> Three-fourths of the capital present in person or by proxy.

5.2. Information regarding the General Shareholders' Meeting 2025

5.2.1. Information and participation process

On 25 March 2025, the Board of Directors called a General Shareholders' Meeting, which was held in hybrid form, with in-person and remote attendance, on first call, on 30 May.

Therefore, more than two months passed between the announcement of the call to meeting and the holding of the General Meeting, twice the legally established period, in order to reinforce the shareholder information and participation process.

During this process, the Company held in-person symposia and meetings with shareholders in various cities, generating over 12,000 contacts, and conducted media campaigns to promote shareholder participation.

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

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

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

5.2.2. Quorum

Taking into account all the items submitted for a vote at the General Shareholders' Meeting 2025, the legal requirement for a valid quorum was 50% of the share capital, on first call, and 25% on second call.

Despite the dispersion of the shareholder structure of the Company, which does not have a controlling shareholder or group, the engagement measures applied made it possible to hold the General Meeting on first call, with the participation of a total of 4,865,755,376 shares, reaching a quorum of 75.55% of share capital, broken down as follows:

- In-person and remote attendance: 0.36% of share capital
- Absentee vote before the meeting: 5.57% of share capital
- Proxy representation: 69.62% of share capital



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

This level of participation in the General Meeting has been sustained and stable, with an average quorum in excess of 75% of share capital over the last 10 years, dominated by participation before the meeting as shown by the data included in Section B.4 of Annex III of this report.

By number of shareholders, over 99.82% of those who participated in the General Meeting chose to cast an absentee vote or grant a proxy before the meeting, which was attended by 0.18% of the participants.

5.2.3. Results of votes

With a total average of 99.40% of votes in favour out of the total votes in favour and against, the shareholders at the General Meeting approved all the proposals made by the Board of Directors, with no additional or alternative proposals being submitted.

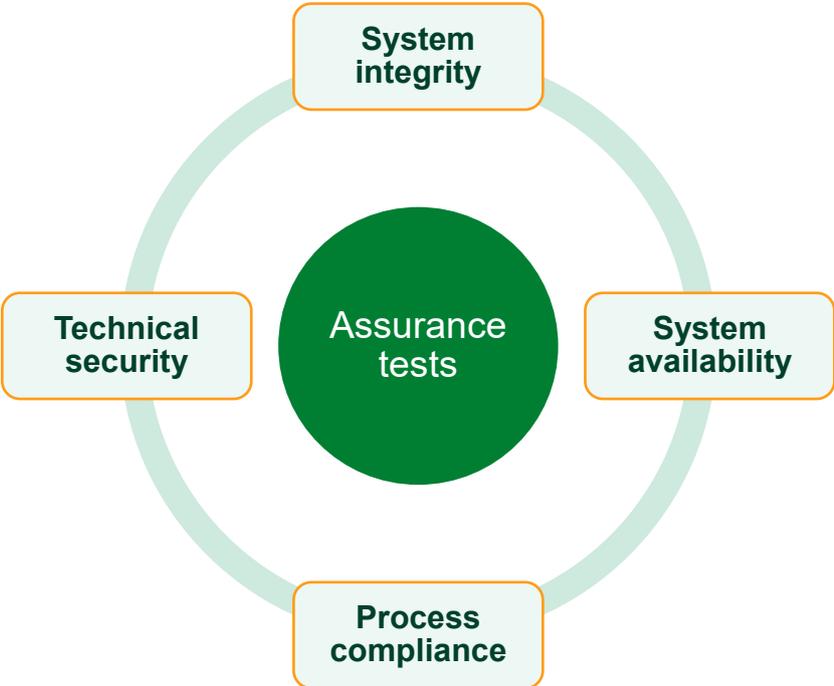
Details of the votes in favour, votes against and abstentions regarding each proposal are available on the corporate website: [See PDF document \[opens in new window\]](#)

5.2.4. Assurance and certifications

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

In 2025, the independent firm "Deloitte Technology & Transformation, S.L." conducted assurance regarding the procedures comprising the full process of the General Meeting, from its call to the publication of the results and including the preparation and holding of the meeting, according to the terms described in the "By-Laws", the

“Regulations for the General Shareholders’ Meeting” and the procedures associated therewith.



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

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

Specifically, over 139,000 voting and proxy cards were received at this General Meeting, which were made available to the assurance provider after being received by the Company through its participation channels (corporate website, information

desks, telephone channel, instant messaging systems, postal mail and hand delivery) or from the depositary entities.

The conclusion of this assurance was that all significant aspects of the procedures for conduct established by the Company in relation to the General Meeting 2025 had been applied, as was communicated during the meeting.

Additionally, the General Meeting has been certified as a sustainable event in accordance with ISO 20121 since 2016, reflecting the Company's commitment to sustainability, which also extends to the management of corporate events.

5.3. Next General Shareholders' Meeting

The Board of Directors will be required to call a General Shareholders' Meeting to be held within the first six months of this financial year, i.e. no later than 30 June 2026.

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

As is customary, it is planned to organise meetings that will be announced through the corporate website to explain this information to the retail shareholders, as well as investors and analysts.

6. Management and Leadership Structure

6.1. Board of Directors

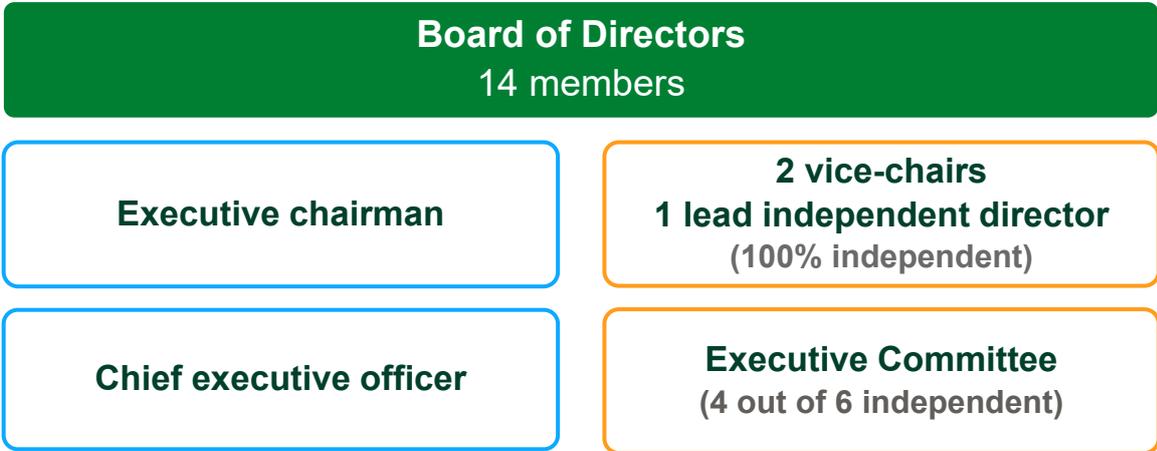
The content of this section and its corresponding annex comprises the activities report of the Board of Directors and of the committees thereof, which is included in the annual corporate governance report in accordance with the provisions of Section 5.1.A of the “Ongoing Shareholder Engagement Policy”.

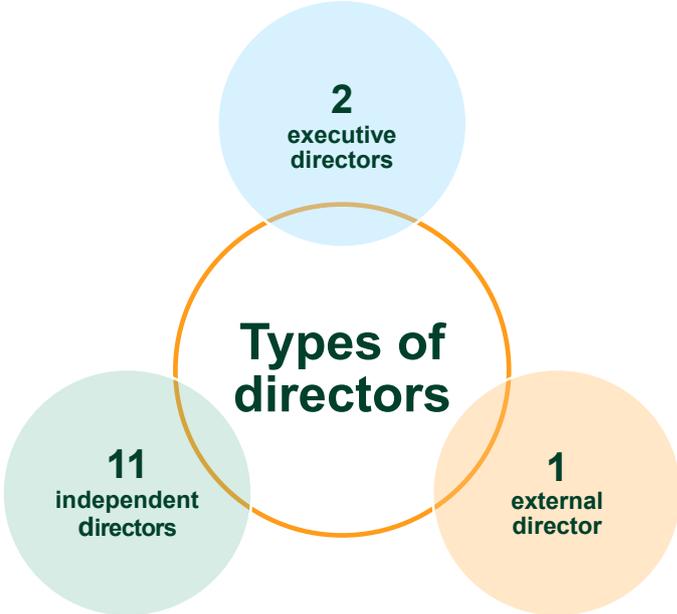
6.1.1. Structure and composition

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

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

Structure of the Board of Directors





Consultative committees

<p>Audit and Risk Supervision Committee 100% independent</p>	<p>Appointments Committee 100% independent</p>	<p>Remuneration Committee 100% external 2 out of 3 independent, including the chair</p>	<p>Sustainable Development Committee 100% independent</p>
---	---	---	--

The Board of Directors has only 2 executive directors (the chairman and the chief executive officer), which means that 86% of its members are classified as external directors. In turn, 92% of the external directors meet the requirements to be classified as independent in accordance with the “Companies Act”. Only 1 of the 12 external directors does not maintain independent director status solely due to the fact of having exceeded 12 years in the position, with no other circumstance that could affect their independence of judgement.

This level of independence ensures an adequate system of checks and balances, strengthened with the position of lead independent director, an independent member who also chairs the Appointments Committee, and with the allocation of the two vice-chair positions to two other independent members, which is particularly noteworthy

compared to the other Ibx-35 companies, only 26% of which have independent vice-chairs.⁶

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

In any event, such executive duties are constrained in accordance with the role corresponding to the Company and its management bodies within the corporate and governance structure of the Group. Pursuant thereto, the Company is focused on approving strategic goals at the Group level, defining its organisational model, and supervising compliance therewith and further development thereof, which is reinforced through the functions of dissemination, implementation and monitoring allocated to the country subholding companies, ensuring that management power is decentralised among the boards of directors of the head companies (Section 2.2 of this report).

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

The composition of the Board of Directors as at 31 December 2025 is set out below:

Members	Position	Type	First appointment	Last appointment	Skills and experience
José Ignacio Sánchez Galán	Chairman	Executive	21/05/2001	28/04/2023	Curriculum vitae [PDF, opens in new window]
Pedro Azagra Blázquez	Chief Executive Officer	Executive	24/06/2025	24/06/2025	Curriculum vitae [PDF, opens in new window]
Juan Manuel González Serna	First vice-chair	Independent	31/03/2017	30/05/2025	Curriculum vitae [PDF, opens in new window]
Anthony L. Gardner	Second vice-chair	Independent	13/04/2018	17/06/2022	Curriculum vitae [PDF, opens in new window]
Ángel Jesús Acebes Paniagua	Lead independent director	Independent	20/10/2020	30/05/2025	Curriculum vitae [PDF, opens in new window]

⁶ National Securities Market Commission (*Comisión Nacional del Mercado de Valores*). "Corporate Governance Reports of Listed Companies. Financial Year 2024" (pg. 56): [Go to CNMV website \[opens in new window\]](#).

Members	Position	Type	First appointment	Last appointment	Skills and experience
Íñigo Víctor de Oriol Ibarra	Member	Other external	26/04/2006	17/05/2024	Curriculum vitae [PDF, opens in new window]
Manuel Moreu Munaiz	Member	Independent	17/02/2015	28/04/2023	Curriculum vitae [PDF, opens in new window]
Xabier Sagredo Ormaza	Member	Independent	08/04/2016	28/04/2023	Curriculum vitae [PDF, opens in new window]
Sara de la Rica Goircelaya	Member	Independent	29/03/2019	28/04/2023	Curriculum vitae [PDF, opens in new window]
Nicola Mary Brewer	Member	Independent	02/04/2020	17/05/2024	Curriculum vitae [PDF, opens in new window]
Regina Helena Jorge Nunes	Member	Independent	02/04/2020	17/05/2024	Curriculum vitae [PDF, opens in new window]
María Ángeles Alcalá Díaz	Member	Independent	26/10/2021	17/06/2022	Curriculum vitae [PDF, opens in new window]
Isabel García Tejerina	Member	Independent	16/12/2021	17/06/2022	Curriculum vitae [PDF, opens in new window]
Ana Colonques García-Planas	Member	Independent	17/12/2024	30/05/2025	Curriculum vitae [PDF, opens in new window]
Santiago Martínez Garrido	Secretary (non-director)	-	01/01/2023	-	Curriculum vitae [PDF, opens in new window]
Ainara de Elejoste Echebarria	Deputy secretary (non-director)	-	01/04/2020	-	Curriculum vitae [PDF, opens in new window]
Rafael Sebastián Quetglas	Counsel to the Board	-	21/02/2023	-	Curriculum vitae [PDF, opens in new window]

On 24 June 2025, upon a favourable report from the Appointments Committee, the Board of Directors resolved to appoint Mr Pedro Azagra Blázquez as an executive director (for the term remaining until the next General Shareholders' Meeting) and as chief executive officer, to fill the vacancy arising as a result of the resignation of Mr Armando Martínez Martínez from both positions.

6.1.2. Selection of directors and skills matrix

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

For this purpose, since 2015, the Company has had a “Board of Directors Composition and Member Selection Policy”, the purpose of which is to ensure that the composition of the Company’s Board of Directors and proposed appointments of directors are based on a prior analysis of the composition and needs of the aforementioned corporate decision-making body and promote the attainment of a multi-layered, independent, appropriate and balanced composition as a whole.

This policy applies together with the succession plans described in Section 6.1.4 of this report, which were used in 2025 for the appointment of Mr Pedro Azagra Blázquez as the Company’s new chief executive officer, following his predecessor’s resignation from the position of director by means of letter sent to the Board of Directors in the context of the approval of the Strategic Plan 2025-2028, in order for the Company to meet its new challenges.

In 1997 Mr Azagra joined Iberdrola, where he has held the positions of Director of Strategy, the Company’s Chief Development Officer and chief executive officer of Avangrid. Taking into account his proven merit during his career within the Group, the Board of Directors and its Appointments Committee believe that Mr Pedro Azagra Blázquez is the suitable candidate to achieve the aims established in the 2025-2028 Strategic Plan.

Moreover, in order to enrich decision-making and contribute diverse perspectives to the debate on the matters within its purview, the Board of Directors continues to expressly assume the commitment to promote diversity in its composition. In this regard, in the selection of candidates for director, said policy provides that individuals will be assessed whose appointment favours other abilities, skills, knowledge, experience, gender, origin, nationality and age.

The selection criteria are chosen based on the nature and complexity of the businesses of the Group’s companies, as well as the economic, social and environmental context where they have a presence, without prejudice to the fact that the Company will at least meet the requirements regarding the composition of the Board of Directors provided by applicable legal provisions and generally recognised good governance recommendations.

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

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

As a result of this orderly refreshment process, 86% of the directors have held their position for 10 years or less (and 50% for 5 years or less), and the Board of Directors has directors with remarkable professional qualifications and experience, who offer a great wealth of knowledge, approaches and viewpoints, reflected in the following factors:

- The existence of a large majority of external directors (86%), and particularly of independent directors (92% of external independent directors), who have been selected in view of their varied professional skills, knowledge and backgrounds.
- The existence of five nationalities (Spain, the United States of America, the United Kingdom, Brazil and Italy) including the main countries and markets in which the Group's companies operate.
- A balanced presence of women and men (50/50 distribution of external directors of each gender and no gender with a representation of less than 42.86% of the total number of directors).

The formation of a Board of Directors with the appropriate composition, always seeking profiles with knowledge, skills and experience in the main countries and in the sector in which the companies of the Group carry out their activities, is the outcome of a process started over two decades ago, with the inclusion of women on the Board of Directors since 2006 and members of international origin since 2008 being particularly noteworthy.

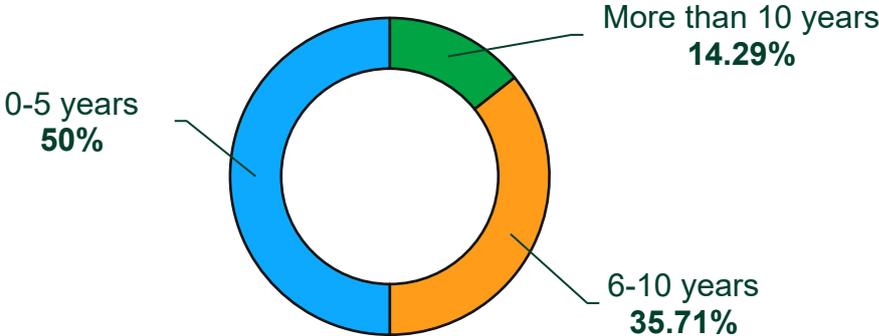
The Company was thus ahead of its obligations for gender balance on management decision-making bodies, remaining ahead of the percentages enforceable in Spain as from 30 June 2026, which the Company has continuously complied with since 2021.⁷

The Company exceeded the average percentage of women on Ibex-35 companies' boards of directors by over 8.5 percentage points at financial year-end 2021, and it still maintained a gap in excess of 1.5 points at financial year-end 2024.⁸

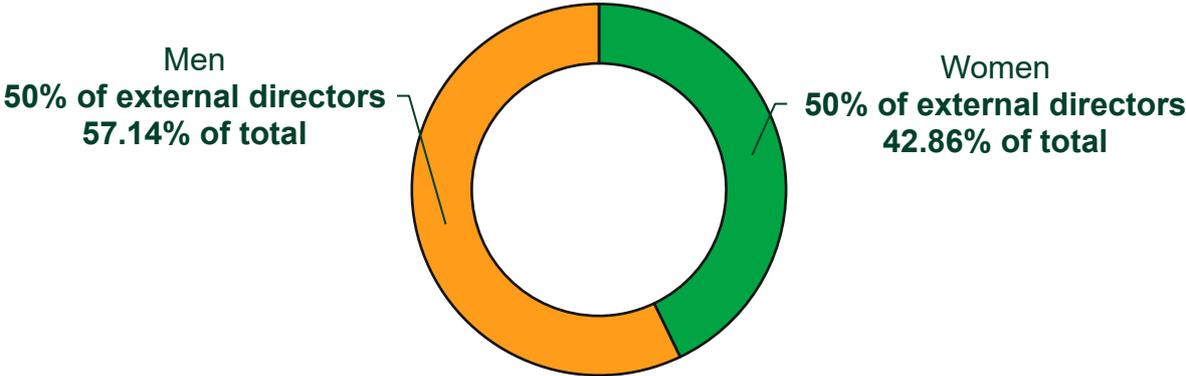
⁷ "Directive (EU) 2022/2381 of the European Parliament and of the Council of 23 November 2022 on improving the gender balance among directors of listed companies and related measures" and "Organic Law 2/2024 of 1 August on equal representation and gender balance".

⁸ CNMV, "Corporate Governance Reports of Listed Companies. Financial Year 2024" (pg. 50): [Go to CNMV website \[opens in new window\]](#).

Seniority of directors



Gender balance





As a result of the aforementioned refreshment process, led by the Appointments Committee, the members of the Board of Directors possess a wide range of knowledge, skills and experience that is appropriate taking into account both the matters required for the performance of their duties and industry needs and the competitive position of the Company.

Skills matrix:

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

Member	Committee membership	Key skills by director
Pedro Azagra Blázquez	Member: Executive Committee	<ul style="list-style-type: none"> • Industry experience • Management and Strategy • Audit, Finance and Risk Management • Capital Allocation • Legal and Regulatory • Sustainability (including climate change) • Digitalisation and Cybersecurity • Operations and Supply Chain
Juan Manuel González Serna	Member: Executive Committee Chair: Remuneration Committee	<ul style="list-style-type: none"> • Industry experience • Management and Strategy • Audit, Finance and Risk Management • Global Markets and Geopolitics • Capital Allocation • Legal and Regulatory • Sustainability (including climate change) • Digitalisation and Cybersecurity • Operations and Supply Chain
Anthony L. Gardner	Member: Executive Committee Member: Appointments Committee	<ul style="list-style-type: none"> • Industry experience • Management and Strategy • Audit, Finance and Risk Management • Global Markets and Geopolitics • Capital Allocation • Legal and Regulatory • Sustainability (including climate change) • Digitalisation and Cybersecurity
Ángel Jesús Acebes Paniagua	Member: Executive Committee Chair: Appointments Committee	<ul style="list-style-type: none"> • Industry experience • Management and Strategy • Audit, Finance and Risk Management • Global Markets and Geopolitics • Capital Allocation • Legal and Regulatory • Digitalisation and Cybersecurity • Operations and Supply Chain
Íñigo Víctor de Oriol Ibarra	Member: Remuneration Committee	<ul style="list-style-type: none"> • Industry experience • Management and Strategy • Audit, Finance and Risk Management • Global Markets and Geopolitics • Capital Allocation • Legal and Regulatory • Sustainability (including climate change) • Operations and Supply Chain

Member	Committee membership	Key skills by director
Manuel Moreu Munaiz	<p>Member: Executive Committee</p> <p>Member: Remuneration Committee</p>	<ul style="list-style-type: none"> • Industry experience • Management and Strategy • Audit, Finance and Risk Management • Global Markets and Geopolitics • Capital Allocation • Sustainability (including climate change) • Digitalisation and Cybersecurity • Operations and Supply Chain
Xabier Sagredo Ormaza	Chair: Audit and Risk Supervision Committee	<ul style="list-style-type: none"> • Industry experience • Management and Strategy • Audit, Finance and Risk Management • Global Markets and Geopolitics • Capital Allocation • Legal and Regulatory • Sustainability (including climate change) • Digitalisation and Cybersecurity
Sara de la Rica Goiricelaya	Member: Sustainable Development Committee	<ul style="list-style-type: none"> • Industry experience • Audit, Finance and Risk Management • Global Markets and Geopolitics • Legal and Regulatory • Sustainability (including climate change) • Digitalisation and Cybersecurity
Nicola Mary Brewer	Chair: Sustainable Development Committee	<ul style="list-style-type: none"> • Industry experience • Management and Strategy • Audit, Finance and Risk Management • Global Markets and Geopolitics • Legal and Regulatory • Sustainability (including climate change)
Regina Helena Jorge Nunes	Member: Audit and Risk Supervision Committee	<ul style="list-style-type: none"> • Industry experience • Management and Strategy • Audit, Finance and Risk Management • Global Markets and Geopolitics • Capital Allocation • Legal and Regulatory • Sustainability (including climate change)
María Ángeles Alcalá Díaz	Member: Audit and Risk Supervision Committee	<ul style="list-style-type: none"> • Industry experience • Audit, Finance and Risk Management • Capital Allocation • Legal and Regulatory • Sustainability (including climate change)

Member	Committee membership	Key skills by director
Isabel García Tejerina	Member: Sustainable Development Committee	<ul style="list-style-type: none"> • Industry experience • Management and Strategy • Global Markets and Geopolitics • Capital Allocation • Legal and Regulatory • Sustainability (including climate change) • Digitalisation and Cybersecurity • Operations and Supply Chain
Ana Colonques García-Planas	Member: Appointments Committee	<ul style="list-style-type: none"> • Industry experience • Management and Strategy • Audit, Finance and Risk Management • Capital Allocation • Sustainability (including climate change) • Digitalisation and Cybersecurity • Operations and Supply Chain

Definition of key skills:

Skill	Definition	Number of directors
Industry experience	Directors who have acquired experience in the industry in which Iberdrola operates through direct employment, positions on boards of directors (including non-executive positions), or other leadership positions, including companies of the Group.	14
Management and Strategy	Directors with experience in executive positions or on boards of directors of listed companies, as well as at large companies in the industry in which Iberdrola operates, including companies of the Group. Positions at small undertakings are excluded.	12
Audit, Finance and Risk Management	Directors with audit or finance functions (e.g. financial reporting responsibilities), who have the ability to report and interpret financial data. Also, those senior executives with financial management responsibilities (e.g. CFO). Directors with practical experience in corporate risk management, including enterprise risk management, crisis management and regulatory compliance.	13
Global Markets and Geopolitics	Directors with experience in senior executive positions or on boards of companies with a global presence and international reach. Directors with a solid understanding of global political trends and their impact on the businesses, contributing to international strategic planning and risk assessment (excluding purely academic experience). This can include political experience, international bodies, involvement in industry groups or in industry groups or executive positions.	11
Capital Allocation	Directors with experience in financial markets, including equity, debt and equity capital raising processes, excluding exclusively accounting and auditing expertise. Directors with	12

Skill	Definition	Number of directors
	specific experience in overseeing large-scale corporate transactions, such as mergers, acquisitions or spin-offs. These may be executive or advisory positions (such as investment banking, asset management, financial advisory or corporate finance).	
Legal and Regulatory	Directors with advanced legal qualifications, experience in a corporate legal environment or professional activity, or with direct exposure to regulators or governmental organisations.	12
Sustainability (including climate change)	Directors with experience in management roles relating to sustainability issues (e.g. sustainability officer), or with significant personal affiliations with environmental and social causes. Directors with experience in HR-related management roles (e.g. HR manager), or who have directly overseen the development of human capital as a primary duty at a previous position.	13
Digitalisation and Cybersecurity	Directors with significant experience in IT management and digital transformation, including through advisory roles or direct involvement. This also includes directors knowledgeable about cybersecurity threats and protection measures, with experience in safeguarding digital assets and data integrity.	10
Operations and Supply Chain	Expertise in managing the full lifecycle of product development and delivery, including sourcing, manufacturing, logistics and inventory management, to optimise performance and meet strategic business objectives.	8

6.1.3. Guarantees of suitability and dedication of directors

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

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

For this purpose, Article 34.3 of the "By-Laws" establishes that the following, among others, may not be appointed as directors: (i) those who hold the position of director or who are members of senior management of domestic or foreign companies competing with the Company in the energy industry or other industries, or such persons, if any, as are proposed by them in their capacity as shareholders; (ii) those serving as directors in more than five companies, with a maximum of three listed companies including the Company; and (iii) those who, during the two years prior to their appointment, have occupied high-level positions in Spanish government administrations that are incompatible with the simultaneous performance of the duties of a director of a listed company under Spanish national or autonomous

community law, or positions of responsibility with entities regulating the energy industry, the securities markets or other industries in which the Group operates.

This Article was amended in 2025 in order to strengthen these guarantees of dedication, with the Company included in the calculation of the maximum number of listed companies at which the directors can serve as board members, as stated in point (ii) of the preceding paragraph.

Section C.1.11 of Annex III of this report describes the positions that the members of the Board of Directors hold at other entities, subject to these limitations, as well as the other remunerated activities that they perform.

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

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

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

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

A total of 59 meetings of the Board of Directors and its committees were held in financial year 2025, for the preparation of which over 630 documents were made available to the members of the Board of Directors on the directors’ website, which is an average of more than 10 documents per meeting.

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

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

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

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

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

In preparing proposals and reports regarding the re-election of directors, the Appointments Committee takes into consideration, among other things, the number of meetings that the candidate for re-election has attended during their previous term of office, in order to assess their dedication to their position. This shall take into account the minimum level of attendance at the meetings of these bodies that the main international institutional investors and proxy advisors provide for in their voting policies, which is generally 75% of the meetings held during the year (Section 6.4 of the "Corporate Governance Policy").

The average level of attendance at meetings of the Board of Directors and of the committees thereof in financial year 2025 was practically 100%, and the information for each director is set out further below.

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

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

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

During financial year 2025, the Board of Directors was not informed of and did not become aware of any situation affecting any of the members of the Board of Directors that could harm the Company's good standing or reputation.

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

Appointment of directors

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

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

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

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

In any event, the Board of Directors and the Appointments Committee shall endeavour to ensure that the candidates proposed are respectable and qualified

persons, widely recognised for their expertise, competence, experience, qualifications, training, availability, and commitment to their duties.

Orientation programme

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

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

Re-election of directors

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

During financial year 2025, three directors were proposed for re-election by the shareholders at the General Shareholders' Meeting, who approved these proposals with an average of over 98% of favourable votes out of the total votes in favour and against.

Cessation of office of directors

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

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

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

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

In particular, when the activities performed by the director, or the companies that the director directly or indirectly controls, or the individual or corporate shareholders or those related to any of them, might compromise the suitability thereof.

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

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

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

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

6.1.4. Succession planning

The Company has a succession plan for non-executive directors, which attempts to ensure that the refreshment thereof occurs on a staggered and orderly basis, anticipating expected vacancies.

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

If the Appointments Committee expects that any of the non-executive directors may cease to hold their position on the grounds of age or seniority in the position, or for any other reason, it shall drive the selection process established in the “Board of Directors Composition and Member Selection Policy” to identify a candidate in replacement thereof with sufficient time to ensure an orderly succession.

The Company also has specific succession plans for the positions of executive chairman and chief executive officer, and for both positions in simultaneous cessation of office, which are available in the “Corporate Governance Policy” published on the website: [See PDF document \[opens in new window\]](#)

6.1.5. Training

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

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

On the one hand, the consultative committees have their respective training plans and hold specific in-person sessions related to the area they cover, as well as joint sessions for several committees, with the materials used subsequently shared with all of the members of the Board of Directors. The consultative committees held an average of three training sessions per committee during financial year 2025.

On the other hand, a space is used at meetings of the Board of Directors and of the Executive Committee to present geopolitical, financial, regulatory and current topics, which are supplemented with training materials that are made available through the training section of the directors’ website. This training content examined the following topics, which are regularly examined in the training programme aimed at the directors

as a whole, among other issues deemed to be of interest due to the current nature thereof or in the context of the evaluation:

- Industry regulation, strategy and businesses implemented by the Group companies.
- Innovation, including content on artificial intelligence.
- Corporate governance and sustainability, including content on non-financial reporting and on environmental and human rights due diligence.
- Corporate, securities markets and competition law.
- Cybersecurity and operational resiliency.
- Regulation, governance and market trends in supervision and management of risks, including those arising from climate change.
- Anti-corruption and anti-fraud measures and controls.

The range of training activities of the Board of Directors and of the committees thereof involved the mandatory attendance of the directors at over ten in-person sessions, as well as the delivery of over 20 training materials to all directors via the directors’ website.

The presentations and training content provided to the directors throughout financial year 2025 involved the participation of over ten top specialist firms, both domestic and international.

6.1.6. Operation of the Board of Directors and its committees

Below is a summary of the key duties allocated to the Board of Directors and to each of its committees by the “By-Laws” and their respective regulations, of the main activities carried out by each of these bodies during financial year 2025 and of their priorities for 2026.

Annex II expands on this information with more details on the activities carried out by the Board of Directors and each of its committees.

Key duties and meetings held

Body	Independence	Key duties and issues	Meetings in 2025
Board of Directors	11 independent (including the two vice-chairs and the lead independent director) 1 external 2 executive	<ul style="list-style-type: none"> • Approval of strategic goals at the Group level. • Definition of the organisational model. • Supervision of compliance with and development of the goals. • Decisions on strategically significant issues. • Duties that may not legally be delegated. 	10

Body	Independence	Key duties and issues	Meetings in 2025
Executive Committee	4 independent 2 executive	<ul style="list-style-type: none"> • Profitable growth. • Regulatory developments. • Corporate transactions. • Sustainability. • Financial strength. • Review of risks. 	14
Audit and Risk Supervision Committee	3 independent All of its members are independent directors	<ul style="list-style-type: none"> • Internal control over financial and sustainability reporting. • Risk management and supervision and holistic treatment of risks pursuant to the work plan prepared for such purpose. • Monitoring of implementation of the internal audit recommendations. • Monitoring and control of statutory audit and verification of the sustainability information. • Review of treasury shares. • Reporting on creation of or participation in special entities or tax havens. • Reporting on conflicts of interest and related-party transactions. • Analysis of cybersecurity strategy. 	14
Appointments Committee	3 independent All of its members are independent directors	<ul style="list-style-type: none"> • Selection, composition and evaluation of the governance bodies. • Review of the “Board of Directors Composition and Member Selection Policy”. • Talent management and promotion. • Dedication of directors. • Succession planning. 	7
Remuneration Committee	2 independent (including the chair) 1 external	<ul style="list-style-type: none"> • Remuneration of directors. • Comparative analysis of remuneration of executive directors. • Revision of variable remuneration parameters. • Senior management remuneration. • Remuneration systems. 	7
Sustainable Development Committee	3 independent All of its members are independent directors	<ul style="list-style-type: none"> • Supervision of the activities of the Company regarding sustainable development. • Stakeholder Engagement Model. • Equal opportunities. • Corporate reputation. • Corporate governance and compliance. • Climate action. 	7

Main activities and priorities

Body	Main activities	Priorities for 2026
Board of Directors	<ul style="list-style-type: none"> Monitoring of the reconstruction plan for the Valencian Community's electricity network affected by the DANA (high-altitude isolated depression) in October 2024. Approval of the Strategic Plan for the 2025-2028 period. Monitoring and supervision of corporate transactions, co-investment agreements and strategic alliances, and their impact and valuation by the market, including the sale of Iberdrola México, the sale of the smart meter business in the United Kingdom, the purchase of Neoenergia shares and the launch of a takeover bid to acquire 100% of its share capital, and the acquisition of the Ararat wind farm in Australia, among others. Accelerated capital increase implemented on 23 July 2025, taking advantage of favourable market conditions in order to cover the Company's investment plans for the upcoming years and achieve the net profit and shareholder remuneration targets. Selection of auditor of the annual accounts of the Company and of its consolidated group for financial years 2027 to 2029, upon a proposal from the Audit and Risk Supervision Committee, following a tender process led by that committee. 	<ul style="list-style-type: none"> Monitoring of the Strategic Plan and the long-term outlook of the Group. Analysis of the impact of the geopolitical and macroeconomic situation on the Group. Top-level institutional relations. Analysis of Iberdrola's creation of value for all its Stakeholders. Monitoring of implementation of the various corporate policies. Continuous updating of the composition of the Board of Directors.
Executive Committee	<ul style="list-style-type: none"> Implementation of the 2025 budget and the Strategic Plan. Regulatory environment and tariff policies. Geopolitical risks arising from international conflict. Main acquisitions, strategic transactions and alliances. Supervision of organisational changes at country subholding companies. Stock Exchange trends. Monitoring of financial resources. 	<ul style="list-style-type: none"> Monitoring of the implementation of the 2026 budget and the Strategic Plan 2025-2028. Monitoring of impact of the regulatory environment, tariff policies and geopolitical risks. Analysis of corporate transaction projects for the Group's companies. Supervision of the organisational and financial resources necessary for the Group's activity.

Body	Main activities	Priorities for 2026
<p>Audit and Risk Supervision Committee</p>	<ul style="list-style-type: none"> • Preparation and submission of reports to the Board of Directors on corporate transaction of the Iberdrola Group in Brazil and Mexico. • Launch and coordination of the tender process for statutory audit services and assurance of the non-financial information for financial years 2027, 2028 and 2029, as well as formulation of the corresponding appointment proposal and recommendation to the Board of Directors. • Review of proposed amendment of the “Statutory Auditor Contracting and Relations Policy” and of the “Basic Internal Audit Regulations”. • Proposal to the Board of Directors for the re-election of the statutory auditor for the financial year. • Monitoring of status of the transposition of the NIS 2 Directive in Spain and the main cybersecurity risks for companies. • Monitoring of developments in audit committees, and particularly of the regulatory update regarding the reporting and internal control of non-financial information. 	<ul style="list-style-type: none"> • Review and update of the process for examining and filing the sustainability information in accordance with the new regulatory requirements. • Further supervision of the risks of artificial intelligence and the use of technology in critical processes of the Iberdrola Group, including assessment of compliance with the NIS 2 Directive and its integration into the risk map. • Holding new joint or coordinated meetings with the Sustainable Development Committee. • Monitoring the automation of the Company’s internal controls in processes involving the preparation of financial and non-financial information. • Promoting an orderly and effective transition to the new external audit firm, and supervising the work plan, the transfer of knowledge and continuity in the quality of the audit service.

Body	Main activities	Priorities for 2026
Appointments Committee	<ul style="list-style-type: none"> • Review of the “Board of Directors Composition and Member Selection Policy”. • Review of the skills matrix of the Board of Directors. • Reports regarding the appointment of the new executive director and his designation as chief executive officer of the Company. • Proposals and reports regarding the composition of boards of directors of the Company and of the country subholding companies. • Evaluation of the performance of the Board of Directors, its committees and the directors. 	<ul style="list-style-type: none"> • International trends in director selection processes. • Proposals or reports regarding the appointment or re-election of directors. • Review of the skills matrix of the Board of Directors. • Evaluation of performance of the governance bodies. • Review of and verification of compliance with the “Board of Directors Composition and Member Selection Policy”. • Monitoring of the application of “Organic Law 2/2024 of 1 August on Equal Representation and Gender Balance”. • Analysis of talent retention measures and particularly of training and monitoring programmes for members of management.
Remuneration Committee	<ul style="list-style-type: none"> • Review of the application of the “Director Remuneration Policy”. • Ongoing improvement of annual director and officer remuneration report. • Internal and external comparative analysis of the remuneration of executive directors and senior managers with the Company’s peers. • Verification of the level of achievement of targets for the previous financial year, in collaboration with other committees, based on the evaluation of the performance thereof. • Confirmation of payment of the third period of the 2020-2022 Strategic Bonus. 	<ul style="list-style-type: none"> • Monitoring of the latest remuneration trends and best practices. • Review of the “Director Remuneration Policy”. • Verification of level of achievement of 2023-2025 Strategic Bonus targets and proposal of new long-term remuneration system. • Supervision of compliance with the recommendations of the CNMV’s “Good Governance Code of Listed Companies” on remuneration. • Analysis of improvement to annual director and officer remuneration report.

Body	Main activities	Priorities for 2026
Sustainable Development Committee	<ul style="list-style-type: none"> Information on reform of the Governance and Sustainability System. Monitoring of the latest digital transformation and communication trends in the area of sustainability and corporate social responsibility. Information on the implementation of the “Purpose and Values of the Iberdrola Group” and the corporate culture. Information on the implementation and effectiveness of due diligence processes implemented within the boundary of the Group regarding sustainability, human rights and natural capital. Reporting to the Board of Directors on the new master plan for the foundations linked to the Group. 	<ul style="list-style-type: none"> Continuing to hold joint or coordinated sessions with the Audit and Risk Supervision Committee. Analysing developments in governance, and particularly the imminent reform of the “Good Governance Code of Listed Companies” and its potential impact on the Governance and Sustainability System. Promoting an orderly and effective transition to the new firm responsible for assurance of the statement of non-financial information, and supervising the work plan, the transfer of knowledge and continuity in the quality of the audit service. Continuing to monitor second-tier governance and its impact on the governance model.

6.1.7. Evaluation

The evaluation for financial year 2025 ended with a positive assessment of the quality and efficiency of the operation of the Board of Directors and its committees, as well as the performance of the chairman, the chief executive officer and the other directors.

The process confirmed that Iberdrola's governance bodies have exercised their functions in accordance with the applicable corporate governance framework and benchmark practices. The Board of Directors and its committees carried out exhaustive monitoring of the performance of the businesses, the main strategic and regulatory risks, and the corporate and business milestones of the Iberdrola Group, and, in particular, established the foundations for the new Strategic Plan and approved the appointment of the new chief executive officer. All while ensuring an informed, transparent and professionalised deliberation process.

Made up of 14 members (79% independent), the Board of Directors presents a balanced and complementary mix of profiles in terms of skills and abilities, taking into account gender (43% women), diversity of nationalities (5 nationalities) and classification of directors (14% executive and 7% other external), as well as different levels of experience on the Board (5.8 years' average seniority for independent directors).

The Board of Directors also has a committee structure that includes an Executive Committee, which reinforces the continuity of the Board's supervisory duties, and four

consultative committees, whose composition meets the same good governance standards. All of the consultative committees are chaired by independent directors.

The main governing body of the Company held 10 meetings during the year, complying with regulatory requirements and recording almost full director attendance.⁹ Meetings were called with greater advance notice than provided for in its own regulations (7.1 days on average) and the sessions were conducted with prior information and with the participation of internal officers, who provided technical context on relevant matters (13 officers made a total of 27 appearances).

In total, 59 meetings were held between the Board and its committees, accumulating a total of 150 hours of deliberation during the year, not counting the time devoted to the preparation of the meetings.

During the financial year, the materials and documentation corresponding to the agenda items were made available to the directors in order to ensure adequate advance preparation of the meetings. In the specific case of the Board of Directors, a total of 636 documents were provided.

The governance bodies also relied on the participation of internal heads and external experts for the presentation and explanation of certain issues. Overall, 39 internal heads and 8 external experts appeared on a total of 155 and 34 occasions, respectively.

The activity of the governance bodies was supplemented by a solid training and development plan, which included 14 in-person training sessions and access to 21 documents published on the directors' website, ensuring the permanent updating of the members thereof within the framework of their responsibilities.

During the financial year, the agendas of the Board and its committees included key issues like strategy and capital allocation (Strategic Plan 2025-2028, corporate transactions and capital decisions), monitoring of the business (evolution of operating indicators, status of facilities or plants, among others), sustainability and climate (Climate Action Plan, Sustainable Development Plan and main reports on the matter), risk management and supervision of financial and non-financial information, as well as specific sessions on digital transformation, cybersecurity and artificial intelligence (AI). There was also a focus on relations with stakeholders (particularly shareholders and investors), as well as on the strengthening of the Governance and Sustainability System (with the approval, among other new developments, of the "Ethical and Basic Principles of Governance and Sustainability of the Iberdrola Group", of the second-tier governance structure, and of new corporate policies to promote a sustainable value chain), and on succession plans. All these matters were examined in both regular sessions and "ad hoc" meetings.

⁹ One director did not attend one meeting for justified reasons.

Noted below are the main milestones of financial year 2025, the adequate examination and post-meeting follow-up of which were ensured:

- Change in the position of chief executive officer, with the appointment of Mr Pedro Azagra Blázquez.
- Definition and approval of the new Strategic Plan presented at the Capital Markets Day.
- Supervision of corporate transactions, such as the purchase of 100% of “Electricity North West Limited” (“ENW”), the offer to acquire additional shareholdings in Neoenergia and the sale of Iberdrola México, as well as financing transactions, including, among others, the signing of a credit line for €2,500 million with 32 international banks.
- Review and approval of annual and half-yearly financial information.
- Review and approval of mandatory corporate reports (corporate governance, remuneration and non-financial information) and voluntary publication of the integrated report.

In addition, the committees performed their duties within a fluid coordination framework, reporting on their activities to the Board of Directors and holding coordination meetings with each other. Their activities included the following:

- The Executive Committee continuously monitored the Strategic Plan, the Group's results and the corporate transactions.
- The Audit and Risk Supervision Committee worked on the supervision of risk and financial and non-financial information, in addition to leading the selection of the auditor and the sustainability assurance provider. It also monitored audit work and internal control over financial and sustainability information.
- The Appointments Committee supervised the succession process for the chief executive officer and the re-elections of directors, and it coordinated the evaluation of the performance of the governance bodies, anticipating the processes and reinforcing the use of the skills matrix.
- The Remuneration Committee regularly reviewed the various aspects of remuneration (monitoring of the “Director Remuneration Policy” and the proposed remuneration of the Board of Directors and budget for expenditures for 2025, among others) and updated its knowledge of regulatory developments and the results of Ibex-35 and global-level general shareholders' meetings.
- The Sustainable Development Committee worked on supervising the corporate governance report, the statement of non-financial information - sustainability report and the integrated report, increasing coordination with the Audit and Risk Supervision Committee, as well as monitoring trends in corporate governance, sustainability and compliance, and the Climate Action Plan.

For his part, the chairman of the Board of Directors has performed his duties to the satisfaction of the directors, meeting their expectations and standing out for his leadership, preparedness, ability to build consensus and strategic vision.

The chairs of the committees fulfilled their responsibilities, calling meetings sufficiently in advance and leading the debate and time management at these bodies.

The new chief executive officer received a positive assessment from all the directors, particularly highlighting his performance at the start of his term in office, as well as his in-depth knowledge and experience at Iberdrola.

For his part, the lead independent director performed the duties allocated to him, including holding meetings with all the non-executive directors and leading the evaluation process for the chairman of the Board of Directors, among other initiatives.

As regards the continuous improvement of Iberdrola's governance bodies, the areas of improvement defined for 2025 were satisfactorily addressed. The following progress is particularly noteworthy:

- The Board of Directors' dedication to strategy was further strengthened, with the approval of strategic goals within the framework of the new Strategic Plan and progress in defining second-tier governance.
- Work was carried out to actively monitor skills and abilities for the appropriate composition of the Board of Directors, consultative committees and special roles, including reviewing the skills matrix.
- An orderly transition of the position of lead independent director took place, ensuring the effectiveness thereof in the position.
- In a context of ongoing collaboration between the consultative committees, a joint session was held between the Audit and Risk Supervision Committee and the Sustainable Development Committee, in line with the CNMV's technical guide.
- Monitoring continued of the level of use of the directors' website, and particularly of the content related to the Board of Directors' training plan.

As a result of the evaluation, the independent expert proposed a list of areas for work in 2026, which the Appointments Committee acknowledged and submitted to the Board of Directors.

The action plan has five main lines of action, which are summarised below:

- Topics and agenda for the Board of Directors: strengthen the supervision of risks and opportunities associated with artificial intelligence and its integration into the strategy.
- Operation of the Board of Directors: half-yearly review of the information provided to directors upon joining the Board of Directors and during their term of office, in order to ensure that it is updated and continuously improved.
- Executive Committee: monitor the evolution of the Strategic Plan and the forecast for achievement of its goals.
- Relationship between committees: continue developing coordination between the Sustainable Development Committee and the Audit and Risk Supervision Committee on the supervision of sustainability reporting.

- Operation of the committees: encourage dynamics involving advance preparation of meetings, including sending questions in advance.

Independence of the external consultant

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

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

With regard to the materiality of the relationship between Iberdrola and PwC, in the last financial year the business relationships of the PwC Group with the companies belonging to the Iberdrola Group amounted to approximately €44 million worldwide, representing 0.09% of the total revenues of the PwC Group, which has a total global turnover of approximately €48,910 million¹⁰.

As such, the Appointments Committee verified that there were no material business relationships, therefore confirming the independence of the consultant, which had had unlimited access to the information and contacts required to carry out this evaluation, and which had appeared before the Board of Directors and each of its committees to explain the results thereof.

¹⁰ Figures referring to PwC’s tax year, which runs from 1 July 2024 to 30 June 2025, equivalent to US\$56,900 million.

6.2. Senior management

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

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

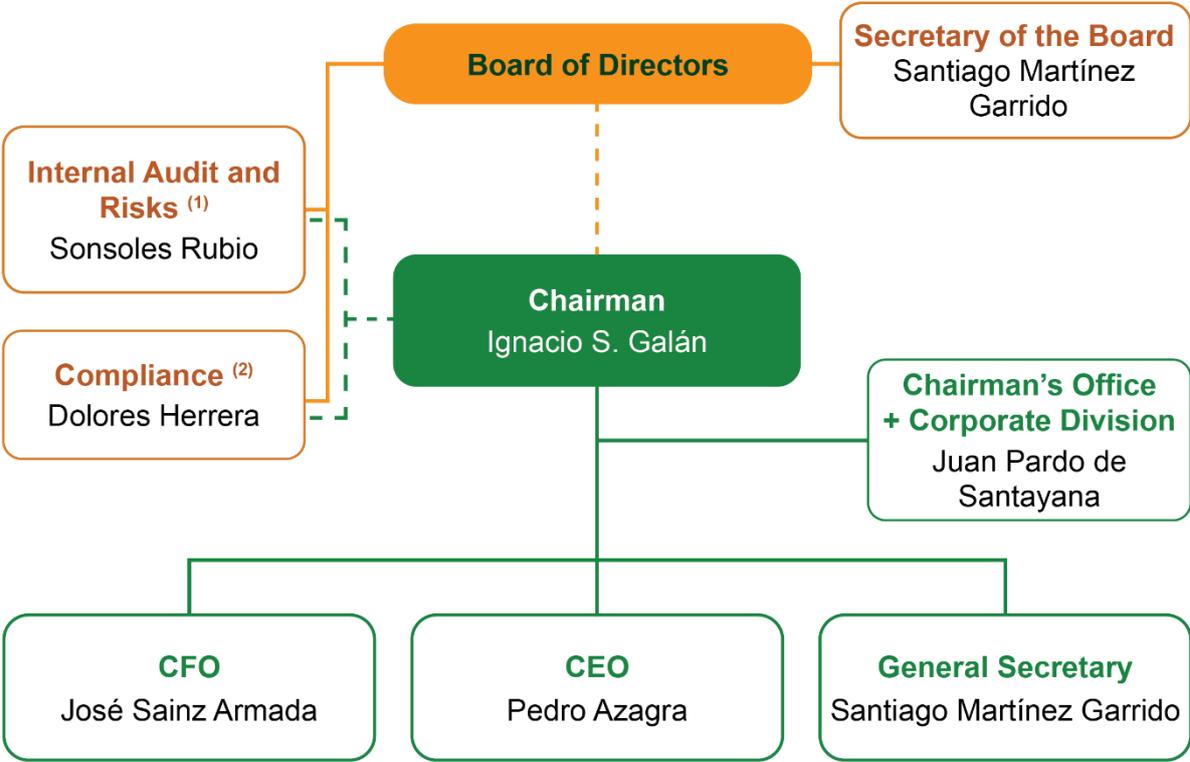
Since 2023, the Company has maintained gender balance in senior management (50% men and women), practically doubling the average female presence among Ibex-35 companies as at financial year-ends 2023 and 2024.¹¹

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

¹¹ National Securities Market Commission (*Comisión Nacional del Mercado de Valores*). “Corporate Governance Reports of Listed Companies. Financial Year 2024” (pg. 68) [Go to CNMV website \[opens in new window\]](#)

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

Organisational chart of the Company’s management team



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

⁽²⁾ Reporting to the Sustainable Development Committee.

Support committees

In line with the evolution of the regulatory environment and in order to strengthen the functions of supervision, coordination and management in strategic areas for the Group, a second governance tier made up of new collective internal committees was implemented in 2025.

Functionally reporting to the officer responsible for each area, such committees act as permanent internal bodies and perform duties of supervision, management and coordination, ensuring more specialised, cross-functional and consistent management in key areas for the implementation of the Company’s Business Model and Governance and Sustainability System:

- Risk Committee: responsible for the comprehensive evaluation of the effectiveness of the internal control system, coordination with the expert units and the development of common risk management methodologies within the Group, among other duties.
- Security, Resilience and Digital Technology Committee: centralises the supervision of corporate security, operational resiliency, cybersecurity and the

management of digital technology, among other duties, acting with cross-functional responsibility in areas subject to increasing regulatory demands.

- Sustainability and Reputation Committee: responsible for the supervision, management and coordination of sustainability, natural capital, social commitment, Stakeholder relations and corporate reputation, as well as for the monitoring of associated risks, opportunities and metrics, among other duties.

In addition, there are other support committees of a purely consultative nature.

This second-tier governance, together with the committees supporting corporate areas or specific businesses, supplement and strengthen the organisational structure in their respective areas, ensuring appropriate collaboration between the relevant corporate divisions and consistency with the general strategies of the Group.

To this end, they coordinate with the counterpart committees at the country subholding companies, ensuring an effective flow of information and aligned implementation of the corporate guidelines.

6.3. Remuneration of directors and officers

Remuneration includes the amounts received by the directors as a whole in their capacity as such in financial year 2025 (€7,686,000, including fixed remuneration, attendance fees and other items such as insurance policies), as well as the remuneration received for the performance of executive duties by members of the Board of Directors (including salaries, annual variable remuneration, payment of the third delivery of the 2020-2022 Strategic Bonus and other items such as insurance policies), all of which is duly described in the “Annual Report on Remuneration of Directors and Officers 2025”.

7. Related-Party and Intragroup Transactions

The Company is not aware of any related-party transactions or intra-group transactions that should be disclosed in this report.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

In financial year 2025, the Audit and Risk Supervision Committee issued the following reports on this issue within the scope of its powers:

- Report to the Board of Directors on information regarding related-party transactions of “Iberdrola, S.A.” and its Group with directors and significant shareholders and their respective related persons included in the annual accounts for financial year 2024.
- Report to the Board of Directors on the compliance of standardised delegated related-party transactions and of lines of transactions in force from 22 July 2024 to 21 July 2025 with the requirements of the “Procedure for Related-Party Transactions with Members of Senior Management, Delegated Related-Party Transactions and Series of Related-Party Transactions”.
- Report to the Board of Directors on information regarding related-party transactions of the Company and its Group with directors and significant shareholders and their respective related persons included in the Half-Yearly Financial Report 2025.
- Report to the Appointments Committee on related-party transactions that could affect the category to which directors belong.

8. Risks, Corporate Control and Compliance

8.1. Risk management and control system

8.1.1 Scope and operation of the system

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

Being aware of the importance of this issue, the Company's Board of Directors is committed to developing measures so that, in the exercise and subject to the limits of its powers, the significant risks to the activities and businesses of the Group's companies are adequately identified, measured, managed and controlled.

For this purpose, the Board of Directors approves the "General Risk Control and Management Foundations of the Iberdrola Group" (the "Foundations"), which are intended to establish risk management mechanisms, identify the main risks faced by the companies of the Group and establish the general framework for the configuration of the "Comprehensive Risk Control and Management System" (the "System") and for its regular monitoring, as well as the supervision of the internal control and risk management systems.

The Foundations apply to all of the companies making up the Group, as well as to companies in which the Company has an interest that which do not form part of the Group but over which it has effective control, within the limits established by legal provisions and by their respective governance and sustainability systems.

Without prejudice to the provisions of the preceding paragraph, to the extent that listed country subholding companies form part of the Group, they and their subsidiaries, under their own special framework of enhanced autonomy, may establish principles and rules, the content of which must adhere to the provisions of the Foundations.

The Foundations are further developed and supplemented with guidelines and limits that may be established in relation to certain corporate or business risks, and which are also subject to approval and review by the Company's Board of Directors (the "Guidelines"), at the proposal of the Audit and Risk Supervision Committee, and with the policies and rules making up the Company's Governance and Sustainability System or the governance and sustainability systems that the other companies of the Group approve in the exercise of their powers and their autonomy.

As such, the Board of Directors establishes mechanisms for appropriate management of the risk/opportunity ratio with a level of risk that makes it possible to:

- a) Achieve the strategic targets that are established at the Group level with controlled volatility.
- b) Provide shareholders with the maximum level of guarantees.

- c) Defend the interests of the shareholders and financial community, of customers and of other Stakeholders of the Group's companies.
- d) Protect results and reputation at the Group level.
- e) Ensure lasting corporate stability and financial strength.
- f) Raise awareness of the risk culture among the professionals of the Group's companies through communication and training programmes.

The System is the global operating model for the identification, evaluation, control and management of the significant risks faced by the Company and the other companies of the Group. It is based on the provisions of the "Ethical and Basic Principles of Governance and Sustainability of the Iberdrola Group", as well as on the basic guidelines that may be established together with the risk appetite, mainly in the Guidelines established within the framework of the Foundations, as well as in the targets and strategic plan established at the Group level, using a common methodology and taxonomy to integrate the range of mechanisms, specific actions and control frameworks developed in relation to risk.

The System is designed in accordance with best international practices in corporate risk control and management. Specifically, it is based on the methodological control framework defined by COSO (Committee of Sponsoring Organizations of the Treadway Commission, May 2013) and structured in accordance with the three-line model published by the Institute of Internal Auditors on 20 July 2020, and includes the following elements:

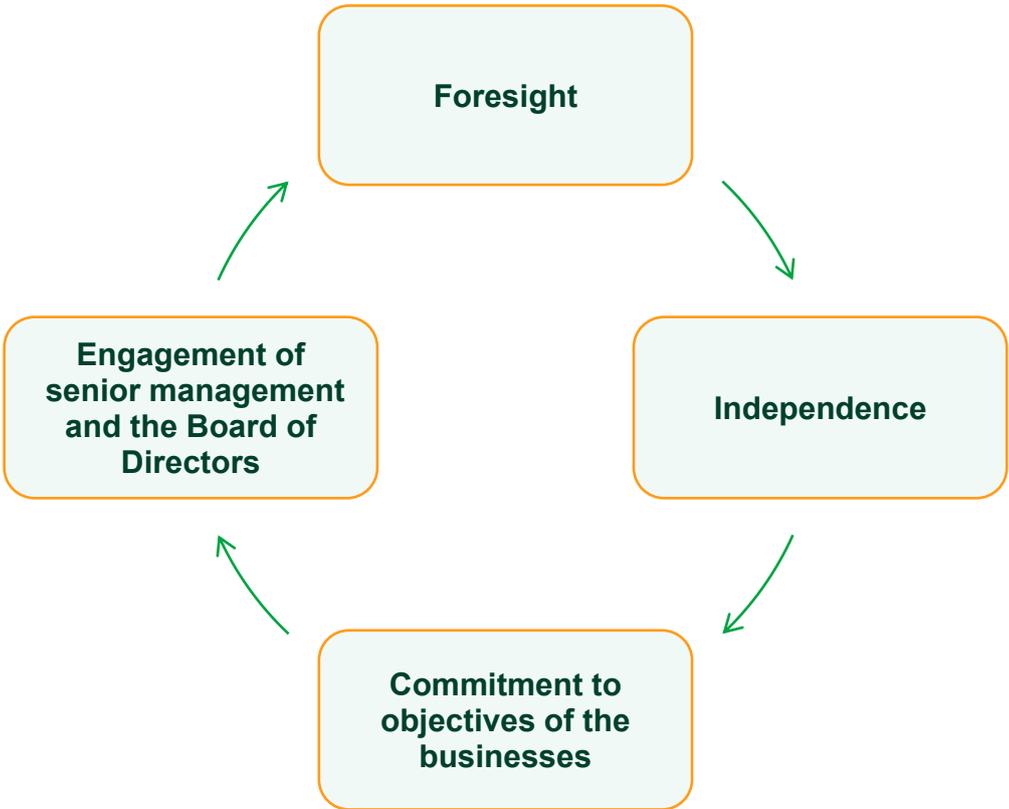
- i) The ongoing identification of significant risks and threats (including contingent liabilities and other off-balance sheet risks), in view of their potential impact on strategic, the key management targets, the financial statements and the reputation of the Group's companies.
- ii) The analysis and evaluation of such risks, both at each corporate business or area and taking into account their combined effect on the Group's companies as a whole, for which purpose the use of common risk measurement, control and quantification standards will be promoted.
- iii) The development of due diligence, control and monitoring systems for compliance with guidelines, including mechanisms to prevent, detect and mitigate potential situations of risks that might arise.
- iv) The establishment of a structure of risk guidelines, limits and indicators, as well as of the corresponding mechanisms for the approval and implementation thereof, which review and establish the risk appetite with respect to certain specific risks of the Group's companies, which are approved by the Company's Board of Directors and, if applicable, by other companies of the Group as provided for in the Foundations, and which are reviewed at least annually.
- v) The ongoing evaluation of the suitability and efficiency of applying the system and the best practices and recommendations in the area of risks for eventual inclusion thereof in the model.

vi) The implementation of internal control and information systems to control and manage risks.

vii) The audit of the Comprehensive Risk Control and Management System.

There has been an appropriate allocation of Group-level operational duties and responsibilities and supervision of the various significant risks and threats (see Section 8.1.2 of this report), as well as procedures, methodologies and tools that support the System, in which the different corporate and business areas participate.

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



The most important elements of the System are summarised below:



The System operates on a comprehensive and continuous basis, strengthening such management by business unit or activity, subsidiaries, geographic areas and corporate-level support areas. Through the combination of processes and players described above, it is ensured that the Group has the necessary risk monitoring and response mechanisms in place, anticipating risks and new threats sufficiently in advance and establishing appropriate mitigation plans, as well as reporting externally.

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

8.1.2 Governance bodies and organisations involved

a) Board of Directors

As previously stated in Section 8.1.1 of this report, the Company’s Board of Directors is committed to developing measures so that, in the exercise and subject to the limits of its powers, the significant risks to the activities and businesses of the Group’s companies are adequately identified, measured, managed and controlled. Therefore, it defines the risk strategy and profile of the Group and approves the main principles of conduct, as well as the risk guidelines and limits.

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

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

b) Audit and Risk Supervision Committee

The Board of Directors relies on the support of this consultative body, which monitors and reports upon the effectiveness of the System, with the support of the Company's Internal Audit and Risk Division, which functionally reports to this Committee.

The “Regulations of the Audit and Risk Supervision Committee” (available on the corporate website) explain its functions in this area, which the Committee performed during financial year 2025¹³ as described in Section 6.1.6 of this report.

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

c) Risk Committee

For the implementation and the effective operation of the System, the Risk Committee has been created as a cross-functional, internal and permanent body, chaired by the Chief Internal Audit and Risk Officer, made up of representatives from the Company's different corporate and business areas.

The Risk Committee monitors: (i) the adequate identification and management of the main risks within the risk appetite established by the Board of Directors; and (ii) the adequate functioning of the information and internal control systems implemented to manage and control them. It meets at least quarterly, and coordinates with the counterpart committees at the country subholding companies, ensuring an effective flow of information and aligned implementation of the Guidelines.

¹³ On at least a quarterly basis, the Audit and Risk Supervision Committee reviews the Iberdrola Group's quarterly risk report by the Risk Division. At least half-yearly, coordinates and reviews the risk reports prepared by the audit and compliance committees of the country subholding companies and submits a risk report to the Board of Directors.

d) Internal Audit and Risk Division

The Company's Internal Audit and Risk Division functionally reports to the Audit and Risk Supervision Committee of the Board of Directors.

The Company's Internal Audit and Risk Division is responsible for the design and implementation of the Foundations and the achievement of the goals thereof, via the independent function of the Risk Division, which will establish the necessary mechanisms for coordination among the different participants in the System.

The Company's Internal Audit and Risk Division will coordinate with the relevant divisions of the other companies of the Group within their respective purviews. In particular, it relies on the support of the internal audit and risk divisions of the other companies of the Group, which handle the implementation and monitoring of the risk guidelines and limits.

As an independent third line, the Internal Audit Division has duties including proactively endeavouring to ensure the proper operation of the internal control, risk management and governance systems, systematically auditing the first and second-line functions in the implementation of their respective management and control responsibilities.

e) Boards of Directors of the country subholding and head companies

Upon a report from their audit and compliance committees, the country subholding companies are responsible for adopting the Foundations, as well as the guidelines approved by the Company's Board of Directors, and specifying their application, approving any specific risk guidelines and limits in view of the needs, characteristics and particularities of the businesses and of the different countries or territories.

For their part, the management decision-making bodies of the head companies must approve the specific risk limits applicable to each of the risk guidelines and limits approved by the country subholding companies and implement the necessary control systems to ensure compliance therewith, taking into account the risk guidelines and limits established by the corresponding country subholding company.

The country subholding companies have counterpart risk committees to those of the Company and coordination mechanisms.

Finally, within the framework of the System, there has been an appropriate allocation of Group-level operational duties and responsibilities and supervision of the various significant risks and threats, through a collaboration framework in which different organisations interact with each other and with the Risk function. The following participate in this regard, in addition to the Risk Division:

- The corporate and business areas, which are primarily responsible for the identification, management and control of the risks that affect the area within their purview ("risk owners").
- Those responsible for defining, implementing, deploying and supervising the rules and policies of the Company's Governance and Sustainability System and of the

governance and sustainability systems of the other companies of the Group, as well as of any Guidelines that are approved to further develop the Foundations, insofar as they include control frameworks relating to specific cross-functional risks for which certain main principles of conduct have been approved (“specialist areas”).

8.1.3 Risk categories

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

- a) Governance and sustainability risks: risks arising from a potential breach of the provisions of the governance and sustainability systems, including anti-corruption and anti-fraud legal provisions, of each company of the Group.
- b) Business and market risks: relating to key variables intrinsic to the various activities of the Group through their businesses, such as the characteristics of demand, product portfolio positioning and management, as well as the uncertainty generated by the volatility of market prices for fundamental variables including electricity, gas or raw material prices.
- c) Credit and financial risks: relating to the possibility that a counterparty breaches its contractual obligations and causes an economic or financial loss to companies of the Group, including the risks of payment and costs of replacement, as well as risks related to the volatility of variables like the exchange rate, interest rate or inflation and those related to the solvency and liquidity of the Group itself.
- d) Strategic, regulatory, tax and legal risks: relating to the macroeconomic, geopolitical and social environment, as well as those arising from regulatory changes or changes to tax regulations. Also includes risks associated with the strategy of the Company, such as investment and divestment decisions, or those motivated by the competitive environment.
- e) Operational risks: referring to direct or indirect economic losses resulting from external events, errors or inadequate internal procedures, as well as those affecting the ability to properly respond to events of any kind that affect the continuity of core processes.
- f) Technological and comprehensive security risks: relating to the appropriate management and operation of information technologies (IT) and operational technologies (OT), as well as those resulting from the adoption of new technologies, like artificial intelligence. Also includes risks related to the security of individuals, tangible and intangible assets and information systems, including cybersecurity, as well as the privacy of the data that are processed and compliance with related regulations.

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

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

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

- The "Principal risks and uncertainties" section of the consolidated management report for financial year 2025 within the annual financial report.
- The "Statement of Non-Financial Information - Sustainability Report 2025", in relation to sustainability risks.

8.1.4 Risk guidelines and tolerance levels

a) Structure of risk guidelines

The defined structure of risk guidelines and risk limits and indicators (maximum or benchmark, checking whether the risks remain within the tolerance levels) is as follows:

Corporate guidelines:

- Credit Risk Guidelines and Limits.
- Market Risk Guidelines and Limits.
- Operational Risk in Market Transactions Guidelines and Limits.
- Insurance Guidelines and Limits (Operational Risk Assurance Guidelines and Limits).
- Investment and Divestment Supervisory Guidelines and Risk Limits.
- Financing and Financial Risk Guidelines and Limits.
- Risk Guidelines and Limits for Treasury Shares.
- Risk Guidelines and Limits for Shareholdings in Listed Companies.
- Purchasing Risk Guidelines and Limits.
- Digital Technology Risk Guidelines and Limits.
- Security and Resiliency Risk Guidelines and Limits.
- Reputational Risk Guidelines and Limits.
- Occupational Health and Safety and Well-being Risk Guidelines and Limits.

Guidelines for the various businesses of the Group:

- Risk Guidelines and Limits for the Networks Businesses of the Iberdrola Group.

- Risk Guidelines and Limits for the Electricity Production and Customers Businesses of the Iberdrola Group.
- Risk Guidelines and Limits for the Real Estate Business.

In addition to the Company's Board of Directors and its Audit and Risk Supervision Committee, the bodies and divisions indicated in Section 8.1.2 of this report, including the corporate businesses and functions, also participate in the annual process of updating these Guidelines.

b) Risk tolerance levels (level of acceptable risk)

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

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

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

- limits on the maximum overall credit risk exposure by type of counterparty;
- limitations on market risk proportional to the volume of activity of each business;
- strict overall limit on the discretionary trading of energy;
- limitations on operational risk through preventative maintenance programmes and insurance programmes; and
- strict limitations on activities not associated with the main energy business.

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

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

8.1.5 Relevant risks materialising in 2025

Thanks to a diversification of activities, markets and geographical regions (which allowed the negative impacts on some businesses to be offset by favourable

performance in others) and the measures adopted, the overall impact on the consolidated financial statements of “Iberdrola, S.A.” and its subsidiaries has been limited.

Main risks that have materialised (see notes to the consolidated financial statements for 2025 for further information):

- The measures adopted by the US authorities in relation to the Group’s offshore wind projects in the US, both in the Vineyard Wind 1 project under construction (suspension order issued by the Bureau of Ocean Energy Management (BOEM) on 22 December 2025, although the works have now restarted) and in the New England Wind 1 and 2 projects under development (permit revocation request from the Department of Justice). A provision for impairment has been made arising from the current uncertainties regarding the assets under development of such business.
- Impact of supplementary service costs in Spain arising from the reinforced operation of the peninsular electricity system after the blackout that occurred on 28 April 2025, not transferable to customers with fixed-price tariffs.
- Wind resource below expectations in the United Kingdom and Iberdrola Energía Internacional.
- Approval of Redes España remuneration framework for the 2026-2031 period below industry expectations.
- Depreciation of the US dollar against the euro, albeit without material impacts due to hedging.

The positive events that have materialised include the following (see notes to the consolidated financial statements for 2025 for further information):

- Capital gain associated with sale of smart meter business in the United Kingdom.
- High level of rainfall in Spain compared to the previous financial year.
- Approval of the regulatory framework (T3) for electricity transmission in the United Kingdom for the 2026-2031 period, aligned with the submitted business plans.
- Obtaining required regulatory approvals from the competent authorities for the takeover of ENW in March 2025.
- Extension of distributor concessions in Brazil, now signed for Neoenergia Pernambuco and with a favourable resolution from ANEEL for Neoenergia Coelba, Neoenergia Cosern and Neoenergia Elektro, with signing expected in February.

8.2. Control and management of financial reporting risks

8.2.1. Scope and main features of the system

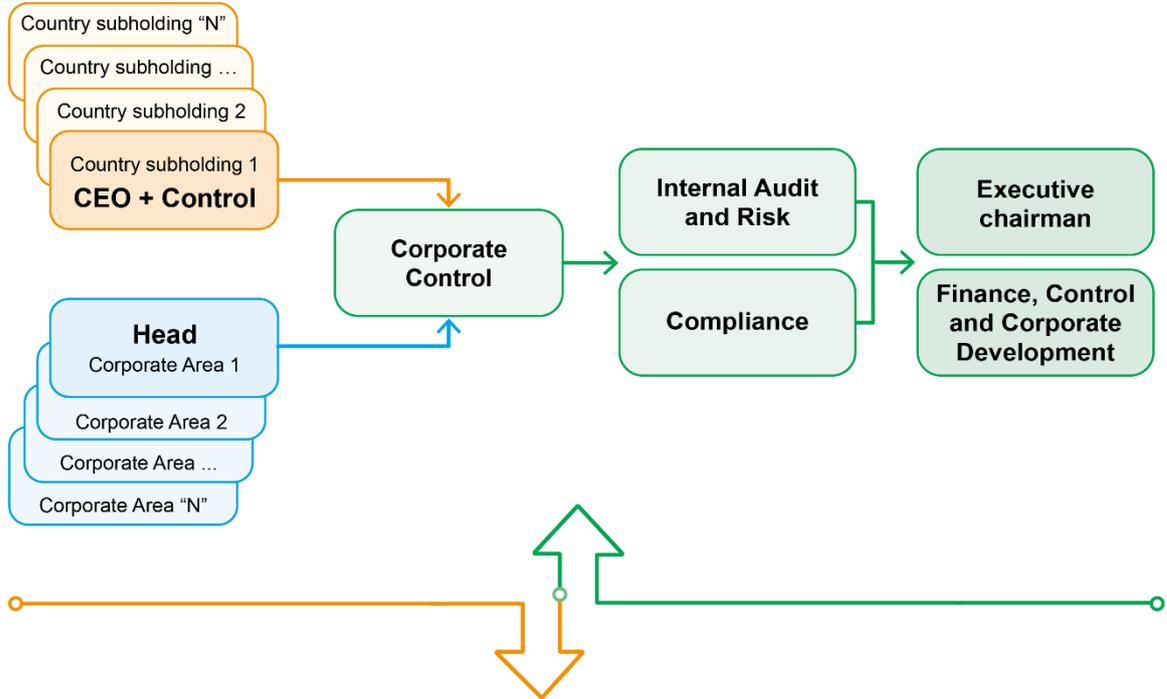
The Company has an Internal Control over Financial Reporting System (“ICFRS”) or model that is intended to reasonably guarantee the reliability of such information. The

development of the model, which began in 2006, was the result not of a legal requirement but rather the conviction that, within a context of growth and internationalisation, an explicit and auditable internal control system would contribute to maintaining and improving its control environment and the quality of the financial information, while at the same time increasing the confidence of investors due to its effects on the transparency, reputation and good governance of the Company and of the other companies making up the Iberdrola Group.

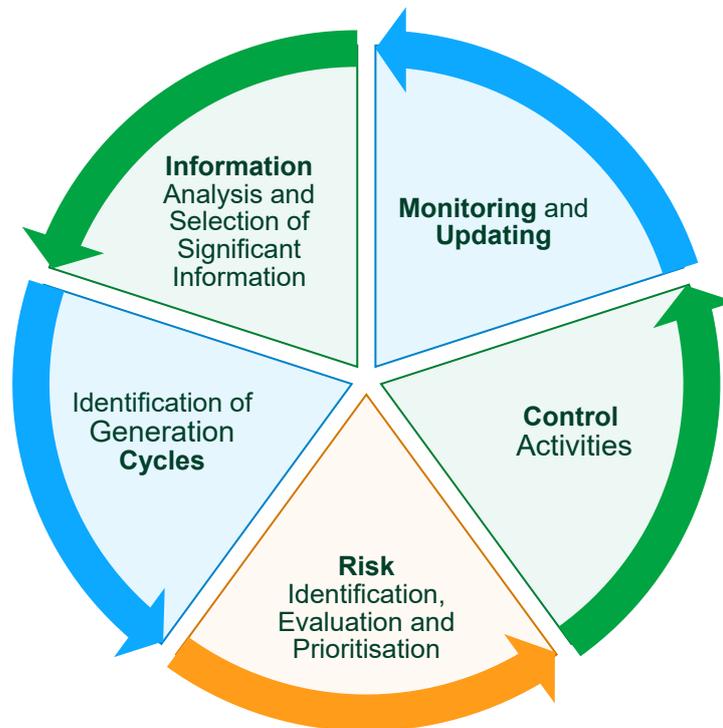
The Company's Board of Directors is ultimately responsible for the development maintenance and effectiveness of the ICFRS, and the boards of directors of the country subholding companies and of the head companies have the same responsibility within their respective purviews.

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

Certification



Internal Control



Certification is a half-yearly process managed and coordinated by the Internal Assurance of Financial Information department, which reports to the Control Division, during which those responsible for financial information and ICFRS in each area of the Iberdrola Group certify that: (i) the financial information they deliver to the Company for purposes of consolidation does not contain any material errors or omissions and represents a fair view of the results and the financial condition of the company within their area of responsibility, and (ii) they are responsible for establishing the ICFRS within their area of responsibility and have found, upon assessment, that the system is effective.¹⁴

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

The other side of the model, that of internal control itself, is inspired by the leading framework described in the COSO report¹⁵, and is mainly focused on providing a reasonable level of security in achieving the goal of reliability of financial information.

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

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

Based on materiality standards, the current scope of the ICFRS covers the entire boundary of the Iberdrola Group. More than 1,750 people from the Group's companies use the software application, both to document the evidence showing the implementation of more than 3,200 controls —which mitigate or manage more than 1,300 risks of error in the financial information deemed priority— and to monitor, analyse, adjust and evaluate the ICFRS.

All significant documentation regarding Iberdrola's ICFRS, for both the certification process and the internal control (including the description of the risks identified, the design of controls, and evidence of implementation thereof), is stored in this software

¹⁴ The text of the certifications (issued by over 150 heads of the country subholding companies and of the head companies, together with the respective heads of control, as well as the directors of the corporate areas) is inspired by the form of certification established in Section 302 of the U.S. Sarbanes-Oxley Act.

¹⁵ "Internal Control Integrated Framework" report of the "Committee of Sponsoring Organizations of the Treadway Commission".

application. This means the internal control situation can be monitored in real time, permitting quick action regarding any deficiencies detected.

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

8.2.2. Elements of the control environment

Responsibility for preparing financial information

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

For these purposes, each top-level division prepares a proposed organisational structure, including a description of the mission, duties and responsibilities of the various organisations deployed, which must subsequently be validated by the Corporate Division, as well as by the Finance, Control and Corporate Development Division.

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

Ethical and Basic Principles of Governance and Sustainability, Code of Conduct and Internal Reporting System (Whistleblower Channel)

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

In financial year 2025, the breakdown of the "Code of Ethics" into two documents was approved: (i) the "Ethical and Basic Principles of Governance and Sustainability of the Iberdrola Group" (the "**Ethical Principles**"); and (ii) the "Code of Conduct for Directors, Professionals and Suppliers" (the "**Code of Conduct**").

Together with the "Purpose and Values of the Iberdrola Group", the "Ethical Principles" are the main strategic pillars that inform the regulations established in the governance and sustainability systems approved by the different companies of the Group and establish the main principles of conduct in relation to risk management and corporate control.

In this regard, the "Ethical Principles" establish that the financial information of the Group's companies, and particularly their annual financial statements, must reflect in all material respects a true and fair view of the assets, financial position and results as provided by applicable legal provisions.

The “Code of Conduct” provides that directors must adhere to the principle of transparency of information, particularly financial information, and not conceal or distort the information included in the accounting records and reports of the Group’s companies. It also establishes transparency of the information that must be disclosed as a basic principle that must govern the conduct of professionals.

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

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

Training and refreshers for personnel involved in the ICFRS

Training is key in the Company’s “Sustainable Human Capital Management and Anti-Harassment Policy” and is an essential element for new professionals to adapt themselves to the Iberdrola Group and for the proper performance of their jobs, as well as to keep the group’s professionals updated regarding any changes that occur within the group itself as well as the environment within which they do business.

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

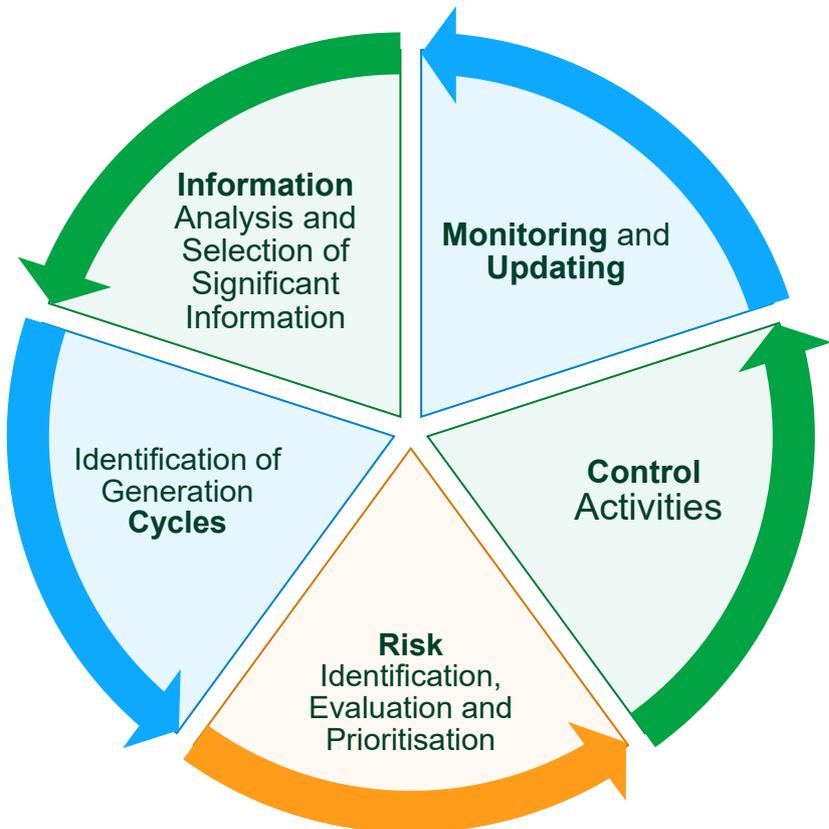
Specifically, the personnel directly or indirectly involved in the preparation and review of financial information and in the evaluation of the ICFRS, based on their different responsibilities, receive regular training on accounting standards, auditing, internal control and risk management, which is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

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

8.2.3. Internal control methodology

As previously stated, the Iberdrola Group has developed its ICFRS by applying its own methodology, inspired by the leading framework described in the COSO report¹⁶, and mainly focused on providing a reasonable level of security in achieving the goal of reliability of financial information.

The Internal Assurance of Financial Information department is responsible for developing, maintaining and updating the Group’s internal control methodology, for which purpose it provides specialised knowledge and carries out support functions, endeavouring to ensure the consistency and homogeneity of the model within the Group, as well as the efficiency and effectiveness thereof.



Analysis and evaluation of financial information risks

The analysis and evaluation of financial information risks is based on an analysis of the consolidated financial information of the Group and of the various country subholding companies, the most significant accounting headings and notes are

¹⁶ “Internal Control Integrated Framework” report of the “Committee of Sponsoring Organizations of the Treadway Commission”.

selected pursuant to quantitative (materiality) and qualitative (professional judgement, business risk and third-party visibility) standards:

- The headings and notes selected are grouped into management cycles or large processes in which the selected information is generated.
- The cycles are analysed and a high-level description of each of them is prepared as a means for identifying the potential risks of error in the financial information in relation to attributes like integrity, presentation, valuation, cut-off, recording and validity.
- The risks identified are subject to a process of assessment, selecting the most significant ones, applying professional judgement regarding a number of indicators (existence of documented processes and controls, intervention of systems that automate the process, occurrence of incidents in the past, familiarity with and maturity of the process, and need for the use of judgement to make estimates).
- The risks of fraud are not subject to explicit identification, although they are taken into account to the extent that they can generate material errors in the financial information.

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

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

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

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

Control activities

a) Review and approval of financial information

The Board of Directors defines the process for preparing and approving the consolidated financial information¹⁷ of the Group and clearly determines the powers vested in the Audit and Risk Supervision Committee, as well as in the audit and compliance committees of the other companies of the Group through the “Iberdrola Group Financial and Non-Financial Information Preparation Policy” that applies to all companies of the Group.

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

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

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

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

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

¹⁷ “Consolidated financial information” means the information appearing in the consolidated annual financial statements, in the interim management statements corresponding to the results of Iberdrola and its consolidated group for the first and third quarter, and in the half-yearly financial report.

b) Documentation of activities and controls

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

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

Furthermore, the specific review of critical accounting judgements, estimates, valuations and relevant projections is subject to specific controls within the model, as these types of issues involve risks of error in the various cycles in which they are made. The evidence of the specific controls is the support for such reviews in many cases.

c) IT system controls

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

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

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

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

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

services, as well as the recommendations and guidelines of auditors and relevant third parties.

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

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

On an annual basis, the heads of the IT systems of the Iberdrola Group certify the effectiveness of the internal controls established regarding the financial reporting systems. This certification covers the relevant financial systems based on the scope of the external financial audit and the considerations of the Systems Division, the Internal Audit and Risk Division and the relevant business organisations within the boundary of the Iberdrola Group.

d) Controls regarding subcontracted activities

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

e) Accounting update and information capture

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

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

globally accessible application. Any change or upload of a document of the handbook generates an e-mail notice to all users.

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

Monitoring and update of the ICFRS model

The software application that supports Iberdrola's ICFRS permits its real-time monitoring at any time of the year, with no requirement to wait for specific dates to conduct monitoring. This feature makes it possible to identify potential shortfalls in the operation of the ICFRS (such as delays in the implementation and documentation of controls, non-compliance with limits or procedures established in the design of controls, etc.), making it possible to act quickly on detected shortfalls.

All of the foregoing allows for the model to be updated "on demand" as required, incorporating newly identified risks and the controls necessary to mitigate them, or modifying the design of existing controls.

In addition, the ICFRS methodology includes an annual ICFRS review and update process, coordinated by the Internal Assurance of Financial Information department. In this process, those responsible for preparing the sustainability information at each country subholding company, head company and corporate area review the design of the model in order to ensure that identified risks are adequately evaluated and updated, as well as the sufficient and appropriate design of the associated controls for their mitigation. Similarly, the operation of the ICFRS is reviewed to evaluate whether the controls are operating effectively to reasonably ensure the reliability of the financial information.

8.2.4. Effectiveness of the system and supervisory activities

The Audit and Risk Supervision Committee is supported, pursuant to the provisions of the "Basic Internal Audit Regulations", by the Internal Audit and Risk Division, in coordination with those other functions that have powers regarding the management, supervision and assurance of risks, in the performance of its powers regarding the internal control and risk management systems.

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

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

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

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

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

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

In addition to the supervision by the Internal Audit and Risk Division, and as previously noted, the ICFRS is annually reviewed by those responsible for preparing the financial information, who issue an opinion on its effectiveness within their area of responsibility. The conclusions from this process, with respect to both the deficiencies identified (which are classified as high, medium or low, based on their potential impact on the financial information) and the action plans to fix them, are presented at an annual meeting of the Control Committee attended by the heads of Control of the Company and of the various country subholding companies, the heads of the main corporate areas and of the Internal Audit and Risk Division. At this meeting, the Control Division issues an opinion regarding the effectiveness of the ICFRS within each of the different areas of responsibility, and globally for the entire Iberdrola Group. Thereafter, the most significant conclusions regarding the review, as well as its opinion regarding the effectiveness of the ICFRS, are submitted to the Audit and Risk Supervision Committee.

8.2.5. External auditor's report

The information on the ICFRS included in this report has not been subject to review by the external auditor as a matter of consistency with the preparation of the other content of the annual corporate governance report, for which only the accounting

information is subject to review by the external auditor. Furthermore, it is believed that externally reviewing the information on the ICFRS sent to the markets would in a certain way be redundant, taking into account the review of internal control that the external auditor must perform in accordance with technical auditing standards within the context of the statutory audit of accounts.

8.3. Control and management of sustainability reporting risks

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

Within the second-tier governance structure, the Company's Sustainability and Reputation Committee, acting in coordination with the Risk Committee, is responsible for endeavouring to ensure the identification of the main sustainability and reputation risks faced by the Company. For this purpose, among other duties, it is responsible for promoting the implementation, management and control of the ICSRS and the continuous improvement thereof, as well as supervising the content of the guide for the preparation of the statement of non-financial information - sustainability report and of other sustainability reports, the corresponding calendar, and the preparation processes, all taking into account the standards, guidelines and general principles established by the Sustainable Development Committee.

This Committee also coordinates with the reputation and sustainability committees established at the country subholding companies, which, like the head companies, are responsible for the design and implementation of the ICSRS within their respective purviews, through their heads of sustainability and the heads of the corporate areas.

The current scope of the ICSRS covers the entire boundary of the Iberdrola Group, involving more than 700 people from the Group's companies using the software application, both to document the evidence showing the implementation of approximately 1,100 controls, designed to mitigate or manage more than 460 priority risks of error, and to participate in the certification process or monitor, analyse, adjust and evaluate the ICSRS.

The culmination of the process is a joint certification that the executive chairman and the CFO submit to the Board of Directors upon the preparation of the statement of non-financial information - sustainability report, which can be consulted for further information on this internal control system.

8.4. Compliance

Both the Company and the other companies of the Iberdrola Group aspire for their conduct and that of the persons connected thereto to conform and adhere not only to applicable law and their governance and sustainability systems but also to the highest standards of ethics and social responsibility.

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

For this purpose, the Company’s Board of Directors has approved the “Purpose and Values of the Iberdrola Group” and the “Ethical and Basic Principles of Governance and Sustainability of the Iberdrola Group”, which comprise the ideological and axiological foundation of the business enterprise of the companies belonging to the Iberdrola Group, govern its day-to-day activities and inform the regulations established in the governance and sustainability systems approved by the different companies of the Group.

The content of the “Purpose and Values of the Iberdrola Group” and of the “Ethical and Basic Principles of Governance and Sustainability of the Iberdrola Group” is further developed and specified in the “Code of Conduct for Directors, Professionals and Suppliers”, which establishes a set of principles of and guidelines for conduct intended to ensure their responsible behaviour in a complex and changing global environment, in addition to addressing the prevention obligations imposed in the area of criminal liability of legal persons.

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

All these rules form part of the Company’s Governance and Sustainability System, which is configured in the form of a true regulatory system, subject to continuous review and update.

In this context, in order to achieve the highest international standards in this regard, “Iberdrola, S.A.” has its own effective, autonomous, independent and robust compliance system, consisting of a structured set of rules, formal procedures and substantive actions that are intended to ensure that the Company acts in accordance with ethical principles, the law, and internal rules (and particularly the Governance and Sustainability System), and to contribute to the full realisation of the “Purpose and Values of the Iberdrola Group” and to the corporate interest, and to prevent, manage and mitigate the risk of regulatory and ethical breaches that may be committed by the directors, professionals or suppliers thereof within the organisation.

The fundamental elements of the Company’s Compliance System are, on the one hand, its crime prevention programme and, on the other hand, the Internal Reporting System available so that the members of its management decision-making bodies, its professionals, its suppliers, and other third parties as established by legal provisions can report potentially improper conduct or acts that are potentially illegal or contrary to law or to the Governance and Sustainability System that concern or affect the scope of their respective activities, including, in particular, potential fraudulent conduct and acts or conduct conducive to corruption in any of its manifestations.

In order to proactively and autonomously endeavour to ensure the implementation and effectiveness of the Company’s Compliance System, in 2012, the Board of Directors created the Compliance Unit of “Iberdrola, S.A.” as a collective permanent

and internal body, configured in accordance with the highest standards of independence and transparency, and linked to the Sustainable Development Committee of the Board of Directors. It is governed by the provisions of the Governance and Sustainability System and, in particular, by the “Regulations of the Compliance Unit”, which give it broad powers, budgetary autonomy and independence of action.

The Company’s Compliance Unit is responsible for establishing the framework of coordination, collaboration and reporting relationships with the respective compliance units of the other companies of the Group and with those responsible for the compliance function of other companies of the Group, in order to promote the highest compliance standards, particularly relating, but not limited, to investigation procedures, the analysis and assessment of criminal risks, measures and controls implemented for the mitigation thereof, internal compliance regulations and the promotion of training plans.

Likewise, the compliance units created at the country subholding companies and the compliance units or functions of the head companies are particularly responsible for proactively and autonomously ensuring the implementation and effectiveness of the compliance system of their respective company. Since 2023, all of the Group’s compliance units have been chaired by independent legal experts of recognised standing with expertise in compliance matters. In addition, the secretary of the Company’s Compliance Unit is a legal professional who is not part of the Group’s companies.

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

In accordance with the provisions of the “Compliance Policy”, the Company’s Compliance System is subject to continuous review to incorporate practices and trends in accordance with the highest international compliance and good governance standards and new regulatory requirements in this area.

As part of these best practices, the Company has published a report on the transparency of the compliance system for the companies of the Iberdrola Group on the corporate website since 2022, describing the main actions, initiatives and measures developed, promoted and adopted by each of the compliance units of the Group’s companies in the last financial year, and it regularly subjects its Compliance System to a report by independent experts: [Go to Iberdrola website \[opens in new window\]](#).

9. External Audit

9.1. Audit firm selection process

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

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

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

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

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

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

9.2. Appointment of audit firm

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

Upon a proposal from the Audit and Risk Supervision Committee, the Board of Directors adopted the following resolutions on 27 October 2025:

- To propose to the shareholders at the Company's ordinary General Shareholders' Meeting 2026 the re-election of "KPMG Auditores, S.L." as auditor of the annual

accounts of the Company and of its consolidated group for financial year 2026, for the tenth consecutive year.

- To select “PricewaterhouseCoopers Auditores, S.L.” as auditor of the annual accounts of the Company and of its consolidated group for financial years 2027 to 2029, following a tender process led by the Audit and Risk Supervision Committee, in accordance with the provisions of “Regulation (EU) no. 537/2014 of the European Parliament and of the Council of 16 April 2014”, of “Law 22/2015 of 20 July on Audit of Accounts”, as well as of the Governance and Sustainability System.

9.3. Fees of audit firm

Set out below are the auditor’s fees for financial year 2025 in thousands of euros:

Breakdown of fees for services	Company	Group companies	Total
Amount for audit work	3,760	19,790	23,550
Amount for non-audit work	2,266	2,334	4,600
Services for limited review of financial information	1,281	0	1,281
Other services	985	2,334	3,319
Total	6,026	22,124	28,150
Amount invoiced for non-audit work/Amount for audit work (in %)	60.27%	11.79%	19.53%

9.4. Statutory Auditor Independence Report

At its meeting held on 23 February 2026, the Audit and Risk Supervision Committee approved the issuance and submission to the Board of Directors of the “Report on the independence of the statutory auditor of the Company and its consolidated group for financial year 2025”, which content is summarised below.

In this respect, on an annual basis and prior to the audit report, the Audit and Risk Supervision Committee has the obligation to issue a report setting forth an opinion on the independence of the statutory auditor, which must include a reasoned assessment of all non-audit services (see Section 529 *quaterdecies*, subsection 4.(f) of the “Companies Act”).

The reports on the independence of the external auditor by the audit and compliance committees of the country subholding companies and the statement of independence provided by “KPMG Auditores, S.L.” were taken into account to prepare the opinion. In the statement of independence, the statutory auditor declared that it had sufficient and adequate internal measures to safeguard its independence.

During financial year 2025, the statutory auditor appeared on numerous occasions before the Audit and Risk Supervision Committee to report on various aspects of the

audit, as described in Section 6.1.6 and in Annex II of this report, and it did not report any circumstances that would compromise its independence.

Reported below are the fees invoiced to the Iberdrola Group and to related entities with a relationship of significant influence but not of control, as a result of the provision of: (i) audit services, which amount to €24,246 thousand; (ii) audit-related services, amounting to €3,704 thousand; and (iii) other services, amounting to €919 thousand.

Included after this is a detailed list of the audit services, non-audit services and other additional services that “KPMG Auditores, S.L.” provided to the Iberdrola Group in financial year 2025. In this regard, it provided various non-audit services, which are listed and described in the report, affirming that they did not compromise its independence. It also provided additional services such as the review of non-financial information and advice on various processes, but did not identify any significant threats to its independence.

In addition, with regard to the term and rotation of the statutory auditor, the report states for the record that it was the ninth continuous year to date in which “KPMG Auditores, S.L.” audited the separate and consolidated annual financial statements of the Company, thus respecting the periods provided for by applicable law. This represents 28.13% of the number of years audited by the current audit firm as a percentage of the total number of years in which the separate and consolidated annual financial statements of the Company have been audited:

For its part, this was the fourth time that the lead auditor responsible for the audit work had signed the audit report, meaning that the maximum period of five years established in Section 40.2 of “Law 22/2015 of 20 July on Audit of Accounts” has not been exceeded either.

Finally, it was stated for the record that a former employee of “KPMG Auditores, S.L.” who joined the Iberdrola Group in financial year 2025 had not been the lead auditor responsible for the audit of the Group’s accounts, and had not had the ability to influence the final results of the audit work. As a result, the statutory auditor affirmed that the hiring of the aforementioned professional did not violate any of the prohibitions established in legal provisions, and could not give rise to a threat that would compromise its independence.

In light of the foregoing, the Audit and Risk Supervision Committee concluded in its report that the statutory auditor had performed its audit work with independence from the Company and its consolidated group during financial year 2025.

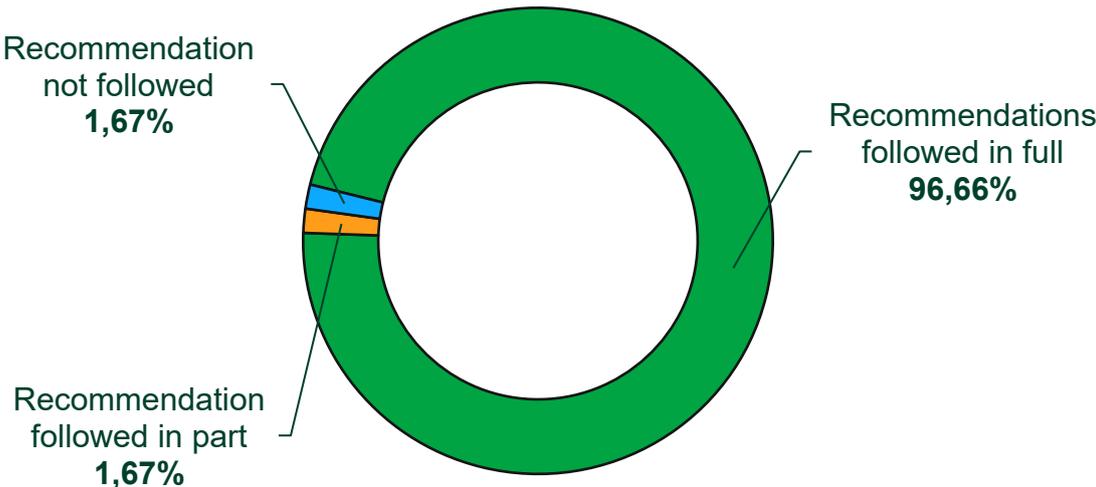
10. Corporate Governance Recommendations

10.1. Monitoring of the “Good Governance Code of Listed Companies”

The CNMV’s “Good Governance Code of Listed Companies” includes a total of 64 voluntary recommendations for listed companies in Spain.

In accordance with the “comply or explain” principle, listed companies must report their degree of compliance with the aforementioned code’s recommendations through the annual corporate governance report and must explain their reasons for decisions not to apply the recommendations.

Degree of compliance with applicable recommendations



In 2025, the Company fully complied with all applicable recommendations of the aforementioned code with only two exceptions:

Recommendation 1

“That the articles of incorporation of listed companies should not limit the maximum number of votes that may be cast by one shareholder or contain other restrictions that hinder the takeover of control of the company through the acquisition of its shares on the market.”

Position of the Company: recommendation not followed

Following the introduction of this recommendation, the “Companies Act” has undergone successive reforms intended to improve corporate governance and it continues to expressly contemplate the possibility of any listed company’s by-laws setting the maximum number of votes that a single shareholder can cast.

At companies with a dispersed shareholder base such as this Company, shareholders may have very limited capacity to react against a potential shareholder owning a non-controlling interest and not reaching the threshold of 30% of share capital requiring a takeover bid, but who seeks to act counter to the corporate interest.

Therefore, pursuant to the provisions of Sections 188 and 527 of the “Companies Act”, Article 30.2 of the “By-Laws” sets the maximum number of votes that a single shareholder may cast, establishing that no shareholder may cast a number of votes greater than those corresponding to shares representing 10% of the share capital.

This measure to protect shareholders has been in effect since 16 June 1990, the date of the General Shareholders’ Meeting at which it was resolved, by unanimous vote, to bring the “By-Laws” into line with the consolidated text of the “Companies Act” approved by Royal Legislative Decree 1564/1989 of 22 December.

The measure has remained unchanged through the successive reforms to the by-laws examined by the shareholders at a General Shareholders’ Meeting since then, showing the consensus that has existed from the outset, and it continues to offer additional bargaining power for the shareholders in the event of hostile offers or transactions.

Such voting limitation will be deprived of effect if the Company is subject to a takeover bid that is accepted by the percentage of share capital provided for in applicable law, for which reason it is in no case a barrier intended to prevent takeover bids.

Recommendation 64

“That payments for contract termination should not exceed an amount equivalent to two years of total annual remuneration and should not be paid until the company has been able to verify that the director has fulfilled all previously established criteria or conditions for payment.

For the purposes of this recommendation, payments for contractual termination will be considered to include any payments the accrual of which or the obligation to pay which arises as a consequence of or on the occasion of the termination of the contractual relationship between the director and the company, including amounts not previously vested of long-term savings schemes and amounts paid by virtue of post-contractual non-competition agreements.”

Position of the Company: recommendation partially followed

When the current executive chairman joined the Company in 2001, the Company included clauses in the contracts with its key officers providing for severance pay of up to five times annual salary in order to achieve an effective and sufficient level of loyalty. Although the treatment in effect for such officers was applied to him at that time, he would currently be entitled to two times annual remuneration as severance pay for instances in which a severance payment was required for termination of contract.

The chief executive officer is entitled to receive severance pay equivalent to two times annual remuneration in the event of termination of his relationship with the Company, provided that said termination is not due to a breach attributable to the beneficiary or solely due to a voluntary decision thereof. This severance payment for termination of contract includes compensation for the commitment not to compete.

The contractual relationship with the executive chairman in any event establishes a duty not to compete with respect to companies and activities that are similar in nature to those of the Company during the term of his relationship with the Company and for a three-year period after termination of the contract. He is entitled to severance pay equivalent to two times annual remuneration as compensation for this commitment.

In the case of the chief executive officer, the obligation not to compete covers the term of the contract and for one year after the termination thereof. In compensation for this post-contractual commitment not to compete, he is entitled to compensation equal to one times his annual fixed remuneration, which is in any case included in the severance payment for termination of contract, if one exists.

The 64 recommendations of the CNMV's "Good Governance Code of Listed Companies" are transcribed in Section G of Annex III of this report, confirming full compliance with all other applicable recommendations.

10.2. Information on good tax practices

The Company has a "Corporate Tax Policy" that establishes the basis for the definition of the Company's tax strategy, based on excellence and commitment to the application of good tax practices, within the framework of the Group's corporate and governance structure.

In addition to applying to the Company, the "Corporate Tax Policy" includes basic tax principles that supplement those included in the "Ethical and Basic Principles of Governance and Sustainability of the Iberdrola Group" and, in this regard, must inform the conduct and standards-setting of the Group's other companies in this area in the exercise of their powers and their autonomy.

The Company voluntarily publishes an annual "Tax Transparency Report" that sets out its commitment to responsible tax policy, governance and good tax practices, available on the corporate website: [Go to Iberdrola website \[opens in new window\]](#).

The report also describes, among other aspects, the cooperative relationship with tax authorities at a global level, with the most significant initiatives being the following:

a) Spain

On 20 July 2010, the Company resolved to adhere to the “Code of Good Tax Practices” approved by the full Forum of Large Businesses (*Foro de Grandes Empresas*) established on 10 June 2009 at the behest of the National Tax Administration Agency (*Agencia Estatal de Administración Tributaria*).

Pursuant to the provisions of Sections 1 and 2 of the “Code of Good Tax Practices” and Sections 3 and 4 of the Company’s “Corporate Tax Policy”, the Company reports that it has complied with the text of said code as from the time of approval thereof.

In particular, it is reported that during financial year 2025, the Company’s Global Tax Director appeared before the Audit and Risk Supervision Committee on 24 February and 21 July to report on, among other issues, the level of compliance with the “Corporate Tax Policy”, which includes the good tax practices contained in the aforementioned code, all of which has been reported to the Board of Directors.

For its part, on 28 October 2016, the Forum of Large Businesses of the National Tax Administration Agency approved a proposal for the strengthening of good transparency practices consisting of the voluntary presentation of an annual tax transparency report for companies adhering to the “Code of Good Tax Practices”.

In this regard, the Company has been voluntarily submitting the aforementioned report since the launch of this initiative in 2016, having submitted the report for financial year 2024 on 23 October 2025.

The National Tax Administration Agency periodically discloses through its website the companies that submit this report, which include the Company.

In addition, on 30 October 2025 the Company received a letter from the Central Delegation of Large Taxpayers of the Spanish Tax Administration Agency certifying the submission of the reports for financial years 2023 and 2024, and which highlighted the tremendous willingness and availability offered in voluntarily sending information and thanking it for the transparency provided.

Furthermore, at the Plenary Session of the Forum of Large Businesses, held on 8 June 2023, a proposal relating to the voluntary submission of documentation on related-party transactions within the framework of the “Code of Good Tax Practices” was passed.

In this respect, in accordance with the provisions established by the tax authorities, the Company has been voluntarily submitting the aforementioned documentation, having provided the related-party transaction documentation for financial year 2023 on 24 January 2025, in due time and in the appropriate form.

The voluntary submission of both the annual tax transparency report for companies adhering to the “Code of Good Tax Practices” and the documentation on related-party transactions embodies the highest expression of voluntary transparency with the Spanish tax authorities, and it confirms Iberdrola’s commitment at the Group level to a cooperative relationship as a distinguishing factor and a foundation of good corporate tax practices.

b) Other countries

The Company promotes a cooperative relationship at all of the groups forming part of Iberdrola, through the different formulas that each tax authority has implemented.

As a member of the group of large taxpayers in the United Kingdom, the Scottish Power group actively participates in the collaborative relationship programme with “His Majesty’s Revenue and Customs” (HMRC), based on the figure of a “Client Relationship Manager” (CRM) as the liaison between the tax authorities and the taxpayer, and on the rating of the taxpayer’s risk profile. In this regard, in its latest risk review, HMRC certified that the activities of the Scottish Power group represent a low risk.

For its part, the Neoenergia group voluntarily participates in the “*Programa de Conformidade Cooperativa Fiscal (Confia)*” of the “Receita Federal” in Brazil, an innovative model of cooperative relationship between the authorities and taxpayers that promotes transparency, reciprocal trust and tax compliance. Neoenergia has been part of this initiative since its launch in 2021 and participated in the pilot scheme during financial year 2024, which culminated in the official presentation of the programme in December 2025.

The Iberdrola Group also adheres to the “Code of Good Tax Practices” and is part of the “Fórum de Grandes Empresas de Portugal”, participates in the “Relation de confiance” enhanced cooperation programme with the French tax authorities, and is within the scope of the “Combined Assurance Review” of the Australian Taxation Office (ATO) in Australia.

11. Reconciliation with the CNMV Reporting Model

To facilitate the reading of this annual corporate governance report and its comparability with those prepared until 2024 in accordance with the CNMV model, included below is a table setting out the correspondence between each section of this document and those of such template:

Sections of this report	Corresponding sections of the CNMV model
1	New content not available in previous reports
2	New content not available in previous reports
3.1	New content not available in previous reports
3.2	New content not available in previous reports
4.1	A.1, A.14
4.1.1	A.8, A.10, A.12, A.13, C.1.38
4.1.2	A.9, A.10
4.2.1	A.2, A.4, A.5, A.6, A.8, D.7
4.2.2	A.3
4.2.3	A.7, A.8, A.11
4.3 and Annex I	C.1.30
5.1	B.1, B.2, B.3, B.6, B.7, B.8
5.2.1	New content not available in previous reports
5.2.2	B.4, B.5
5.2.3	A.13
5.2.4	New content not available in previous reports
5.3	New content not available in previous reports
6.1.1	C.1.1, C.1.2, C.1.3, C.1.9, C.1.10, C.1.15, C.1.20, C.1.21, C.1.23, C.1.29
6.1.2	C.1.5, C.1.11, C.1.12, C.1.16, C.1.36, C.1.37
6.1.3	C.1.19, C.1.22, C.1.24, C.1.35
6.1.4	New content not available in previous reports
6.1.5	C.1.35
6.1.6 and Annex II	C.1.6, C.1.7, C.1.9, C.1.25, C.1.26, C.2.1, C.2.3
6.1.7.	C.1.17, C.1.18

Sections of this report	Corresponding sections of the CNMV model
6.2	C.1.14
6.3	C.1.13, C.1.14, C.1.39
7	D.1, D.2, D.3, D.4, D.5, D.6
8.1.1	E.1, E.6
8.1.2	E.2
8.1.3	E.3
8.1.4	E.4
8.1.5	E.5
8.2.1	C.1.27, F.6
8.2.2	F.1.1, F.1.2,
8.2.3	F.2
8.2.4	F.3.1, F.3.2, F.3.3, F.4.1, F.4.2
8.2.5	F.5
8.3	New content not available in previous reports
8.4	New content not available in previous reports
9	C.1.28, C.1.30, C.1.31, C.1.32, C.1.33, C.1.34
10	G, H
11	New content not available in previous reports
Annex III	A.1, A.3, A.7, A.8, A.9, A.11, A.14, B.4, B.5, B.6, C.1.1, C.1.2, C.1.3, C.1.4, C.1.11, C.1.12, C.1.13, C.1.14, C.1.15, C.1.21, C.1.23, C.1.25, C.1.26, C.1.27, C.1.29, C.1.31, C.1.32, C.1.33, C.1.34, C.1.35, C.1.39, C.2.1, C.2.2, D.2, D.3, D.4, D.5 and G

Annex I. Shareholder Engagement Report

This report describes the application in financial year 2025 of the “Ongoing Shareholder Engagement Policy” and the “Policy regarding Communication and Contacts with Shareholders, Institutional Investors and Proxy Advisors”, which define the guiding principles for the Company’s relations with the financial community.

1) Engagement channels

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

- The Office of the Shareholder

A permanent channel that is open to all shareholders, and particularly to those who have difficulties communicating using new technologies or who prefer to continue interacting with the Company using traditional channels (telephone, postal mail and e-mail).

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

- OLS Shareholder’s Club

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

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

- Shareholder internal reporting system

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

- “Investor Relations App”

The Company makes this continuously updated multi-device channel available in Spanish and English to shareholders, professional or qualified equity, fixed-income and socially responsible investors (“Institutional Investors”) and the

general public, so that they can access all significant information regarding the Company, favouring the immediacy of publication and the ability to subsequently access the information.

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

- Investor Relations Office

Responsible for ongoing and tailored responses to the queries of analysts, Institutional Investors and rating agencies.

- Meetings with shareholders, Institutional Investors and analysts

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

During 2025, the Finance, Control and Corporate Development Division, through the Investor Relations Division, handled requests for information and queries from shareholders, Institutional Investors, financial analysts, investment banks, proxy advisors and rating agencies, applying the principles established in the “Ongoing Shareholder Engagement Policy” and in the “Policy regarding Communication and Contacts with Shareholders, Institutional Investors and Proxy Advisors”.

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

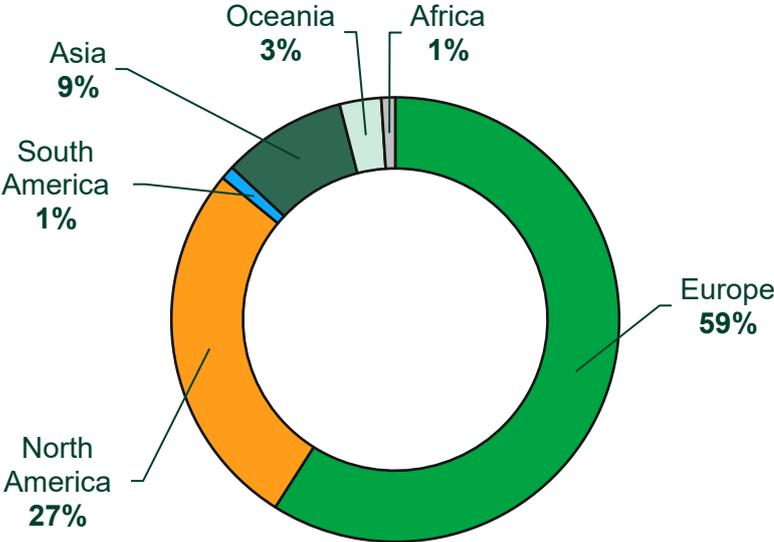
2) Engagement of Institutional Investors

Over 850 meetings were held with around 1,800 equity, fixed-income and sustainable investors during 2025, in addition to periodic contact being maintained with analysts and rating agencies. Funds from 4 new countries were contacted during the financial year.

The activity with equity, fixed-income and sustainable investors covered 42 countries, with the majority of activity in-person (69%). Contact was maintained with funds mainly from Europe (59%) and North America (27%), and new contacts have been made in South America and Europe.

The majority of investors in Europe are from the United Kingdom, with the majority in North America from the United States of America. Investors from North America and Asia have increased compared to 2024.

Location of contacts

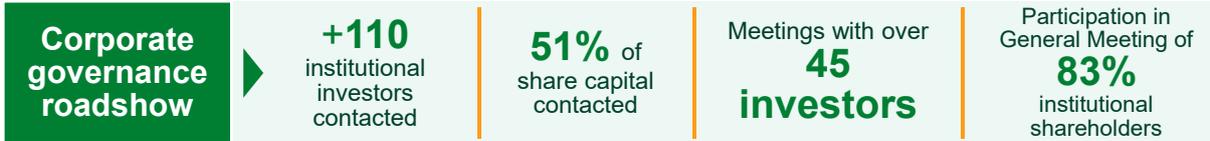


As the following initiatives show, this contact has involved diversification of formats and geographic areas, with a global and proactive approach, for which the Investor Relations Division has relied on the participation of the executive chairman, the chief executive officer and officers from the Technology, Innovation, Finance and Treasury, and Corporate Sustainability divisions, and the Office of the General Secretary and Secretary of the Board of Directors:

- “Capital Markets Day”: held in London on 24 September 2025 to present the Strategic Plan 2025-2028, which the market very positively welcomed, with around 120 in-person attendees, 1,200 people attending via live webcast and over 800 people watching the recorded broadcast.
- Presentation of results: 4 live presentations, also available in recorded form via the corporate website, corresponding to each quarter of the financial year, with an average of over 600 people connected remotely.
- Virtual and in-person roadshows in North America, the United Kingdom, Mainland Europe, Middle East, Asia, South America, Australia and Far East.
- Corporate governance-focused roadshow with proxy advisors and Institutional Investors located in the European Union, the United Kingdom, North America, the Middle East, the Far East and Asia, in order to present the agenda for the General Shareholders’ Meeting and Iberdrola’s governance and sustainability model. The topics examined were mainly focused on the format of the General Shareholders’ Meeting, the Board of Directors and its structure, the remuneration system, the climate action plan, strategic goals and protection of human rights, as well as the geostrategic and regulatory environment.
- Both in-person and virtual conferences, typically held in North America, Australia, the United Kingdom, the European Union and Switzerland.

- Site visits: visits with investors to the Group’s ongoing projects and productive facilities, with technologies such as offshore wind and pumped storage facilities, as well as to the Iberdrola Campus.
- Topic-specific meetings (grids, renewables, data centres, storage, sustainability and green financing), reverse roadshows and continuous communication by telephone and e-mail via the Investor Relations Division.

In terms of governance and sustainability, conferences and roadshows have been held and there have been a growing number of events with sustainability topics. The corporate governance roadshow is of note, with the following details:

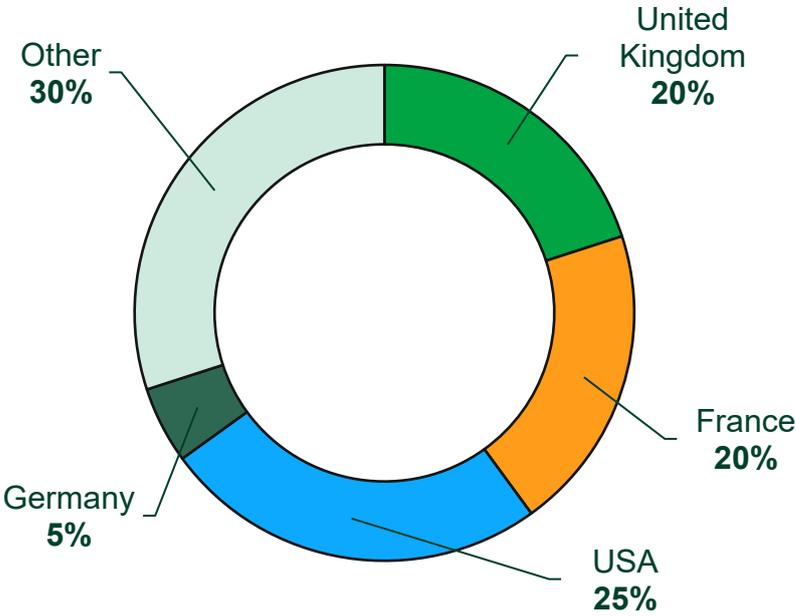


This roadshow preceded the holding of the General Shareholders’ Meeting 2025, which involved the participation of 83% of the institutional shareholders, amounting to a quorum in excess of 75.5% of the share capital.

Finally, the year's fixed-income activity was influenced by the strong volume of asset rotation and divestments (in line with the strategy established at the Capital Markets Day), generating a strong volume of cashflow, in turn resulting in a lower need for bond issues than in previous financial years. Bond issues were focused on the Euro market, although there was increased interaction with North American and Asian investors, strengthening the investor base for future issues.

Investors are mainly from the United Kingdom, the European Union and the United States of America, representing 70% of the investors with which there is most activity. It is also noteworthy that in line with previous years, approximately 86% of books have been covered with orders from sustainable investors.

Activity with fixed-income investors



3) Engagement of retail shareholders

The “Ongoing Shareholder Engagement Policy” also provides for specific communication channels available to retail shareholders, who represent a very significant and stable shareholder base of more than 21% of the share capital.

As a result of continuous interaction with this group and of the measures implemented to promote their participation (see Section 5.2 of this report), the Company has a very large majority of retail shareholders represented at the General Meeting each year.

Specifically, 62% of retail shareholders participated in the 2025 General Meeting, which is the best indicator of the current level of engagement with this section of the shareholder base.

Key figures	Retail shareholders	Participation in General Meeting of
	+ 21.5% of share capital	61.7% of retail shareholders

Permanent contact channels

<p style="text-align: center;">Shareholder Telephone Number</p> <p>Over 17,900 calls received (+5.33% due to higher participation through telephone vote in the General Meeting)</p>	<p style="text-align: center;">OLS Shareholder's Club</p> <p>+ 10.84% registered shareholders</p> <p>+ 7.87% shareholder queries</p> <p>+ 12.9% visits to this section</p>	<p style="text-align: center;">Corporate website</p> <p>+ 813,000 website visits</p> <p>Dividends and financial information are the most visited sections</p>	<p style="text-align: center;">App</p> <p>46,162 total users</p> <p>+10.9% registered users</p> <p>+7% downloads</p>	<p style="text-align: center;">In-person</p> <p>+ 247% of shareholders who have participated in events</p> <p>+ 48% in number of in-person activities</p>
--	--	---	--	--

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

- Multichannel and complementary in nature, with multiple channels for participation at the shareholder's discretion.
- Strengthening of digitalisation "without leaving anybody behind": over 9,500 shareholders attending shareholder information desks in person and over 12,000 contacts at workshops and meetings from January until the days before the General Meeting, consolidating the ongoing relationship model.
- Retail shareholder participation in the General Meeting via the Company's remote channels in excess of 17% of quorum (+54% vs. 2024).
- Potential availability of multiple channels allowing for proxy-granting and casting of absentee vote with an average survey score of over 9 points.
- Accessible monitoring from anywhere: with a live website audience of over 3,500 connections, 38% followed the broadcast in another language, in sign language or using subtitles.
- "MAS CERCA" ("CLOSER") plan: 27.5% increase in communications to members of the OLS Shareholder's Club (notices to the CNMV, financial reporting, invitations to events).
- Over 49,000 page visits in the "Special 2025 Meeting" interactive space.
- Over 65 videos and live events available via the OLS Shareholder's Club private website on Iberdrola News, available for all shareholders wishing to register.
- Four media campaigns: dividend, General Shareholders' Meeting, permanent engagement, and recruitment of members of OLS Shareholder's Club channel.

- Fourth consecutive year of payment of extra engagement dividend (€1 gross for every 200 shares) for having reached a quorum in excess of 70% of the share capital at the General Shareholders' Meeting.

4) Continuous improvement and accolades

The following measures were implemented during financial year 2025 in application of the continuous improvement principle established in the "Ongoing Shareholder Engagement Policy":

- Our engagement space on the corporate website to facilitate access to all communication and contact channels, upcoming events, news and other information of interest for shareholders.
- Preparation of the annual corporate governance report in free format, following the example started the previous year with the annual remuneration report, as well as design of both reports in fully accessible versions.
- Simplification of the corporate information by including the annual activities report of the Board of Directors and of the committees thereof, as well as the shareholder engagement report, within this annual corporate governance report.
- Increase in domestic and international symposia and meetings with retail shareholders.
- Initial contacts with intermediaries to facilitate direct participation of ultimate beneficiaries in the General Shareholders' Meeting.
- Strengthening of cybersecurity in the General Shareholders' Meeting electronic participation channel through the implementation of two-factor authentication for the accreditation of members of the "OLS Shareholder's Club".
- External assurance regarding the application of the "Ongoing Shareholder Engagement Policy".

The Company's Investor Relations team received the following awards and accolades during 2025:

- Award for "Best Shareholder Service" at the Rankia Awards 2025, highlighting transparency of information, accessibility of services and quality of communication, by vote of the 150,000 users of the Rankia financial information web portal.
- Highest-rated company based on the survey conducted by "Extel" (previously "Institutional Investor Research") among investors and financial analysts in EMEA (Europe, Middle East and Africa).

This recognition is based on the votes of the leading analysts of financial institutions and of institutional investors, who have evaluated the Investor Relations and management areas using over 20 qualitative criteria.

Specifically, the Company received the following awards at the "Europe & Emerging EMEA Equities Awards 2025" for electricity and gas utilities:

- "Most Honoured Company" (Utilities)

- “Best Corporate in Investor Relations” – 1st prize
- “Best Team in Investor Relations” – 1st prize
- “Best Investor Day” – 1st prize
- “Best Board of Directors” – 1st prize
- “Best Chief Financial Officer” – 1st prize
- “Best ESG Program” – 1st prize
- “Best Investor Relations Program” – 1st prize
- Prize for “Best Iberian Investor Relations Programme” within the Energy sector, within the framework of the “Iberian Equity Awards” organised by the Spanish Investor Relations Association (*Asociación Española de Relación con Inversores*) (AERI).
- Recognised as the only utility and the only Spanish company nominated for IR Magazine’s “Best Overall IR Award”, and winner of the first prize in the following categories:
 - Best Investor Relations in the Utilities Sector
 - Best Innovation in Shareholder Communication
 - Best Use of Technology, including Artificial Intelligence, in Investor Relations
- In the area of fixed-income investor relations, International Financing Review awarded the Company first prize in the following categories:
 - Corporate Issuer of the Year
 - Sustainable Issuer of the Year

For its part, the Company’s corporate website has been chosen as the best in Spain for the second consecutive year, and it is the only Spanish company ranked among the ten best corporate websites in Europe, according to the “Webranking 2025-2026” report from the international consultancy “Comprend”.

Annex II. Details on the operation of the Board of Directors and its committees

1) Board of Directors

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

The Board of Directors held a total of 10 meetings in financial year 2025, which had an average duration of 3 hours.

Number of meetings held during the financial year	Number of procedures for adopting resolutions in writing without a meeting	Number of board meetings held without the chairman's attendance
10	0	0

The directors showed absolute dedication and commitment to their duties in 2025, as in previous years, and a good example of this is the practically 100% average attendance of the members at meetings of the Board of Directors.

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

The attendance of each of the directors at the meetings held during financial year 2025 is set out below:

Members	Attendance at meetings	% attendance
José Ignacio Sánchez Galán	10 of 10	100%
Pedro Azagra Blázquez	4 of 4	100%
Juan Manuel González Serna	9 of 10	90%
Anthony L. Gardner	10 of 10	100%
Ángel Jesús Acebes Paniagua	10 of 10	100%
Íñigo Víctor de Oriol Ibarra	10 of 10	100%
Manuel Moreu Munaiz	10 of 10	100%

Members	Attendance at meetings	% attendance
Xabier Sagredo Ormaza	10 of 10	100%
Sara de la Rica Goiricelaya	10 of 10	100%
Nicola Mary Brewer	10 of 10	100%
Regina Helena Jorge Nunes	10 of 10	100%
María Ángeles Alcalá Díaz	10 of 10	100%
Isabel García Tejerina	10 of 10	100%
Ana Colonques García-Planas	10 of 10	100%

Mr Pedro Azagra Blázquez was appointed as a director on an interim basis (co-option) at the meeting of the Board of Directors held on 24 June 2025, replacing Mr Armando Martínez Martínez, who attended all meetings of the Board of Directors until his resignation from the Board of Directors.

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

In accordance with the provisions of Article 37.6 of its Regulations, the Board of Directors adopts its resolutions by absolute majority of votes cast in person or by proxy, unless other majorities are provided by law or the Governance and Sustainability System.

In this regard, the “Regulations of the Board of Directors” require a majority of at least two-thirds of the directors present in person and by proxy for approval of their amendment (Article 5.1), to amend the policies and other rules of the Governance and Sustainability System, as well as to approve those that will form part of the aforementioned system, which is within the purview of the Board of Directors (Article 37.7.c).

Additionally, the aforementioned regulations require the favourable vote of at least two-thirds of the directors to require a Board member to submit their resignation to the Board of Directors due to being seriously reprimanded for having breached any of their duties as a director (Article 21.3.e), to appoint an executive director as chairman of the Board of Directors (Article 37.7.a), and to approve the permanent delegation of powers and the appointment of directors to exercise them, as well as to approve the contracts with the executive directors (Article 37.7.b).

The most significant activities of the Board of Directors in financial year 2025 are stated below, in order of the classification of their duties established in Article 13.8 of the “Regulations of the Board of Directors”:

- a) With respect to the engagement of the shareholders in corporate life and with the General Shareholders’ Meeting:
 - Information on the composition of the shareholders.
 - Analysis of changes in share price, shareholder return, credit rating and opinions of main financial analysts.
 - Analysis of opinions expressed and information requested by retail shareholders and Institutional Investors through the engagement channels intended for active listening to the shareholder base.
 - Monitoring of results and analyst opinions in relation to Capital Markets Day 2025.
 - Call to the General Shareholders’ Meeting held on 30 May 2025 and monitoring of the roadshow with Institutional Investors, of the quorum, of the results of votes, as well as of the external assurance process described in Section 5.2 of this report.
- b) With respect to the policies and strategies of the Company and of the other companies of the Group and the corporate and governance structure thereof:
 - Supervision of the level of achievement of the Strategic Plan 2023-2025 and approval of the Strategic Plan for the 2025-2028 period.
 - Monitoring of the level of implementation of Iberdrola’s purpose and values and of the corporate culture, as well as of the level of achievement of the Sustainable Development Plan and of the Climate Action Plan, using the information provided by the Sustainable Development Committee.
 - Supervision and assessment of risks with greatest potential impact on the implementation of the Group’s strategy, using the periodic reports of the Audit and Risk Supervision Committee.
 - Monitoring of the measures implemented at the level of the Iberdrola Group to attract, retain, manage and promote talent, using the information provided by the Appointments Committee.
 - Analysis of current geopolitical, economic and sector-specific issues in the countries in which the Iberdrola Group operates.
 - Monitoring of macroeconomic environment (interest rates, inflation, unemployment rate, economic growth rate, etc.) and of the political situation in the countries in which the companies of the Group operate.
 - Approval of financial year 2026 budgets.
- c) With respect to the organisation of the Board of Directors and the delegation of powers and the granting of powers of representation:
 - Update to the composition of the Board of Directors with the proposed re-elections of Messrs Ángel Jesús Acebes Paniagua and Juan Manuel

González Serna as independent directors, and the proposed ratification and re-election of Ms Ana Colonques García-Planas as an independent director, as well as the interim appointment (co-option) of Mr Pedro Azagra Blázquez as an executive director and his appointment as the new chief executive officer.

- Approval of the re-election procedure for the chairs of the Remuneration, Appointments and Sustainable Development Committees.
- Monitoring of the activities of the committees of the Board of Directors and of the Compliance Unit.
- Acknowledgement of results of the evaluation for financial year 2024, as well as approval of Continuous Improvement Plan and of guidelines for the evaluation process for financial year 2025.

d) With respect to the information to be provided by the Company:

- Monitoring of results, preparation of the financial statements and approval of quarterly and half-yearly results, upon a report from the Audit and Risk Supervision Committee.
- Formulation of the statement of non-financial information - sustainability report, which for the first time was prepared by voluntarily applying, before their transposition into Spanish law, the European Sustainability Reporting Standards, upon a report from the Sustainable Development Committee.
- Appointment of independent assurance provider responsible for assurance of the statement of non-financial information - sustainability report, upon a proposal from the Audit and Risk Supervision Committee.
- Approval of the annual report on remuneration of directors and officers, upon a proposal from the Remuneration Committee, and of the annual corporate governance report, upon a report from the Sustainable Development Committee, both of which were prepared in free format.
- Approvals relating to the integrated report and to the tax transparency report, upon a report from the Sustainable Development Committee.
- Acknowledgment of the annual reports on the effectiveness of the compliance systems of the Iberdrola Group's companies.
- Information on main accolades and rankings.

e) With respect to the directors and members of senior management:

- Monitoring of institutional activity by the chairman and the chief executive officer.
- Acknowledgement of compliance with commitments under the shareholding policy established in the "Director Remuneration Policy".
- Resolutions on remuneration, adopted at the proposal of or upon a report from the Remuneration Committee and taking into account, among other external reports, a benchmark based on the remuneration of directors at companies similar to the Company worldwide.

f) Other powers:

- Acquisition of own shares for the application of programmes to foster participation in the share capital and to be offered as part of the remuneration systems for professionals of the Group's companies in Spain.
- Review and continuous improvement of the Governance and Sustainability System, with the following notable changes directly approved by the Board of Directors or submitted to the shareholders at the General Shareholders' Meeting:

Month	Key internal rules/policies revised
February and March	<p>The Governance and Sustainability System is now structured into an introductory book, which includes a general introduction, the "Purpose and Values of the Iberdrola Group" and the new "Ethical and Basic Principles of Governance and Sustainability of the Iberdrola Group", and the following three books:</p> <ul style="list-style-type: none"> • "By-Laws and Corporate Organisation", which includes the by-laws, the "Regulations for the General Shareholders' Meeting" and the rules for the other corporate bodies, as well as the "Foundations for the Definition and Coordination of the Iberdrola Group"; • "Corporate Policies", which are classified into four blocks relating to transparency and good governance, human and social capital, natural capital and the sustainable value chain; and • "Internal Audit, Risk and Compliance", made up of the rules that enclose and guarantee the operation of the system as a whole.
May	<ul style="list-style-type: none"> • "By-Laws". • "Regulations for the General Shareholders' Meeting".
December	<ul style="list-style-type: none"> • "Ethical and Basic Principles of Governance and Sustainability of the Iberdrola Group". • "Regulations of the Board of Directors". • "Policy on Respect for Human Rights". • "Policy on Management and Protection of Nature". • "Climate Action Policy". • "Biodiversity Policy". • "Purchasing Policy". • "Policy on the Responsible Development and Use of Artificial Intelligence Tools". • "Occupational Safety and Health Policy". • "Regulations of the Compliance Unit".

Specifically, the amendments made to the "Regulations of the Board of Directors" were mainly intended to:

- Expressly include among its powers the power to propose to the shareholders at the General Meeting the appointment, re-election and removal of the auditor of the separate accounts of the Company and of the consolidated accounts of its Group, specifying that the proposal regarding the appointment of the statutory auditor must include the recommendation and preference of the Audit and Risk Supervision Committee (Article 13.8.D.d).

- Establish that the various committees shall maintain the necessary coordination and fluid communication between them in their operation, with the mechanisms required to ensure adequate coordination (Article 29.8).
- Introduce technical, drafting and systematic improvements in line with the updating of other rules in the Governance and Sustainability System.

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

Noteworthy appearances in financial year 2025 came from the Chief Financial Officer and the Head of Corporate Development to monitor various corporate transactions, as well as the Director of Control to explain the information on results.

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

Division	Position	Number of meetings
Finance, Control and Corporate Development	Director of Control	9
Finance, Control and Corporate Development	Chief Finance, Control and Corporate Development Officer (CFO)	3
Finance, Control and Corporate Development	Corporate Sustainability Director	1
Finance, Control and Corporate Development	Head of Corporate Development	1
Office of the General Secretary and Secretary of the Board of Directors	Global Tax Director	1
Office of the General Secretary and Secretary of the Board of Directors	Data Protection Officer	1
Technology	Director of Technology	1
Resources and Services	IT Director	1
Compliance	Chief Compliance Officer	1
Customers	Director of Customer Business	1
Iberdrola España	Chief Executive Officer	4
Avangrid	Chief Executive Officer	2

Division	Position	Number of meetings
Scottish Power	Chief Executive Officer	1

External advisors	Measures to preserve their independence	Conflicts of interest	Number of meetings
KPMG Auditores, S.L.	Letter of independence. See Section 9 of this report.	No	1
PricewaterhouseCoopers Asesores de Negocios, S.L.	Letter of independence. See Section 6.1.7 of this report.	No	1

2) Executive Committee

The Executive Committee operates permanently as the representative body of the Board of Directors and its main purpose is to support it by continuously supervising the implementation of the strategy defined by the Board of Directors, thanks to the greater frequency of meetings of this Committee, the existence of which is common practice among companies with high market capitalisation.¹⁸

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

It is governed by the provisions set forth in the Company's Governance and Sustainability System, and particularly by Article 39 of the "By-Laws" and Article 30 of the "Regulations of the Board of Directors", which were not substantially amended during financial year 2025.

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

It is currently made up of 6 members, which does not exceed the maximum limit established in said Article, and the skills matrix has been taken into account for its configuration. With the exception of the chairman and of the chief executive officer

¹⁸ National Securities Market Commission (*Comisión Nacional del Mercado de Valores*). "Corporate Governance Reports of Listed Companies. Financial Year 2024" (pg. 61): [See PDF document \[opens in new window\]](#)

(both of whom are members of the Executive Committee by virtue of the provisions of the Governance and Sustainability System), the other members of the Committee are independent, thus exceeding the required number and proportion of independent members.

Its composition as at 31 December 2025 is set out below:

Members	Position	Type	First appointment	Last appointment	Skills and experience
José Ignacio Sánchez Galán	Chairman	Executive	21/05/2001	28/04/2023	Curriculum vitae [PDF, opens in new window]
Manuel Moreu Munaiz	Member	Independent	26/04/2016	28/04/2023	Curriculum vitae [PDF, opens in new window]
Juan Manuel González Serna	Member	Independent	02/04/2020	30/05/2025	Curriculum vitae [PDF, opens in new window]
Ángel Jesús Acebes Paniagua	Member	Independent	20/10/2020	30/05/2025	Curriculum vitae [PDF, opens in new window]
Anthony L. Gardner	Member	Independent	26/10/2021	17/06/2022	Curriculum vitae [PDF, opens in new window]
Pedro Azagra Blázquez	Member	Executive	24/06/2025	24/06/2025	Curriculum vitae [PDF, opens in new window]
Santiago Martínez Garrido	Secretary (non-director)	-	01/01/2023	-	Curriculum vitae [PDF, opens in new window]

In 2025, the Executive Committee held a total of 14 meetings, which had an average duration of 2 hours.

Number of meetings held during the financial year	Number of procedures for adopting resolutions in writing without a meeting
14	0

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

The personal attendance of each of the members at the meetings held during financial year 2025 is set out below:

Members	Attendance at meetings	% attendance
José Ignacio Sánchez Galán	14 of 14	100%

Members	Attendance at meetings	% attendance
Manuel Moreu Munaiz	14 of 14	100%
Juan Manuel González Serna	14 of 14	100%
Ángel Jesús Acebes Paniagua	14 of 14	100%
Anthony L. Gardner	14 of 14	100%
Pedro Azagra Blázquez	7 of 7	100%

The chief executive officer Mr Pedro Azagra Blázquez was appointed a member of the Executive Committee at the meeting of the Board of Directors held on 24 June 2025, replacing Mr Armando Martínez Martínez, who attended all meetings held during his membership on this Committee.

The most significant activities of the Executive Committee in financial year 2025 are stated below:

- Monitoring of the implementation of the 2025 budget, of the level of achievement of the 2023-2025 Strategic Plan and of its update for the 2025-2028 period.
- Analysis of current geopolitical, economic and sector-specific issues in the countries in which the Group carries out its activities, and particularly of risks arising from scenarios of international conflict and changes in energy regulation with an impact on the Group's strategy.
- Supervision of monthly results, operating indicators and investment projects by business and by geographic area, as well as of the results of the Group's companies.
- Supervision of corporate transactions and of the main investments and divestments by the companies of the Group.
- Examination of tenders and purchasing by the Group's companies and associated performance, as well as of the supply chain situation.
- Analysis of changes in share price, composition of shareholders, shareholder return, credit rating and opinions of main financial analysts.

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

Division	Position	Number of meetings
Finance, Control and Corporate Development	Director of Control	5
Finance, Control and Corporate Development	Head of Corporate Development	3

Division	Position	Number of meetings
Finance, Control and Corporate Development	Chief Finance, Control and Corporate Development Officer (CFO)	2
Resources and Services	Director of Resources and Services	1
Resources and Services	Director of Purchasing and Services	1
Corporate Division	Head of Corporate Division	1
Office of the General Secretary and Secretary of the Board of Directors	Director of the Brussels Office	1
Iberdrola España	Chief Executive Officer	1
“Iberdrola Energía Sostenible España, S.L.”	Chief Executive Officer	1
Avangrid	Chief Executive Officer	1

3) Audit and Risk Supervision Committee

The Audit and Risk Supervision Committee is a permanent internal informational and consultative body without executive duties, with information, advisory and proposal-making powers within its purview.

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

It is made up of the number of directors that the Board of Directors, upon a proposal of the Appointments Committee, chooses from among the non-executive directors who are not members of the Executive Committee, with a minimum of 3 and a maximum of 5 directors. The same Article also provides that a majority of such directors must be independent.

In the appointment thereof, the Board of Directors and the Appointments Committee shall particularly take into account whether the directors have knowledge and experience allowing them to sufficiently understand the various issues relating to financial and non-financial information, as well as the auditing of accounts, as well as whether they collectively have appropriate knowledge and experience in accounting, auditing, financial, internal control and risk management (both financial and non-financial), and regarding the business and the energy sector, and have an appropriate understanding of information technology and cybersecurity.

The Audit and Risk Supervision Committee is currently made up of 3 members and the skills matrix has been taken into account for its configuration. Its composition as at 31 December 2025 is set out below:

Members	Position	Type	First appointment	Last appointment	Skills and experience
Xabier Sagredo Ormaza	Chair	Independent	26/04/2016	19/03/2024	Curriculum vitae [PDF, opens in new window]
Regina Helena Jorge Nunes	Member	Independent	02/04/2020	19/03/2024	Curriculum vitae [PDF, opens in new window]
María Ángeles Alcalá Díaz	Member	Independent	26/10/2021	27/10/2025	Curriculum vitae [PDF, opens in new window]
Rafael Sebastián Quetglas	Secretary (non-director)	-	25/09/2012	-	Curriculum vitae [PDF, opens in new window]

There were no changes to the Committee's composition in financial year 2025.

In 2025, the Audit and Risk Supervision Committee held a total of 14 meetings, which had an average duration of 3 hours.

Number of meetings held during the financial year	Number of procedures for adopting resolutions in writing without a meeting	Number of meetings held with the Chief Internal Audit and Risk Officer	Number of meetings held with the external auditor
14	0	13	11

On the occasion of the call to meeting, which is published on the directors' website with an average of 15 days' notice, documentation related to various proposed resolutions that will be subject to deliberation and materials for the meeting are made available to the directors approximately 5 days before the meeting.

The personal attendance of each of the members at the meetings held during financial year 2025 is set out below:

Members	Attendance at meetings	% attendance
Xabier Sagredo Ormaza	14 of 14	100%
Regina Helena Jorge Nunes	14 of 14	100%
María Ángeles Alcalá Díaz	14 of 14	100%

Conclusion of the Audit and Risk Supervision Committee regarding its activities in 2025

During financial year 2025, the Audit and Risk Supervision Committee played an active role in the monitoring and control of key areas of the Group, both recurring and arising from the specific circumstances of the year.

In this context, it supervised the quarterly preparation and presentation of financial and non-financial information, as well as the changes in the main risks of the Iberdrola Group affecting the various areas of activity. It also reviewed the accounting aspects of the most significant corporate transactions of the financial year and led the selection process for the statutory auditor and the sustainability information assurance provider for the 2027-2029 period.

The Audit and Risk Supervision Committee complied with the improvement indicators established for 2025, with particular attention to the supervision of non-financial information in accordance with legal provisions and the CNMV's "Technical Guide 1/2024 on audit committees at public-interest entities".

The most significant activities carried out by the Audit and Risk Supervision Committee in financial year 2025 are stated below:

- Preparation and submission of reports to the Board of Directors on the financial information of the Company and its consolidated Group for financial year 2024, as well as on a quarterly and half-yearly basis with respect to financial year 2025.
- Preparation and submissions of reports to the management decision-making bodies of "Iberdrola Finanzas, S.A." (Sociedad Unipersonal) and "Iberdrola International B.V." on their financial information for financial year 2024.
- Preparation and submission of reports to the Sustainable Development Committee regarding the submission of the "Statement of Non-Financial Information - Sustainability Report 2024" and regarding the sections of the "Annual Corporate Governance Report 2024" related to the powers of the Audit and Risk Supervision Committee.
- Evaluation of the Internal Control over Financial Reporting (ICFR) System and of the Internal Control over Non-Financial Reporting (ICNFR) System.
- Monitoring of the development of the Company's accounting situation and of the work and recommendations by the statutory auditor and the independent non-financial information assurance provider.
- Evaluation of the performance and supervision of the activities of the Internal Audit and Risk Division.
- Proposed reform of the "Basic Internal Audit Regulations".
- Preparation and submission of quarterly and half-yearly reports to the Board of Directors on the operation and effectiveness of the risk control and management systems.
- Evaluation of activity performed by the statutory auditor and by the independent non-financial information assurance provider.
- Report to the Board of Directors regarding the statutory auditor's independence in relation to the audit report for financial year 2024.
- Preparation and approval of the documentation relating to the tender process for statutory audit services and assurance of the non-financial information for financial years 2027, 2028 and 2029, and coordination of the entire procedure.

- Preparation and submission of reports to the Board of Directors on: (i) the re-election of the statutory auditor for the audit work corresponding to financial year 2026; and (ii) the proposal and recommendation of the appointment of the statutory auditor for financial years 2027, 2028 and 2029.
- Amendment of the “Statutory Auditor Contracting and Relations Policy”.
- Establishment of an indicative maximum limit on the statutory auditor’s fees for non-audit services.
- Authorisation or, if applicable, acknowledgement of the provision of non-audit services by the external auditor.
- Monitoring of information on related party transactions and submission of reports to the Appointments Committee and to the Board of Directors.
- Monitoring of the grievances or reports submitted through the internal reporting channels that might have a material impact on the financial statements or on the internal control of the Company.
- Monitoring of the level of compliance with the “Corporate Tax Policy” and the tax standards applied during financial year 2024 and the first half of financial year 2025.
- Monthly monitoring of the treasury share transactions report.
- Monitoring of the level of compliance with the annual work plan and with the continuous improvement plan of the Committee for financial year 2025.

The Audit and Risk Supervision Committee relied on the regular participation of internal heads and the audit firm to carry out the aforementioned activities. In particular, 26 internal heads reported to the Audit and Risk Supervision Committee on 67 occasions during the financial year, supplemented by the participation of external experts on 16 occasions, for purposes of specialised training as well as presentations within the framework of the auditor selection process. The Audit and Risk Supervision Committee also reinforced the quality of its work by sending questions to those appearing before it in advance, securing more in-depth analysis at particularly important meetings such as those dedicated to progressing with the closing of the financial statements for 2024.

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

Division	Position	Number of meetings
Finance, Control and Corporate Development	Director of Control	10
Finance, Control and Corporate Development	Corporate Sustainability Director	6
Finance, Control and Corporate Development	Chief Finance, Control and Corporate Development Officer (CFO)	3

Division	Position	Number of meetings
Finance, Control and Corporate Development	Head of Corporate Development	2
Finance, Control and Corporate Development	Finance and Treasury Director	1
Internal Audit and Risk	Chief Internal Audit and Risk Officer	13
Internal Audit and Risk	Head of the Risk Division	3
Internal Audit and Risk	Head of the Internal Audit Division	2
Office of the General Secretary and Secretary of the Board of Directors	Head of General Meeting and Shareholder Engagement	5
Office of the General Secretary and Secretary of the Board of Directors	Corporation and Governance Director	2
Office of the General Secretary and Secretary of the Board of Directors	Global Tax Director	2
Office of the General Secretary and Secretary of the Board of Directors	Security and Resilience Director	2
Office of the General Secretary and Secretary of the Board of Directors	Director of Legal Services	1
Office of the General Secretary and Secretary of the Board of Directors	Head of Litigation for Legal Services	1
Office of the General Secretary and Secretary of the Board of Directors	Chief Information Security Officer (CISO)	1
Resources and Services	Director of Resources and Services	2
Resources and Services	Director of Purchasing and Services	2
Resources and Services	IT Director	1
Technology	Director of Technology	1
Technology	Director of Climate Change and Alliances	1
Technology	Head of Innovation, Environment and Quality	1
Compliance	Chief Compliance Officer	1
Corporate Division	Remuneration and Pension Policies Director	1
Retail	Director of Customer Business	1

Division	Position	Number of meetings
Networks	Networks Director	1
Power	Director of Renewables ¹⁹	1

External advisors	Measures to preserve their independence	Conflicts of interest	Number of meetings
KPMG Auditores, S.L.	Letter of independence. See Section 9 of this report.	No	11
PricewaterhouseCoopers Asesores de Negocios, S.L.	Letter of independence. See Section 6.1.7 of this report.	No	4
Institute of Internal Auditors	Not applicable.	No	1

4) Appointments Committee

The Appointments Committee is a permanent internal informational and consultative body without executive duties, with information, advisory and proposal-making powers within its purview.

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

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

It is currently made up of 3 members and the skills matrix has been taken into account for its configuration. Its composition as at 31 December 2025 is set out below:

Members	Position	Type	First appointment	Last appointment	Skills and experience
Ángel Jesús Acebes Paniagua	Chair	Independent	20/10/2020	22/10/2024	Curriculum vitae [PDF, opens in new window]

¹⁹ Former position whose duties are now covered by the Power Division.

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

There were no changes to the Committee's composition in financial year 2025.

In 2025, the Appointments Committee held a total of 7 meetings, which had an average duration of 2 hours, not including dedication to the preparatory work meeting or the adoption of resolutions in writing without a meeting.

Formal meetings	Preparatory meetings	Adoption of resolutions in writing without a meeting
7	1	1

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

The personal attendance of each of the members at the meetings held during financial year 2025 is set out below:

Members	Attendance at meetings	% attendance
Ángel Jesús Acebes Paniagua	7 of 7	100%
Anthony L. Gardner	7 of 7	100%
Ana Colonques García-Planas	7 of 7	100%

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

Conclusion of the Appointments Committee regarding its activities in 2025

The Appointments Committee notes the efficiency of the succession process that culminated in the Board of Directors' appointment of the new chief executive officer, as well as the ratification and re-election of three independent directors by the shareholders at the General Shareholders' Meeting, resulting in 92% of external directors being independent members.

The most significant activities of the Appointments Committee in financial year 2025 are stated below:

- Coordination and leadership of the process of evaluating the performance of the Board of Directors, its committees and the directors for financial year 2025, and monitoring of continuous improvement plans.
- Review of the skills matrix of the Board of Directors.
- Proposals to the Board of Directors in relation to the ratification and re-elections of directors submitted to the shareholders at a General Shareholders' Meeting.
- Reports on the appointment of the new executive director and his designation as chief executive officer.
- Proposed appointments or re-elections of members and internal positions of the consultative committees.
- Annual review of the structure and composition of the Board of Directors and of expiries of terms of office expected in 2026.
- Reports regarding the sections of the "Annual Corporate Governance Report 2024" and the annual financial information falling within the purview of the Appointments Committee.
- Verification of the sufficiency and adequacy of the information on directors and senior management published on the corporate website.
- Information in relation to the implementation of measures at the Iberdrola Group to attract, retain, manage and promote talent, and specifically the training and development programmes for members of management.
- Approval of the Committee's annual work plan for financial year 2026.
- Review of the "Board of Directors Composition and Member Selection Policy" and verification of compliance therewith.

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

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

Division	Position	Number of meetings
Office of the General Secretary and Secretary of the Board of Directors	Head of General Meeting and Shareholder Engagement	2
Corporate Division	Head of Corporate Division	1

External advisors	Measures to preserve their independence	Conflicts of interest	Number of meetings
PricewaterhouseCoopers Asesores de Negocios, S.L.	Letter of independence. See Section 6.1.7 of this report.	None	4
J&A Garrigues, S.L.P.	Not applicable.	None	2
Top Employers Institute	Not applicable.	None	1

5) Remuneration Committee

The Remuneration Committee is a permanent internal informational and consultative body without executive duties, with information, advisory and proposal-making powers within its purview.

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

Pursuant to Article 33 of the “Regulations of the Board of Directors” and Article 6 of the “Regulations of the Remuneration Committee”, it is made up of a minimum of 3 and a maximum of 5 directors appointed by the Board of Directors upon a proposal of the Appointments Committee, from among the non-executive directors, and the majority thereof must be classified as independent.

It is currently made up of 3 members and the skills matrix has been taken into account for its configuration. Its composition as at 31 December 2025 is set out below:

Members	Position	Type	First appointment	Last appointment	Skills and experience
Juan Manuel González Serna	Chair	Independent	31/03/2017	31/03/2025	Curriculum vitae [PDF, opens in new window]
Manuel Moreu Munaiz	Member	Independent	21/06/2018	10/05/2022	Curriculum vitae [PDF, opens in new window]

Members	Position	Type	First appointment	Last appointment	Skills and experience
Íñigo Víctor de Oriol Ibarra	Member	Other external	02/04/2020	19/03/2024	Curriculum vitae [PDF, opens in new window]
Iñigo Sagardoy de Simón	Secretary (non-director)	-	10/01/2023	-	Curriculum vitae [PDF, opens in new window]

There were no changes to the Committee's composition in financial year 2025.

In 2025, the Remuneration Committee held a total of 7 meetings, which had an average duration of 2 hours, not including dedication to the preparatory work meeting or the adoption of resolutions in writing without a meeting.

Formal meetings	Preparatory meetings	Adoption of resolutions in writing without a meeting
7	1	1

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

The attendance of each of the members at the meetings held during financial year 2025 is set out below:

Members	Attendance at meetings	% personal attendance
Juan Manuel González Serna	6 of 7	86%
Manuel Moreu Munaiz	7 of 7	100%
Íñigo Víctor de Oriol Ibarra	7 of 7	100%

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

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

Conclusion of the Remuneration Committee regarding its activities in 2025

The Remuneration Committee emphasises the independence with which it performs its duties, as reflected, among other factors, by the appearances of senior management at the request of the chair of the Committee, collaboration with other consultative committees, the appointment of a prestigious external lawyer as secretary of the Committee and the support of external advisors to monitor and promote best practices.

The most significant activities of the Remuneration Committee in financial year 2025 are stated below:

- Review of best practices in the remuneration of executive directors and remuneration reporting.
- Monitoring of the “Director Remuneration Policy” approved by the shareholders at the General Shareholders’ Meeting 2024 and of the shareholding policy.
- Internal and external comparative analysis of the remuneration of executive directors and senior managers with the Company’s peers.
- Proposal to the Board of Directors of director remuneration for the current financial year, including fixed remuneration according to position, attendance fees and the annual maximum limit of variable remuneration of the executive directors, with the support of the Audit and Risk Supervision Committee and of the Sustainable Development Committee.
- Proposal to the Board of Directors for the calculation of annual variable remuneration of the executive directors for the previous financial year, based on the external evaluation of achievement of the approved metrics.
- Reports to the Board of Directors on the fixed and variable remuneration of senior management for the current financial year, and on the proposed payment of annual variable remuneration for the members of senior management for the previous financial year, based on the evaluation of the performance thereof and with the support of other committees.
- Verification of the level of achievement of the targets to which the 2020-2022 Strategic Bonus is linked and determination of number of shares to be delivered in the third period.
- Review and monitoring of the action plans of the Committee.

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

Division	Position	Number of meetings
Office of the General Secretary and Secretary of the Board of Directors	Head of Planning and Management	5
Office of the General Secretary and Secretary of the Board of Directors	Head of General Meeting and Shareholder Engagement	4
Corporate Division	Remuneration and Pension Policies Director	7
Resources and Services	Head of Corporate Operations and Risk of the Insurance Department	1

External advisors	Measures to preserve their independence	Conflicts of interest	Number of meetings
PricewaterhouseCoopers Asesores de Negocios, S.L.	Letter of independence. See Section 6.1.7 of this report.	None	3
Ernst & Young, S.L.	Not applicable	None	2
J&A Garrigues, S.L.P.	Not applicable	None	1

6) Sustainable Development Committee

The Sustainable Development Committee is a permanent internal informational and consultative body without executive duties, with information, advisory and proposal-making powers within its purview.

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

Pursuant to Article 34 of the “Regulations of the Board of Directors” and Article 9 of the “Regulations of the Sustainable Development Committee”, it is made up of a minimum of 3 and a maximum of 5 directors appointed by the Board of Directors upon a proposal of the Appointments Committee, from among the non-executive directors, and the majority thereof must be classified as independent.

It is currently made up of 3 members and the skills matrix has been taken into account for its configuration. Its composition as at 31 December 2025 is set out below:

Members	Position	Type	First appointment	Last appointment	Skills and experience
Nicola Mary Brewer	Chair	Independent	02/04/2020	19/03/2024	Curriculum vitae [PDF, opens in new window]
Sara de la Rica Goiricelaya	Member	Independent	24/04/2019	14/03/2023	Curriculum vitae [PDF, opens in new window]
Isabel García Tejerina	Member	Independent	16/12/2021	16/12/2025	Curriculum vitae [PDF, opens in new window]
Jaime Velázquez Vioque	Secretary (non-director)	-	10/01/2023	-	Curriculum vitae [PDF, opens in new window]

On 24 June 2025, Ms Nicola Mary Brewer was appointed chair of the Sustainable Development Committee, replacing Ms Sara de la Rica Goiricelaya, with no other changes to its composition during said financial year.

In 2025, the Sustainable Development Committee held a total of 7 meetings, which had an average duration of 3 hours.

Number of meetings held during the financial year	Number of procedures for adopting resolutions in writing without a meeting
7	0

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

The attendance of each of the members at the meetings held during financial year 2025 is set out below:

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

Conclusion of the Sustainable Development Committee regarding its activities in 2025

The Sustainable Development Committee has confirmed that the Company's strategy and management, guided by the Strategic Plan 2025-2028, remain committed to the sustainable creation of long-term value for its shareholders, also taking into account other Stakeholders, in accordance with the mandate established in the "By-Laws" and with good corporate governance practices.

The most significant activities of the Sustainable Development Committee in financial year 2025 are stated below:

- Reports to the Board of Directors on the statement of non-financial information - sustainability report, the annual corporate governance report and the tax transparency report for financial year 2024, as well as the integrated report for 2025.
- Reports to the Remuneration Committee on the design and evaluation of the variable remuneration plans in matters within the purview of the Sustainable Development Committee.

- Supervision and evaluation of the Company's Stakeholder relations processes, and particularly shareholder engagement.
- Monitoring and reports to the Board of Directors on the sustainable development strategy, including the level of achievement of the Climate Action Plan.
- Monitoring and reports to the Board of Directors on the Company's corporate governance strategy, including examination of the level of compliance with generally accepted good governance recommendations.
- Verification of the sufficiency and adequacy of the information that the Company publishes on its corporate website regarding sustainability, corporate governance and other matters within its purview.
- Reporting to the Board of Directors on the monitoring of the activities of the foundations linked to the Iberdrola Group.
- Reports related to the Compliance Unit, with the annual report on the effectiveness of the Company's Compliance System and the annual report on the effectiveness of the compliance systems of the Group's companies for financial year 2024.
- Approval of the Committee's annual work plan and of its training plan for financial year 2026.

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

Division	Position	Number of meetings
Finance, Control and Corporate Development	Corporate Sustainability Director	4
Finance, Control and Corporate Development	Director of Investor Relations	2
Finance, Control and Corporate Development	Head of Sustainability Reporting, Planning and Supervision	1
Office of the General Secretary and Secretary of the Board of Directors	Corporation and Governance Director	3
Office of the General Secretary and Secretary of the Board of Directors	Head of General Meeting and Shareholder Engagement	2
Office of the General Secretary and Secretary of the Board of Directors	Global Tax Director	1
Technology	Director of Technology	2
Technology	Director of Climate Change and Alliances	2

Division	Position	Number of meetings
Technology	Head of Innovation, Environment and Quality	1
Resources and Services	Director of Resources and Services	1
Resources and Services	Director of Purchasing and Services	1
Compliance	Chief Compliance Officer	2
Corporate Division	Head of Corporate Division	1
Foundations Committee	Director of Foundations Committee	1

External advisors	Measures to preserve their independence	Conflicts of interest	Number of meetings
CMS Albiñana y Suarez de Lezo, S.L.P.	Not applicable	None	1
J&A Garrigues, S.L.P.	Not applicable.	None	1
PricewaterhouseCoopers Asesores de Negocios, S.L.	Letter of independence. See Section 6.1.7 of this report.	None	1

Annex III. Statistical information

Applicable legal provisions require this report prepared in free format to be submitted together with a statistical annex that includes the information established in the following sections, which are transcribed verbatim, complying with the requirements of universal accessibility applied throughout this document.

A. Ownership structure

- A.1.** Complete the following table on share capital and the attributed voting rights, including those corresponding to shares with a loyalty vote as of the closing date of the year, where appropriate:

Indicate whether company bylaws contain the provision of double loyalty voting:

Yes	No
Not selected	Selected

Date of last change	Share capital (€)	Number of shares	Number of voting rights
23/07/2025	5,010,920,532.75	6,681,227,377	6,681,227,377

Indicate whether there are different classes of shares with different associated rights:

Yes	No
Not selected	Selected

- A.2.** List the company's significant direct and indirect shareholders at year end, including directors with a significant shareholding:

Name or company name of shareholder	% voting rights attached to the shares including loyalty votes (direct)	% voting rights attached to the shares including loyalty votes (indirect)	% of voting rights through financial instruments (direct)	% of voting rights through financial instruments (indirect)	% of total voting rights
BlackRock, Inc.	0.00	6.01	0.00	0.02	6.03
Qatar Investment Authority	0.00	6.98	0.00	0.00	6.98

Name or company name of shareholder	From the total % of voting rights attached to the shares, indicate, where appropriate, the % of the additional votes attributed corresponding to the shares with a loyalty vote (direct)	From the total % of voting rights attached to the shares, indicate, where appropriate, the % of the additional votes attributed corresponding to the shares with a loyalty vote (indirect)
BlackRock, Inc.	0.00	0.00
Qatar Investment Authority	0.00	0.00

Breakdown of the indirect holding:

Name or company name of the indirect owner	Name or company name of the direct owner	% of voting rights attached to the shares	% of voting rights through financial instruments	% of total voting rights
BlackRock, Inc.	BlackRock Group	6.01	0.02	6.03
Qatar Investment Authority	Qatar Holding LLC	5.03	0.00	5.03
Qatar Investment Authority	DIC Holding LLC	1.95	0.00	1.95

A.3. Give details of the participation at the close of the fiscal year of the members of the board of directors who are holders of voting rights attributed to shares of the company or through financial instruments, whatever the percentage, excluding the directors who have been identified in Section A.2 above:

Name or company name of director	% voting rights attached to shares (including loyalty votes): Direct	% voting rights attached to the shares (including loyalty votes): Indirect	% of total voting rights	From the total % of voting rights attached to the shares, indicate, where appropriate, the % of the additional votes attributed corresponding to the shares with a loyalty vote: Direct	From the total % of voting rights attached to the shares, indicate, where appropriate, the % of the additional votes attributed corresponding to the shares with a loyalty vote: Indirect
Mr José Ignacio Sánchez Galán	0.21	0.00	0.21	0.00	0.00
Mr Pedro Azagra Blázquez	0.00	0.00	0.00	0.00	0.00
Mr Juan Manuel González Serna	0.00	0.01	0.01	0.00	0.00
Mr Anthony L. Gardner	0.00	0.00	0.00	0.00	0.00
Mr Ángel Jesús Acebes Paniagua	0.00	0.00	0.00	0.00	0.00

Name or company name of director	% voting rights attached to shares (including loyalty votes): Direct	% voting rights attached to the shares (including loyalty votes): Indirect	% of total voting rights	From the total % of voting rights attached to the shares, indicate, where appropriate, the % of the additional votes attributed corresponding to the shares with a loyalty vote: Direct	From the total % of voting rights attached to the shares, indicate, where appropriate, the % of the additional votes attributed corresponding to the shares with a loyalty vote: Indirect
Mr Iñigo Víctor De Oriol Ibarra	0.02	0.00	0.02	0.00	0.00
Mr Manuel Moreu Munaiz	0.00	0.00	0.00	0.00	0.00
Mr Xabier Sagredo Ormaza	0.00	0.00	0.00	0.00	0.00
Ms Sara de la Rica Goiricelaya	0.00	0.00	0.00	0.00	0.00
Ms Nicola Mary Brewer	0.00	0.00	0.00	0.00	0.00
Ms Regina Helena Jorge Nunes	0.00	0.00	0.00	0.00	0.00
Ms María Ángeles Alcalá Díaz	0.00	0.00	0.00	0.00	0.00
Ms Isabel García Tejerina	0.00	0.00	0.00	0.00	0.00
Ms Ana Colonques García-Planas	0.00	0.00	0.00	0.00	0.00

Total percentage of voting rights held by the Board of Directors

0.24

Breakdown of the indirect holding:

Name or company name of director	Name or company name of the direct owner	% voting rights attached to the shares (including loyalty votes)	% of voting rights through financial instruments	% of total voting rights	From the total % of voting rights attached to the shares, indicate, where appropriate, the % of the additional votes attributed corresponding to the shares with a loyalty vote
-	-	-	-	-	-
-	-	-	-	-	-

List the total percentage of voting rights represented on the board.

Total percentage of voting rights held by the board of directors
0.24

A.7. Indicate whether the company has been notified of any shareholders’ agreements that may affect it, in accordance with the provisions of Sections 530 and 531 of the Companies Act (*Ley de Sociedades de Capital*). If so, describe them briefly and list the shareholders bound by the agreement:

Yes	No
Not selected	Selected

Indicate whether the company is aware of any concerted actions among its shareholders. If so, provide a brief description:

Yes	No
Not selected	Selected

If any of the aforementioned agreements or concerted actions have been amended or terminated during the year, indicate this expressly:

A.8. Indicate whether any individual or company exercises or may exercise control over the company in accordance with Article 5 of the Securities Market Act. If so, identify them:

Yes	No
Not selected	Selected

A.9. Complete the following table with details of the company’s treasury shares:

At the close of the year:

Number of direct shares	Number of indirect shares	Total percentage of share capital
83,675,683	0	1.25

The number of indirect shares, via:

Name or company name of direct shareholder	Number of direct shares
No data	0

A.11. Estimated float

% estimated float
85.50

A.14. Indicate whether the company has issued shares that are not traded on a regulated EU market.

Yes	No
Not selected	Selected

B. General Shareholders' Meeting

B.4. Give details of attendance at General Shareholders' Meetings held during the reporting year and the two previous years:

Date of general meeting	% physical presence	% present by proxy	% distance voting: electronic voting	% distance voting: others	Total
28/04/2023	8.93	40.74	1.77	20.53	71.97
Of which float:	0.18	37.28	1.77	20.53	59.76
17/05/2024	8.87	41.67	1.96	23.02	75.52
Of which float:	0.25	38.60	1.96	22.84	63.65
30/05/2025	0.36	69.62	2.50	3.07	75.55
Of which float:	0.36	60.99	2.49	2.88	66.72

B.5. Indicate whether any point on the agenda of the General Shareholders' Meetings during the year was not approved by the shareholders:

Yes	No
Not selected	Selected

B.6. Indicate whether the articles of incorporation contain any restrictions requiring a minimum number of shares to attend General Shareholders' Meetings, or to vote remotely:

Yes	No
Not selected	Selected

C. Structure of the company's administration

C.1. Board of Directors.

C.1.1. Maximum and minimum number of directors established in the articles of incorporation:

Maximum number of directors	Minimum number of directors	Number of directors set by the general meeting
14	9	14

C.1.2. Complete the following table on Board members:

Name or company name of director	Representative	Category of director	Position on the board	Date first appointed	Date of last appointment	Election procedure
Mr José Ignacio Sánchez Galán	-	Executive	Chair	21/05/2001	28/04/2023	Resolution of Shareholders at General Meeting
Mr Pedro Azagra Blázquez	-	Executive	Chief Executive Officer	24/06/2025	24/06/2025	Interim appointment (co-option)
Mr Juan Manuel González Serna	-	Independent	1 st Vice-Chair	31/03/2017	30/05/2025	Resolution of Shareholders at General Meeting
Mr Anthony L. Gardner	-	Independent	2 nd Vice-Chair	13/04/2018	17/06/2022	Resolution of Shareholders at General Meeting
Mr Ángel Jesús Acebes Paniagua	-	Independent	Lead independent director	20/10/2020	30/05/2025	Resolution of Shareholders at General Meeting

Name or company name of director	Representative	Category of director	Position on the board	Date first appointed	Date of last appointment	Election procedure
Mr Iñigo Víctor De Oriol Ibarra	-	Other external	Director	26/04/2006	17/05/2024	Resolution of Shareholders at General Meeting
Mr Manuel Moreu Munaiz	-	Independent	Director	17/02/2015	28/04/2023	Resolution of Shareholders at General Meeting
Mr Xabier Sagredo Ormaza	-	Independent	Director	08/04/2016	28/04/2023	Resolution of Shareholders at General Meeting
Ms Sara de la Rica Goiricelaya	-	Independent	Director	29/03/2019	28/04/2023	Resolution of Shareholders at General Meeting
Ms Nicola Mary Brewer	-	Independent	Director	02/04/2020	17/05/2024	Resolution of Shareholders at General Meeting
Ms Regina Helena Jorge Nunes	-	Independent	Director	02/04/2020	17/05/2024	Resolution of Shareholders at General Meeting
Ms María Ángeles Alcalá Díaz	-	Independent	Director	26/10/2021	17/06/2022	Resolution of Shareholders at General Meeting
Ms Isabel García Tejerina	-	Independent	Director	16/12/2021	17/06/2022	Resolution of Shareholders at General Meeting
Ms Ana Colonques García-Planas	-	Independent	Director	17/12/2024	30/05/2025	Resolution of Shareholders at General Meeting

Total number of directors
14

Indicate any cessations, whether through resignation or by resolution of the general meeting, that have taken place in the Board of Directors during the reporting period:

Name or company name of director	Category of the director at the time of cessation	Date of last appointment	Date of cessation	Specialised committees of which he/she was a member	Indicate whether the director left before the end of his or her term of office
Mr Armando Martínez Martínez	Executive	28/04/2023	24/06/2025	Executive Committee	Yes

C.1.3. Complete the following tables on the members of the Board and their categories:

Executive directors

1. Name or company name of director:

Mr José Ignacio Sánchez Galán

Post in organisation chart of the company:

Executive chairman

Profile:

Salamanca, Spain, 1950.

Other current positions and professional activities:

Chairman of the boards of directors of the Iberdrola Group's country subholding companies in the United Kingdom (Scottish Power), the United States of America (Avangrid) and Brazil (Neoenergia).

Member of the group of top utility executives of the World Economic Forum (Davos), as well as a member of the European Round Table for Industry (ERT), of the Global Leadership Council of UNICEF's Generation Unlimited and of the J.P. Morgan International Council. In Spain, he is a member of the Círculo de Empresarios Vascos, the Círculo de Empresarios (Madrid), the Círculo de Economía and the Asociación para el Progreso de la Dirección (APD).

Trustee of Fundación Princesa de Asturias, Fundación Carolina, Fundación Universitaria Comillas-ICAI, Fundación Conocimiento y Desarrollo, Real Instituto Elcano and Museo Nacional del Prado.

Academic training:

Industrial engineer with a degree from the Escuela Superior de Ingeniería (ICAI) of Universidad Pontificia Comillas (Madrid) and degrees in Business Administration and Foreign Trade from ICADE (Madrid) and in General Corporate Management and Foreign Trade from Escuela de Organización Industrial (EOI) in Madrid.

A recipient of honorary doctorate degrees from the universities of Salamanca, Comillas (Madrid), Edinburgh and Strathclyde (Glasgow), he has been on the

faculty of Escuela Técnica Superior de Ingeniería (ICAI) and is currently a visiting professor at the University of Strathclyde, chairman of the Social Council of Universidad de Salamanca, and a member of the Presidential Advisory Council of the Massachusetts Institute of Technology (MIT).

Noteworthy experience in the energy and industrial engineering sector:

He has served as chief operating officer of “Industria de Turbo Propulsores, S.A.” (ITP) and as chairman of the European aerospace consortium Eurojet (Germany). He has held various positions at “Sociedad Española del Acumulador Tudor, S.A.” (now, Exide Group, engaged in the manufacture and sale of batteries). Between 2014 and 2016 he chaired the electricity group of the World Economic Forum (Davos).

Noteworthy experience in other industries:

In the telecommunications industry, he has been chief executive officer of “Airtel Móvil, S.A.” (now, “Vodafone España, S.A.” (Sociedad Unipersonal)), and in the food industry, a member of the Supervisory Board of “Nutreco Holding N.V.”, a listed company in The Netherlands, and a founding member and director of the Matarromera Group (Spain).

Highlights:

- Best Chief Executive of European utilities at the Extel Europe & Emerging EMEA Equities Awards 2025.
- International Energy Award 2025 from the International Foundation for Energy & Sustainable Development.
- Business Person of the Year 2025 award from Universitat Pompeu Fabra - Barcelona School of Management.
- Chosen by Time magazine as one of the 100 most innovative global leaders in the fight against climate change in 2023.
- Award for Best Business Leadership in Energy Transition by El Periódico de la Energía and considered Best Chief Executive Officer of European electricity utilities, for the twelfth time, according to the Institutional Investor Research Group in 2023.
- José Echegaray Award from Ecoprensa given to international personalities who have most contributed to promoting the liberal spirit and ideology in 2023.
- Management Leadership Award (Spanish Association for Quality) and Business Career Award (El Economista) in 2020.
- Recognised as one of the five Best-Performing CEOs in the World and the top in the utilities sector (Harvard Business Review), and as one of the 30 most influential leaders in the fight against climate change (Bloomberg) in 2019.
- National Innovation and Design Award in the Innovative Career category (Spanish Ministry of Science, Innovation and Universities), Honourable

Mention for his professional career (Official Industrial Engineers Association), designation as Universal Spaniard (Fundación Independiente), and León Award for his business management (El Español) in 2019.

- Honorary Member of the Spanish Institute of Engineering (2018).
- Medal of Honour from the Spanish Royal Academy of Medicine (2016)
- Appointed by Queen Elizabeth II as a Commander of the Most Excellent Order of the British Empire and recipient of the international Responsible Capitalism Award (First Group) in 2014.
- Gold Medal of the city of Salamanca in 2013 and Gold Medal of the province of Salamanca in 2009.
- Awarded the title of “Lagun Onari” (Good Friend) by the Basque Government (2011).
- Designated Consul of Bilbao by the Chamber of Commerce, Industry and Shipping of Bilbao (2009).
- Business Leader of the Year Award (Spain-U.S. Chamber of Commerce) and recipient of the International Award for Economics (Fundación Cristóbal Gabarrón) in 2008.
- Best CEO of the Year (Platts Global Energy Awards) in 2006.
- Best CEO in Investor Relations (IR Magazine) in 2005, 2004 and 2003.

2. Name or company name of director:

Mr Pedro Azagra Blázquez

Post in organisation chart of the company:

Chief Executive Officer

Profile:

Madrid, Spain, 1968.

Academic training:

Degree in Business Administration and Management and in Law from ICADE (Universidad Pontificia Comillas, Madrid) and M.B.A. from the University of Chicago (Graduate School of Business).

Noteworthy experience in the energy sector:

He joined the Company as Director of Strategy in 1997. He then moved to London, where he held the position of Chief Development Officer, with responsibility for the Iberdrola Group’s M&A operations and leading its international expansion, until 2022. In June 2022, he was appointed CEO of the country subholding company Avangrid, which was listed on the New York Stock Exchange until December 2024, and held this position until June 2025. During this period, he was responsible for growth in both financial performance

and project development and execution of the U.S. country subholding company, with more than US\$ 15,000 million of investment. He had previously been responsible for the Iberdrola Group's businesses in the United States of America, as well as a director of several listed companies such as "Siemens Gamesa Renewable Energy, S.A." and Neoenergia.

Other current positions:

He is a member of the Board of Directors and the Executive Committee of the Edison Electric Institute (EEI) in the United States of America, a member of the Board of Directors of Yale New Haven Hospital in Connecticut, and a member of the Board of Directors of the United States Hispanic Chamber of Commerce (USHCC).

Noteworthy experience in other industries:

Prior to joining Iberdrola, he worked in Morgan Stanley's Investment Banking Division in London and Madrid, specialising in mergers, financial consulting and the issuance of equity and debt. He has also been a professor of Corporate Finance and Mergers and Acquisitions at Universidad Pontificia Comillas - ICADE (Madrid).

Total number of executive directors	Percentage of Board
2	14.29

External proprietary directors

Name or company name of director	Name or company name of the significant shareholder represented by the director or that nominated the director	Profile
No data	-	-

External independent directors

1. Name or company name of director:

Mr Juan Manuel González Serna

Profile

Madrid, Spain, 1955.

Other current positions and professional activities:

He is chairman of the patrimonial company "GSU Found, S.L." and of the company "Tuero Medioambiente, S.L.".

He is also a director of "Profesionales de la Medicina y de la Empresa, S.A.", of "Hommingcloud, S.L." and of "Green Life Country, S.L.".

He is a founding trustee and chairman of Fundación González Serna Urbán, a trustee of Fundación Casa Ducal de Medinaceli and honorary chairman of the Family Business Association of Castile and León (*Asociación Empresa Familiar de Castilla y León*).

Academic training:

He has a degree in Law, Economics and Business Studies from the Instituto Católico de Administración y Dirección de Empresas (ICADE) of the Universidad Pontificia Comillas (Madrid) and a Master's in Business Administration (MBA) from the Escuela de Dirección del Instituto de Estudios Superiores de la Empresa (IESE Business School) of the University of Navarra in Barcelona.

Noteworthy experience in the energy and industrial engineering sector:

He has been lead independent director of "Iberdrola, S.A." and independent director of the Iberdrola Group's country subholding company in Spain, "Iberdrola España, S.A.", and of "Iberdrola Renovables, S.A.", as well as chair of the Appointments and Remuneration Committee of the latter company.

Noteworthy experience in other industries:

In 1991, together with his spouse, Lucía Urbán, he founded Grupo SIRO, now Cerealto, of which he was chairman for 31 years.

He also has extensive experience in the financial and venture capital industry: currently a member of the Advisory Board of CaixaBank de Castilla y León, and has been an advisory director of Rabobank in Spain and Europe, a director of "Banco Urquijo Sabadell Banca Privada, S.A.", of "Digital Cinegetics, S.L." and of "Sociedad para el Desarrollo Industrial de Castilla y León, Sociedad de Capital Riesgo, SODICAL" (now "Sodical Gestión SGEIC, S.A." and "Sodical Inversión SCR, S.A.").

He has also been chairman of the Sustainability Committee of the Spanish Commercial Coding Association (*Asociación Española de Codificación Comercial*) (AECOC), as well as a member of the Executive Committee and trustee of Fundación SERES.

2. Name or company name of director:

Mr Anthony L. Gardner

Profile:

Washington D.C., United States of America, 1963.

Other current positions and professional activities:

Executive adviser to "Brookfield Asset Management Ltd.", senior adviser to "Brunswick Group, LLP" and member of the advisory boards of the Centre for European Reform, the European Policy Centre and the Ditchley Park

Foundation. He is also a senior fellow of the German Marshall Fund and a member of The Trilateral Commission.

Academic training:

He studied Government at Harvard University and International Relations at the University of Oxford.

He holds a Juris Doctor degree from Columbia Law School and a Master's degree in Finance from London Business School.

Noteworthy experience in the energy and industrial engineering sector:

He has been a member of the Sustainable Development Committee of "Iberdrola, S.A.". He has also been an independent director of the Iberdrola Group's country subholding company in the United Kingdom (Scottish Power) and a member of that company's Audit and Compliance Committee.

Noteworthy experience in other industries:

He was the US ambassador to the European Union from 2014 to 2017. Prior to that appointment, for six years he was the managing director at Palamon Capital Partners, a private equity firm based in London. He was also the director of one of the finance departments of Bank of America and of GE Capital, as well as director in the international acquisitions group of GE International. He has worked as an attorney at international law firms in London, Paris, New York and Brussels.

He has dedicated more than twenty years of his career to US-European affairs, as a government official, lawyer and investor. As Director for European Affairs on the National Security Council (1994-1995), he worked closely with the US Mission to the European Union to launch the New Transatlantic Agenda.

He previously worked with the Treuhandanstalt (German Privatisation Ministry) in Berlin, the Stock Exchange Operations Committee in Paris and as secondee for the European Commission in Brussels.

He is the author of "A New Era in SU-EU Relations?: The Clinton Administration and the New Transatlantic Agenda", "Stars with Stripes: The Essential Partnership between the United States and the European Union" and several articles related to the European Union.

He has been a director of "Brookfield Business Partners L.P.", as well as a senior advisor of the law firm "Sidley Austin LLP", and of the Bill & Melinda Gates Foundation.

3. Name or company name of director:

Mr Ángel Jesús Acebes Paniagua

Profile

Ávila, Spain, 1958

Other current positions and professional activities:

Founding partner and member of the board of directors of “MA Abogados Estudio Jurídico, S.L.P.”, sole director and professional partner of “Doble A Estudios y Análisis, S.L.P.”, managing partner of “Michavila Acebes Abogados, S.L.P.”, as well as a trustee of Fundación para el Análisis y Estudios Sociales (FAES) and of Fundación España Constitucional.

Academic training:

Degree in Law from Universidad de Salamanca.

Noteworthy experience in the energy and industrial engineering sector:

As a lawyer, he has advised companies in the energy and the industrial and technology sectors, among others.

From 2012 to 2019 he was an independent director of “Iberdrola, S.A.”, and during part of that period, he was a member of its Executive Committee and of its Appointments Committee.

After the IPO flotation of “Bankia, S.A.”, he was a director of “Banco Financiero y de Ahorros, S.A.”, acting as chairman of its Audit and Compliance Committee. Through these positions, he dealt with BFA’s investee companies operating in the energy and industrial and technological sectors.

He also has significant knowledge of the regulatory area due to his work as a member of the Council of Ministers of the Government of Spain, a senator and a national deputy.

Noteworthy experience in other industries:

He served on the board of “Caja Madrid Cibeles, S.A.”, which manages the investments of Grupo Caja Madrid in other companies with activities in the financial and insurance sectors, as well as the retail banking sector outside of Spain, and as a trustee of Fundación Universitaria Teresa de Ávila.

In the institutional arena, he was Minister for Public Administrations, Minister of Justice, and Minister of the Interior of the Spanish Government.

4. Name or company name of director:

Mr Manuel Moreu Munaiz

Profile:

Pontevedra, Spain, 1953.

Other current positions and professional activities:

Chairman of “Seaplace, S.L.” as well as sole director of “Heath Wind, S.L.” “H.I. de Iberia Ingeniería y Proyectos, S.L.” and “Howard Ingeniería y Desarrollo, S.L.” He is also the chairman of “Tubacex, S.A.” and a member of its Strategy and Monitoring Committee.

Professor of the Master’s Programme in Oil at Universidad Politécnica de Madrid (ETSIM), of the Maritime Master’s Programme of Instituto Marítimo Español, and of Universidad Pontificia Comillas, and member of the Spain Committee of Lloyd’s Register EMEA.

Academic training:

Doctorate in naval engineering from Escuela Técnica Superior de Ingenieros Navales (ETSIN) of the Universidad Politécnica de Madrid, and Master’s degree in Oceanic Engineering from the Massachusetts Institute of Technology (MIT).

Noteworthy experience in the energy and industrial engineering sector:

He has been a member of the Corporate Social Responsibility Committee of “Iberdrola, S.A.” and of the Board of Directors of “Iberdrola Renovables, S.A.”, and a director and member of the Audit and Compliance Committee of “Gamesa Corporación Tecnológica, S.A.” (now “Siemens Gamesa Renewable Energy, S.A.”).

Throughout his career, he has participated in numerous projects with various companies in the energy and industrial sector in matters related to floating offshore wind power generation, and other naval and offshore projects for electricity production, fuel systems, manufacturing, water treatment, etc.

Noteworthy experience in other industries:

He has been a member of the board of “Metalships and Docks, S.A.”, “Neumáticas de Vigo, S.A.” and “Rodman Polyships, S.A.”, dean of the Colegio Oficial de Ingenieros Navales y Oceánicos de Madrid y de España, president of the Spanish Institute of Engineering, and a professor of the Escuela Técnica Superior de Ingenieros Navales of the Universidad Politécnica de Madrid and for the Repsol’s Master’s Programme in Oil.

5. Name or company name of director:

Mr Xabier Sagredo Ormaza

Profile

Portugalete, Spain, 1972.

Other current positions and professional activities:

He is an independent director of “Tubacex, S.A.” and a member of its Audit and Compliance Committee.

He is also a member of the Management Council of Universidad de Deusto, and is a visiting professor at various institutions.

Academic training:

Degree in Economics and Business from Universidad del País Vasco, with a major in Finance, holder of postgraduate degrees in various areas, and certified training in information technology risks.

Noteworthy experience in the energy and industrial engineering sector:

He has been the director of “Iberdrola Generación, S.A.” (Sociedad Unipersonal) and a member of its Audit and Compliance Committee, as well as a director of “Iberdrola Distribución Eléctrica, S.A.” (Sociedad Unipersonal) (currently “i-DE Redes Inteligentes, S.A.” (Sociedad Unipersonal)), at which he has held the position of chair of the Audit and Compliance Committee.

Noteworthy experience in other industries:

He has been the director of the Expansion and Assets area of the credit institution Ipar Kutxa, managing director of the concessionaire Transitia and a member of the Board of the Bilbao Port Authority.

In addition, he has been chair and vice-chair of the Board of Directors of Caja de Ahorros Bilbao Bizkaia Kutxa, Aurrezki Kutxa eta Bahitetxea (BBK) and chair of its Audit Committee, as well as chair of the Board of Trustees of Fundación Eragintza. He was also subsequently chair of Bilbao Bizkaia Kutxa Fundación Bancaria-Bilbao Bizkaia Kutxa Banku Fundazioa and of BBK Fundazioa from its transformation in 2014 until December 2025.

In addition, he has been a trustee of the Biocruces Sanitary Research Institute, of the Bilbao Museum of Fines Arts and of the Guggenheim Museum Foundation, at which he was also a member of the Executive Committee. He has also been a member of the Board of Directors of the Orkestra Basque Institute of Competitiveness.

In 2021 he received the “Top Talent Saria CEO” award (Grupo Noticias) and in 2022 he won the “Tu Economía” award in the best business management category (La Razón), was recognised in the financial organisation category in the 1st Edition of the Carlos V National Awards for Business Excellence

(European Society for Social and Cultural Promotion) and he was chosen as “CEO of the Year” in the 9th Edition of the Capital Awards (Premios Capital).

6. Name or company name of director:

Ms Sara de la Rica Goiricelaya

Profile

Bilbao, Spain, 1963.

Other current positions and professional activities:

Chair of Fundación ISEAK (Initiative for Socio-economic Analysis and Knowledge), a member of *Asociación Nausika - Tecnología para el Bien Común* (Nausika Association - Technology for the Common Good), an honorary member of the Spanish Economics Association and an associate researcher at IZA (Institute of Labor Economics - Bonn), and member of the Economic Affairs Advisory Council, which advises the Ministry of Economy, Trade and Business of the Government of Spain.

Academic training:

With a PhD in Economics from the University of the Basque Country and being a professor at such institution, she has dedicated a large portion of her professional life to the study of and search for solutions on issues such as immigration, the labour market, gender equality and poverty.

She regularly publishes academic articles in domestic and international magazines dealing with economic issues, mainly related to labour, participates in conferences and seminars, and supervises graduate students in their dissertations.

Noteworthy experience in the energy and industrial engineering sector:

She has been chair of the Sustainable Development Committee and a member of the Appointments Committee of “Iberdrola, S.A.”. She has also been an independent director of the Iberdrola Group’s country subholding company in Spain (Iberdrola España).

Noteworthy experience in other industries:

She has been a director of Fundación ISEAK, president and secretary of the European Society for Population Economics and a member of its Executive Committee, chair of the Committee on the Situation of Women in Economics (COSME), and a member of the Economic and Social Council (CES). She has also been the secretary of the Spanish Economics Association (AEE).

In addition, she has been a member of the Scientific Advisory Board of Fundación Gadea and of the Scientific Committee of the Basque Institute for the Evaluation of the Educational System (IVEI-ISEI). Furthermore, she has been a member of the Board of Directors of “Basquetour, Turismoaren Euskal Agentzia, Agencia Vasca de Turismo, S.A.”, a government-owned company of

the Department of Tourism, Trade and Consumption of the Basque Government, created to lead the promotion and implementation of the competitiveness strategy of Basque tourism.

She has worked on editorial boards and/or research project review boards.

She is also a member of the Advisory Commission to the Ministry of Work and Social Economy on the matter of Minimum Interprofessional Salary.

In 2018 she was given the “2018 Basque Economist Award” (Economistak Saria 2018) by the Basque Association of Economists (Colegio Vasco de Economistas) and in 2023 was awarded the “Excellence in Communication Award” by Cadena Ser Bilbao, the “1st Emilio Ontiveros Economy Award” by Fundación Emilio Ontiveros, and the “Excellence Award” by Fundación ONCE for her contributions related to improving employment for vulnerable groups.

7. Name or company name of director:

Ms Nicola Mary Brewer

Profile

Taplow, United Kingdom, 1957.

Other current positions and professional activities:

She is senior independent director and a member of the Nomination Committee, the Remuneration Committee and the Sustainability and Technology Committee of the Board of Directors of “The Weir Group plc”. She is also a member of the European Institute Advisory Board at University College London and of the international think tank Trilateral Commission.

Academic training:

She was educated at the Belfast Royal Academy and read English at the University of Leeds, graduating with a BA in 1980 and then taking a Doctorate in linguistics in 1988. She was granted an Honorary Doctorate of Laws from the University of Leeds in 2009.

Noteworthy experience in the energy and industrial engineering sector:

She has been an independent director of the Iberdrola Group’s country subholding company in the United Kingdom (Scottish Power), and a non-executive director of “Aggreko plc”.

Noteworthy experience in other industries:

She was a diplomat in the Foreign and Commonwealth Office (“FCO”) of the British government, with overseas postings in South Africa, India, France and Mexico, and was the founding director of the Diplomatic Academy of the FCO.

She succeeded Mr Paul Boateng as British High Commissioner to South Africa, Swaziland and Lesotho.

She was appointed by open competition as the first Chief Executive of the newly established Equality and Human Rights Commission, the successor body to the Commission for Racial Equality, the Disability Rights Commission and the Equal Opportunities Commission.

She was Director-General for Europe at the FCO, leading the FCO's contribution to the UK's 2005 Presidency of the European Union, advising the Foreign Secretary and the Minister on the European Union and other European policy issues.

She also served as the FCO's Director for Global Issues and then as Director-General for Regional Programmes at the Department for International Development (DfID), supervising the UK's overseas bilateral aid programmes.

Outside of her career as a diplomat, she was Vice-Provost (International) and a visiting professor at University College London, a trustee of the charity institutions Sentebale and Middle Temple Charity, as well as a director of the non-profit organisation London First.

She was appointed Companion of the Order of St Michael and St George (CMG) in the 2003 New Year Honours and Dame Commander of the Order of St Michael and St George (DCMG) in Queen Elizabeth II's 2011 Birthday Honours, and she was distinguished as "Chevalier dans l'Ordre de la Légion d'Honneur" by the French Republic in 2022.

8. Name or company name of director:

Ms Regina Helena Jorge Nunes

Profile

São Paulo, Brazil, 1965.

Other current positions and professional activities:

Founding partner and CEO of "RNA Capital Ltda.". She is also an independent director and chair of the Audit and Risk Committee of "Pacífico Holding Imobiliária Hospitalar, S.A." and of "Pacífico Operações Hospitalares, S.A.".

Academic training:

Degree in Business Administration from Mackenzie University. She attended courses in Trade Finance and Corporate Finance at the School of Continuing Studies at New York University, Leadership at Columbia University, and International, Global and Multinational Business Development at INSEAD Fontainebleau.

Noteworthy experience in the energy and industrial engineering sector:

She has held the position of independent director at Neoenergia, the Iberdrola Group's country subholding company in Brazil.

She has been an independent director and member of the Audit Committee of "Companhia Distribuidora de Gás do Rio de Janeiro S.A.", the main activity of

which is the distribution and retail sale of natural gas in the State of Rio de Janeiro (Brazil).

Noteworthy experience in other industries:

She has more than 30 years of experience in the domestic and international financial market.

In her capacity as CEO of “RNA Capital Ltda.”, she has been directly involved in advising or consulting for companies in the utilities sector, such as AEGEA Saneamento e Participações S.A., a leading private sector water company in Brazil, and its concessionaire Águas do Rio.

She was a member of the Risk and Capital Committee of “Banco do Brasil”, an independent director of “IRB-Brasil Resseguros, S.A.”, coordinating chair of its Risk and Solvency Committee and a member of its Investments, Capital Structure and Dividend Committee, a member of the Advisory Board of “Mercado Eletrônico S.A.”, a B2B e-commerce company, as well as an independent director of Cielo, S.A. and coordinating chair of its Risk Committee, of its Sustainability Committee and of its Governance Committee.

She worked for 20 years at S&P Global Ratings. She was president of operations in Brazil and Argentina, and was Head of the Southern Cone in Latin America, Deputy-Head in Latin America, board member of BRC Ratings (Colombia) and head of Global Development Markets.

Before joining S&P, she also worked at other financial institutions such as Chase Manhattan and Citibank in the areas of credit and risk analysis. At the Commercial Bank of New York, she led the Credit and Correspondent Banking and Risk (Trade Finance) Areas focused on Latin America.

For three years, she was an independent consultant in Brazil, having worked on privatisation programmes, investments of international funds in the Brazilian market, M&A and financial engineering projects.

9. Name or company name of director:

Ms María Ángeles Alcalá Díaz

Profile

Albacete, Spain, 1962.

Other current positions and professional activities:

Professor of Commercial Law at the University of Castilla-La Mancha and Of Counsel to the law firm “Ramón y Cajal Abogados, S.L.P.”, director of “UCLM-Emprende, S.L.” (Sociedad Unipersonal) and a permanent member of the General Legislation Commission of the Ministry of Justice.

Academic training:

Degree in Law. Ph.D. in Commercial Law from the University of Castilla-La Mancha.

Noteworthy experience in the energy and industrial engineering sector:

She has been chair of the Audit and Risk Supervision Committee of “Iberdrola, S.A.”, independent director and member of the Audit and Compliance Committee of the country subholding company of the Iberdrola Group in Spain, “Iberdrola España, S.A.”, as well as independent director and member of the Financial and Remuneration and Succession committees of the country subholding company of the Iberdrola Group in Brazil, “Neoenergia”.

Noteworthy experience in other industries:

She has held several positions at the University of Castilla-La Mancha, including vice-chancellor for student affairs and general secretary, and is currently a professor of Commercial Law at that university.

She has been a visiting researcher at German universities and has been invited to participate in conferences and to lecture for undergraduate, postgraduate, master’s and doctoral degrees at Spanish and foreign universities and research institutes.

She served as Director General of Registries and Notaries of the Ministry of Justice from 2009 to 2011, and since 2013 she has advised large companies in her capacity as Of Counsel to the law firm “Ramón y Cajal Abogados, S.L.P.”

She is the author of a large number of monographs, articles published in specialised publications and collective books on subjects like banking law, registry law, organisation and management of SMEs, contract and commercial distribution law, bankruptcy law, etc., with a high degree of specialisation in company law, the law applicable to listed companies, corporate governance and the stock market.

10. Name or company name of director:

Ms Isabel García Tejerina

Profile

Valladolid, Spain, 1968.

Other current positions and professional activities:

Senior Advisor at “Ernst & Young España, S.A.” for sustainability issues and the agri-food sector, as well as an independent director of “Avanza Previsión Compañía de Seguros, S.A.” and a member of its Audit Committee. She is also a guest lecturer for the Master’s Degree in Sustainability at the University of Navarra.

Academic training:

Degree in Agricultural Engineering from the Polytechnic University of Madrid and degree in Law from the University of Valladolid.

Master's degree in European Communities from the Polytechnic University of Madrid, and in Agricultural Economics from the University of California (Davis). She also participated in the Global Senior Management Programme of Instituto de Empresa and the University of Chicago Graduate School of Business, and has participated in the High-Level Business Energy Course organised by the Club Español de la Energía.

Noteworthy experience in the energy and industrial engineering sector:

She has been an independent director of the Group's country subholding company in Brazil (Neoenergia) and a member of its Finance, Audit, Remuneration and Succession committees, as well as chair of the Sustainability Committee.

She has been the Director of Strategic Planning at the chemical fertiliser company "Fertiberia, S.A.", a member of the board of the Algerian fertiliser manufacturing company "Fertial SPA" and of "Sociedad Estatal de Infraestructuras Agrarias del Norte, S.A.", as well as a member of the Governing Board of the Spanish Ports System (Puertos del Estado). She has also been an independent director of "Primafrio, S.L.", the chair of its Innovation and Sustainability Committee, and a member of its Audit Committee.

Noteworthy experience in other industries:

She was Minister of Agriculture, Fisheries, Food and Environment of the Spanish Government between 2014 and 2018 and, prior to that, Secretary General for Agriculture and Food, during which time she participated in and led numerous complex European negotiations.

In particular, as Minister of Agriculture, Fisheries, Food and Environment, she was responsible for the national climate change policy and for international negotiations in this field, having participated in several United Nations Climate Summits, including the Paris Summit in December 2015.

During that stage as the head of water policy, the hydrological planning culminated with the approval of basin hydrological plans under the jurisdiction of the General State Administration (with the highest consensus ever achieved in the National Water Council), bringing Spain up to date with its European water planning obligations. The first flood risk management plans were approved, the first fluvial nature reserves were created, the CRECE Plan was launched to comply with the "European Urban Waste Water Treatment Directive", and important investments in hydraulic infrastructure were resumed.

At the institutional level, she was also vice-chair of the High-Level Inter-Ministerial Working Group on the 2030 Agenda.

She has been awarded the Grand Cross of Charles III and distinguished with the title of Commander of the Order of Agricultural Merit of France.

11. Name or company name of director:

Ms Ana Colonques García-Planas

Profile

Vila-Real, Spain, 1982.

Other current positions and professional activities:

Currently, and with more than 10 years of experience, she is the Financial Director of the Porcelanosa Group, and at the same time the executive director of a company of the group.

She is also an independent director of “Banco de Sabadell, S.A.” and a member of the Board of the Valencian Business Association of the Valencian Community (AED).

Academic training:

Degree in Business Administration and Management and Master in Business Administration (MBA) from ESADE University.

Noteworthy experience in the energy and industrial engineering sector:

She has been an external director of the country subholding company Iberdrola España and a member of its Audit and Compliance Committee.

Noteworthy experience in other industries:

She worked for five years in the audit area at Deloitte, specialising in the audit of financial institutions at both the domestic and international level. After her professional career at one of the Big Four audit firms, she joined the risk department of a national financial institution, analysing the provision of loans to individuals and large companies.

Total number of independent directors	Percentage of board
11	78.57

Indicate whether any director classified as independent receives from the company or any company in its group any amount or benefit other than remuneration as a director, or has or has had a business relationship with the company or any company in its group during the past year, whether in his or her own name or as a significant shareholder, director or senior executive of a company that has or has had such a relationship.

If so, include a reasoned statement by the Board explaining why it believes that the director in question can perform his or her duties as an independent director.

Name or company name of director	Description of the relationship	Reasoned statement
No data	-	-

Other external directors

Identify the other external directors, indicate the reasons why they cannot be considered either proprietary or independent, and detail their ties with the company or its management or shareholders:

Name or company name of director	Reasons	Company, manager or shareholder to which or to whom the director is related	Profile
Mr Iñigo Víctor De Oriol Ibarra	More than 12 years have passed since appointment	Iberdrola, S.A.	<p>Madrid, Spain, 1962.</p> <p>Academic training:</p> <p>Bachelor of Arts and International Business from Schiller International University (Madrid), a graduate of the Executive Corporate Management Programme of IESE Business School, and Certified European Financial Analyst (CEFA) from Instituto Español de Analistas Financieros.</p> <p>Noteworthy experience in the energy and industrial engineering sector:</p> <p>He has been chair of “Electricidad de La Paz, S.A.” (Bolivia), “Empresa de Luz y Fuerza Eléctrica de Oruro, S.A.” (Bolivia) and “Iberoamericana de Energía Ibener, S.A.” (Chile), as well as a member of the board of “Empresa de Alumbrado Eléctrico de Ceuta, S.A.”, Neoenergía (Brazil) and “Empresa Eléctrica de Guatemala, S.A.”</p> <p>He has also been a member of the Appointments Committee and of the Sustainable Development Committee of the Company, director of Corporate Governance for the Americas of “Iberdrola, S.A.”, director of Management Control at “Amara, S.A.”, and a financial analyst in the Financial Division and the International Division of the Company.</p> <p>Noteworthy experience in other industries:</p> <p>He has been chair of “Empresa de Servicios Sanitarios de Los Lagos, S.A.” (ESSAL) in Chile.</p>

Total number of other external directors	Percentage of board
1	7.14

Indicate any changes that have occurred during the period in each director's category:

Name or company name of director	Date of change	Previous category	Current category
-	-	-	-

C.1.4. Complete the following table with information relating to the number of female directors at the close of the past four years, as well as the category of each:

Number of female directors	Year 2025	Year 2024	Year 2023	Year 2022
Executive	-	-	-	-
Proprietary	-	-	-	-
Independent	6	6	5	5
Other external	0	0	1	1
Total	6	6	6	6

% of total directors for each category	Year 2025	Year 2024	Year 2023	Year 2022
Executive	0.00	0.00	0.00	0.00
Proprietary	0.00	0.00	0.00	0.00
Independent	54.55	54.55	50.00	50.00
Other external	0.00	0.00	50.00	50.00
Total	42.86	42.86	42.86	42.86

C.1.11. List the positions of director, administrator or representative thereof, held by directors or representatives of directors who are members of the company's board of directors in other entities, whether or not they are listed companies:

Identity of the director or representative	Company name of the listed or non-listed entity	Position
Mr Pedro Azagra Blázquez	Edison Electric Institute	Director
Mr Pedro Azagra Blázquez	United States Hispanic Chamber of Commerce	Director
Mr Pedro Azagra Blázquez	Yale New Haven Hospital	Director
Mr Juan Manuel González Serna	Biotecnología Forestal Aplicada S.L.	Director
Mr Juan Manuel González Serna	Green Life Country, S.L.	Director
Mr Juan Manuel González Serna	GSU Found, S.L.	Chair
Mr Juan Manuel González Serna	Hommingcloud, S.L.	Director
Mr Juan Manuel González Serna	Profesionales de la Medicina y de la Empresa, S.A.	Director
Mr Juan Manuel González Serna	Tuero Medioambiente, S.L.	Chair
Mr Ángel Jesús Acebes Paniagua	MA Abogados Estudio Jurídico, S.L.P.	Director
Mr Ángel Jesús Acebes Paniagua	Doble A Estudios y Análisis, S.L.P.	Sole Director
Mr Manuel Moreu Munaiz	Heath Wind, S.L.	Sole Director
Mr Manuel Moreu Munaiz	H.I. de Iberia Ingeniería y Proyectos, S.L.	Sole Director
Mr Manuel Moreu Munaiz	Howard Ingeniería y Desarrollo, S.L.	Sole Director
Mr Manuel Moreu Munaiz	Seaplace, S.L.	Chair
Mr Manuel Moreu Munaiz	Tubacex, S.A.	Chair
Mr Xabier Sagredo Ormaza	ORKESTRA-Basque Institute of Competitiveness	Director
Mr Xabier Sagredo Ormaza	Tubacex, S.A.	Director
Mr Xabier Sagredo Ormaza	Universidad de Deusto	Director
Ms Nicola Mary Brewer	The Weir Group plc.	Lead independent director
Ms Regina Helena Jorge Nunes	Pacífico Holding Imobiliária Hospitalar S.A.	Director

Identity of the director or representative	Company name of the listed or non-listed entity	Position
Ms Regina Helena Jorge Nunes	Pacífico Operações Hospitalares S.A.	Director
Ms Regina Helena Jorge Nunes	RNA Capital Ltda.	Chief Executive Officer
Ms María Ángeles Alcalá Díaz	UCLM-Emprende, S.L. (Sociedad Unipersonal)	Director
Ms Isabel García Tejerina	Avanza Previsión Compañía de Seguros, S.A.	Director
Ms Ana Colonques García-Planas	Banco de Sabadell, S.A.	Director
Ms Ana Colonques García-Planas	Porcelanosa, S.A. (Sociedad Unipersonal)	Director

The positions described above for which the directors receive remuneration are specified below:

- Mr Juan Manuel González Serna: chairman of “GSU Found, S.L.”; chairman of “Tuero Medioambiente, S.L.”; director of “Profesionales de la Medicina y de la Empresa, S.A.”.
- Mr Ángel Jesús Acebes Paniagua: sole director of “Doble A Estudios y Análisis, S.L.P.”.
- Mr Manuel Moreu Munaiz: chairman of “Seaplace, S.L.”, chairman of the Board of Directors of “Tubacex, S.A.” and member of its Strategy and Monitoring Committee.
- Mr Xabier Sagredo Ormaza: director of “Tubacex, S.A.” and member of its Audit Committee.
- Ms Nicola Mary Brewer: senior independent director of “The Weir Group plc.” and member of its Nomination, Remuneration, and Sustainability and Technology committees.
- Ms Regina Helena Jorge Nunes: director of “Pacífico Holding Imobiliária Hospitalar S.A.”; director of “Pacífico Operações Hospitalares S.A.”; CEO of “RNA Capital Ltda”.
- Ms Isabel García Tejerina: director of “Avanza Previsión Compañía de Seguros, S.A.” and member of its Audit Committee.
- Ms Ana Colonques García-Planas: director of “Banco de Sabadell, S.A.”; director, vice-secretary of the Board of Directors and CFO of “Porcelanosa, S.A.” (Sociedad Unipersonal).

The profiles of the directors available in Section C.1.3 of Annex III of this report show other non-remunerated positions different than that of director at other entities (e.g. memberships on the boards of trustees of foundations).

Indicate, where appropriate, the other remunerated activities of the directors or directors' representatives, whatever their nature, other than those indicated in the previous table.

Identity of the director or representative	Other paid activities
Mr Anthony L. Gardner	Executive advisor of "Brookfield Private Equity Group"
Mr Anthony L. Gardner	Senior Advisor of "Brunswick Group, LLP"
Mr Ángel Jesús Acebes Paniagua	Lawyer
Mr Manuel Moreu Munaiz	Professor of the Master's Programme in Business and Maritime Law of the Spanish Maritime Institute and of Universidad Pontificia de Comillas.
Mr Manuel Moreu Munaiz	Professor of the Master's Programme in Oil at Universidad Politécnica de Madrid.
Ms Sara de la Rica Goiricelaya	Chair of Fundación Iseak
Ms María Ángeles Alcalá Díaz	Of Counsel at "Ramón y Cajal Abogados, S.L.P."
Ms María Ángeles Alcalá Díaz	Professor of Commercial Law at Universidad de Castilla-La Mancha
Ms Isabel García Tejerina	Senior Advisor for sustainability issues and the agri-food sector at "Ernst & Young España, S.A."
Ms Isabel García Tejerina	Visiting professor of Master's in Sustainability of Universidad de Navarra

C.1.12. Indicate whether the company has established rules on the maximum number of company boards on which its directors may sit, explaining if necessary and identifying where this is regulated, if applicable:

Yes	No
Selected	Not selected

C.1.13. Indicate the remuneration received by the Board of Directors as a whole for the following items:

Remuneration accruing in favour of the Board of Directors in the financial year (thousands of euros)	Funds accumulated by current directors for long-term savings systems with consolidated economic rights (thousands of euros)	Funds accumulated by current directors for long-term savings systems with unconsolidated economic rights (thousands of euros)	Funds accumulated by former directors for long-term savings systems (thousands of euros)
30,255	6,360	0	0

C.1.14. Identify members of senior management who are not also executive directors and indicate their total remuneration accrued during the year:

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

Number of women in senior management	Percentage of total members of senior management
2	50%

Total remuneration of senior management (thousands of euros)
11,473

C.1.15. Indicate whether the Board regulations were amended during the year:

Yes	No
Selected	Not Selected

C.1.21. Explain whether there are any specific requirements, other than those relating to directors, for being appointed as chairman of the Board of Directors:

Yes	No
Not selected	Selected

C.1.23. Indicate whether the articles of incorporation or Board regulations establish any term limits for independent directors other than those required by law or any other additional requirements that are stricter than those provided by law:

Yes	No
Not selected	Selected

C.1.25. Indicate the number of meetings held by the Board of Directors during the year. Also indicate, if applicable, the number of times the Board met without the chairman being present. Meetings where the chairman gave specific proxy instructions are to be counted as attended.

Number of board meetings	Number of board meetings held without the chairman's presence
10	0

Indicate the number of meetings held by the coordinating director with the other directors, where there was neither attendance nor representation of any executive director:

Number of meetings
1

Indicate the number of meetings held by each Board committee during the year:

Number of meetings held by the Executive Committee	Number of meetings held by the Audit and Risk Supervision Committee	Number of meetings held by the Appointments Committee	Number of meetings held by the Remuneration Committee	Number of meetings held by the Sustainable Development Committee
14	14	7	7	7

C.1.26. Indicate the number of meetings held by the Board of Directors during the year with member attendance data:

Number of meetings in which at least 80% of directors were present in person	Attendance in person as a % of total votes during the year	Number of meetings with attendance in person or proxies given with specific instructions, by all directors	Votes cast in person and by proxies with specific instructions, as a % of total votes during the year
10	98.57%	10	100%

C.1.27. Indicate whether the individual and consolidated financial statements submitted to the Board for issue are certified in advance:

Yes	No
Selected	Not Selected

Name	Position
Mr José Ignacio Sánchez Galán	Executive chairman
Mr José Sainz Armada	Chief Finance, Control and Corporate Development Officer (CFO)

C.1.29. Is the secretary of the Board also a director?

Yes	No
Not selected	Selected

If the secretary is not a director, complete the following table:

Name or company name of the secretary	Representative
Mr Santiago Martínez Garrido	-

C.1.31. Indicate whether the company changed its external auditor during the year. If so, identify the incoming and outgoing auditors:

Yes	No
Not selected	Selected

If there were any disagreements with the outgoing auditor, explain their content:

Yes	No
Not selected	Selected

C.1.32. Indicate whether the audit firm performs any non-audit work for the company and/or its group and, if so, state the amount of fees it received for such work and express this amount as a percentage of the total fees invoiced to the company and/or its group for audit work:

Yes	No
Selected	Not Selected

Other work	Company	Group companies	Total
Amount invoiced for non-audit services (thousands of euros)	2,266	2,334	4,600
Amount invoiced for non-audit work/Amount for audit work (in %)	60.27%	11.79%	19.53%

C.1.33. Indicate whether the auditors' report on the financial statements for the preceding year contains a qualified opinion or reservations. If so, indicate the reasons given to shareholders at the general meeting by the chairman of the audit committee to explain the content and extent of the qualified opinion or reservations.

Yes	No
Not selected	Selected

C.1.34. Indicate the number of consecutive years for which the current audit firm has been auditing the company's individual and/or consolidated financial statements. Also, indicate the number of years audited by the current audit firm as a percentage of the total number of years in which the financial statements have been audited:

Number of years	Individual	Consolidated
Number of consecutive years	9	9

Number of years	Individual	Consolidated
Number of years audited by the current audit firm/number of years in which the company has been audited (in %)	28.13%	28.13%

C.1.35. Indicate whether there is a procedure for directors to be sure of having the information necessary to prepare the meetings of the governing bodies with sufficient time; provide details if applicable:

Yes	No
Selected	Not Selected

Details of the procedure

The “Regulations of the Board of Directors” provide that the required support shall be provided for new directors to become rapidly and adequately acquainted with the Company and the Iberdrola Group, such that they can actively perform their duties as such and, if so appointed, as members of any of the committees of the Board of Directors as from their appointment as such.

The directors have access to a specific application, the directors’ website, that facilitates performance of their duties and the exercise of their right to receive information. This website includes information deemed appropriate for preparation of the meetings of the Board of Directors and the committees thereof in accordance with the agenda, the training materials intended for the directors, and presentations made to the Board of Directors.

In addition, the directors are given access through the directors’ website to the minutes of the meetings of the Board of Directors and the committees thereof, as well as such other information as the Board of Directors approves.

See Section 6.1.3 of this report for more information on the orientation programme and the preparatory information for meetings.

C.1.39. Identify individually as regards directors, and in aggregate form in other cases, and provide details of any agreements between the company and its directors, executives or employees containing indemnity or golden parachute clauses in the event of resignation or dismissal without due cause or termination of employment as a result of a takeover bid or any other type of transaction.

Number of beneficiaries
18

Type of beneficiary	Description of the agreement
Executive directors	<p>When the current executive chairman joined the Company in 2001, the Company included clauses in the contracts with its key officers providing for severance pay of up to five times annual salary in order to achieve an effective and sufficient level of loyalty. Although the treatment in effect for such officers was applied to him at that time, he would currently be entitled to two times annual remuneration as severance pay for instances in which a severance payment was required for termination of contract.</p> <p>The chief executive officer is entitled to receive severance pay equivalent to two times annual remuneration in the event of termination of his relationship with the Company, provided that said termination is not due to a breach attributable to the beneficiary or solely due to a voluntary decision thereof. This severance payment for termination of contract includes compensation for the commitment not to compete.</p> <p>The contractual relationship with the executive chairman in any event establishes a duty not to compete with respect to companies and activities that are similar in nature to those of the Company during the term of his relationship with the Company and for a three-year period after termination of the contract. He is entitled to severance pay equivalent to two times annual remuneration as compensation for this commitment.</p> <p>In the case of the chief executive officer, the obligation not to compete covers the term of the contract and for one year after the termination thereof. In compensation for this post-contractual commitment not to compete, he is entitled to compensation equal to one times annual his annual fixed remuneration, which is in any case included in the severance payment for termination of contract, if one exists.</p>

Type of beneficiary	Description of the agreement
Officers	<p>The contracts of officers provide for financial compensation in the event of termination of the contractual relationship with the Company, provided that such termination is not voluntary on the part of the professional or as a result of a breach of their obligations. The amount of severance pay is determined in accordance with the length of service in the position and the reasons for the cessation of office of the professional, subject to a maximum of five annual payments.</p> <p>Since 2011, the limit on the amount of severance pay for new contracts entered into with officers has been two times annual remuneration, and there were only two individuals with a severance pay limit in excess of two times their annual remuneration as at 31 December 2025. This means that the number of contracts with a severance pay limit in excess of two times annual remuneration has been reduced by over 100 between 2001 and 31 December 2025, practically disappearing in their entirety.</p> <p>In all cases, the contracts of officers establish a duty not to compete with respect to companies and activities that are similar in nature to those of the Company and to those of the other companies of the Group during the term of their relationship with the Company, and for a period that may not be shorter than one year following termination thereof, with consideration for each year of such non-compete clause equivalent to 50% of the fixed remuneration received in the last full financial year.</p>

Indicate whether, beyond the cases established by legislation, these agreements have to be communicated and/or authorised by the governing bodies of the company or its group. If so, specify the procedures, the cases concerned and the nature of the bodies responsible for their approval or communication:

Body authorising the clauses

Board of Directors	General shareholders' meeting
Selected	Not selected

Are these clauses notified to the general shareholders' meeting?

Yes	No
Selected	Not Selected

C.2. Committees of the Board of Directors

C.2.1. Provide details of all committees of the Board of Directors, their members, and the proportion of executive, proprietary, independent and other external directors forming them

Executive Committee

Name	Position	Category
Mr José Ignacio Sánchez Galán	Chairman	Executive
Mr Manuel Moreu Munaiz	Member	Independent
Mr Juan Manuel González Serna	Member	Independent
Mr Ángel Jesús Acebes Paniagua	Member	Independent
Mr Anthony L. Gardner	Member	Independent
Mr Pedro Azagra Blázquez	Member	Executive

% of executive directors	% of proprietary directors	% of independent directors	% of other external directors
33.33%	0.00%	66.67%	0.00%

Audit and Risk Supervision Committee

Name	Position	Category
Mr Xabier Sagredo Ormaza	Chair	Independent
Ms Regina Helena Jorge Nunes	Member	Independent
Ms María Ángeles Alcalá Díaz	Member	Independent

% of executive directors	% of proprietary directors	% of independent directors	% of other external directors
0.00%	0.00%	100.00%	0.00%

Identify the directors who are members of the audit committee, who have been appointed taking into account their knowledge and experience in accounting, audit or both areas, and reflect the date of appointment of the chair of this committee to the position thereof.

Names of directors with experience
Mr Xabier Sagredo Ormaza
Ms Regina Helena Jorge Nunes
Ms María Ángeles Alcalá Díaz

Date of appointment of the chairperson
20/06/2024

Appointments Committee

Name	Position	Category
Mr Ángel Jesús Acebes Paniagua	Chair	Independent
Mr Anthony L. Gardner	Member	Independent
Ms Ana Colonques García-Planas	Member	Independent

% of executive directors	% of proprietary directors	% of independent directors	% of other external directors
0.00%	0.00%	100%	0.00%

Remuneration Committee

Name	Position	Category
Mr Juan Manuel González Serna	Chair	Independent
Mr Manuel Moreu Munaiz	Member	Independent
Mr Iñigo Víctor De Oriol Ibarra	Member	Other external

% of proprietary directors	% of independent directors	% of other external directors
0.00%	66.67%	33.33%

Sustainable Development Committee

Name	Position	Category
Ms Nicola Mary Brewer	Chair	Independent
Ms Sara de la Rica Goiricelaya	Member	Independent
Ms Isabel García Tejerina	Member	Independent

% of executive directors	% of proprietary directors	% of independent directors	% of other external directors
0.00%	0.00%	100.00%	0.00%

C.2.2. Complete the following table with information regarding the number of female directors who were members of Board committees at the close of the past four years:

Number of female directors	Year 2025	Year 2024	Year 2023	Year 2022
Executive Committee	0	0	0	0
Audit and Risk Supervision Committee	2	2	2	2
Appointments Committee	1	1	1	1
Remuneration Committee	0	0	0	0
Sustainable Development Committee	3	3	3	3

% of female directors	Year 2025	Year 2024	Year 2023	Year 2022
Executive Committee	0.00	0.00	0.00	0.00
Audit and Risk Supervision Committee	66.67	66.67	66.67	66.67
Appointments Committee	33.33	33.33	33.33	33.33
Remuneration Committee	0.00	0.00	0.00	0.00
Sustainable Development Committee	100.00	100.00	100.00	100.00

D. Related-party and intragroup transactions

D.2. Give individual details of operations that are significant due to their amount or of importance due to their subject matter carried out between the company or its subsidiaries and shareholders holding 10% or more of the voting rights or who are represented on the board of directors of the company, indicating which has been the competent body for its approval and if any affected shareholder or director has abstained. In the event that the board of directors has responsibility, indicate if the proposed resolution has been approved by the board without a vote against the majority of the independents:

Name or company name of the shareholder or any of its subsidiaries	% Shareholding	Name or company name of the company or entity within its group	Amount (thousands of euros)	Approving body	Identity of the significant shareholder or director who has abstained	The proposal to the board, if applicable, has been approved by the board without a vote against by a majority of independents
No data	-	-	-	-	-	-

Name or company name of the shareholder or any of its subsidiaries	Nature of the relationship	Type of operation and other information required for its evaluation
No data	-	-

D.3. Give individual details of the operations that are significant due to their amount or relevant due to their subject matter carried out by the company or its subsidiaries with the administrators or managers of the company, including

those operations carried out with entities that the administrator or manager controls or controls jointly, indicating the competent body for its approval and if any affected shareholder or director has abstained. In the event that the board of directors has responsibility, indicate if the proposed resolution has been approved by the board without a vote against the majority of the independents:

Name or company name of the administrators or managers or their controlled or jointly controlled entities	Name or company name of the company or entity within its group	Relationship	Amount (thousands of euros)	Approving body	Identity of the significant shareholder or director who has abstained	The proposal to the board, if applicable, has been approved by the board without a vote against by a majority of independents
No data	-	-	-	-	-	-

Name or company name of the administrators or managers or their controlled or jointly controlled entities	Nature of the operation and other information necessary for its evaluation
No data	-

D.4. Report individually on intra-group transactions that are significant due to their amount or relevant due to their subject matter that have been undertaken by the company with its parent company or with other entities belonging to the parent's group, including subsidiaries of the listed company, except where no other related party of the listed company has interests in these subsidiaries or that they are fully owned, directly or indirectly, by the listed company.

In any case, report any intragroup transaction conducted with entities established in countries or territories considered as tax havens:

Company name of the entity within the group	Brief description of the operation and other information necessary for its evaluation	Amount (thousands of euros)
No data	-	-

D.5. Give individual details of the operations that are significant due to their amount or relevant due to their subject matter carried out by the company or its subsidiaries with other related parties pursuant to the International Accounting Standards adopted by the EU, which have not been reported in previous sections.

Company name of the related party	Brief description of the operation and other information necessary for its evaluation	Amount (thousands of euros)
No data	-	-

G. Degree of compliance with corporate governance recommendations

Specify the company's degree of compliance with recommendations of the Good Governance Code of Listed Companies.

In the event that a recommendation is not followed or only partially followed, a detailed explanation of the reasons must be included so that shareholders, investors and the market in general have enough information to assess the company's conduct. General explanations are not acceptable.

1. That the articles of incorporation of listed companies should not limit the maximum number of votes that may be cast by one shareholder or contain other restrictions that hinder the takeover of control of the company through the acquisition of its shares on the market:

Complies	Explain
Not selected	Selected

Following the introduction of this recommendation, the "Companies Act" has undergone successive reforms intended to improve corporate governance and it continues to expressly contemplate the possibility of any listed company's by-laws setting the maximum number of votes that a single shareholder can cast.

At companies with a dispersed shareholder base such as this Company, shareholders may have very limited capacity to react against a potential shareholder owning a non-controlling interest and not reaching the threshold of 30% of share capital requiring a takeover bid, but who seeks to act counter to the corporate interest.

Therefore, pursuant to the provisions of Sections 188 and 527 of the "Companies Act", Article 30.2 of the "By-Laws" sets the maximum number of votes that a single shareholder may cast, establishing that no shareholder may cast a number of votes greater than those corresponding to shares representing 10% of the share capital.

This measure to protect shareholders has been in effect since 16 June 1990, the date of the General Shareholders' Meeting at which it was resolved, by unanimous vote, to bring the "By-Laws" into line with the consolidated text of the "Companies Act" approved by Royal Legislative Decree 1564/1989 of 22 December.

The measure has remained unchanged through the successive reforms to the by-laws examined by the shareholders at a General Shareholders' Meeting since then, showing the consensus that has existed from the outset, and it continues to offer additional bargaining power for the shareholders in the event of hostile offers or transactions.

Such voting limitation will be deprived of effect if the Company is subject to a takeover bid that is accepted by the percentage of share capital provided for in applicable law, for which reason it is in no case a barrier intended to prevent takeover bids.

2. That when the listed company is controlled by another entity in the meaning of Article 42 of the Commercial Code, whether listed or not, and has, directly or through its subsidiaries, business relations with said entity or any of its subsidiaries (other than the listed company) or carries out activities related to those of any of them it should make accurate public disclosures on:
 - a) The respective areas of activity and possible business relationships between the listed company or its subsidiaries and the parent company or its subsidiaries.
 - b) The mechanisms in place to resolve any conflicts of interest that may arise.

Complies	Complies partially	Explain	Not applicable
Not selected	Not selected	Not selected	Selected

3. That, during the ordinary General Shareholders' Meeting, as a complement to the distribution of the written annual corporate governance report, the chairman of the Board of Directors should inform shareholders orally, in sufficient detail, of the most significant aspects of the company's corporate governance, and in particular:
 - a) Changes that have occurred since the last General Shareholders' Meeting.
 - b) Specific reasons why the company has not followed one or more of the recommendations of the Code of Corporate Governance and the alternative rules applied, if any.

Complies	Complies partially	Explain
Selected	Not selected	Not selected

4. That the company should define and promote a policy on communication and contact with shareholders and institutional investors, within the framework of their involvement in the company, and with proxy advisors that complies in all aspects with rules against market abuse and gives equal treatment to similarly situated shareholders. And that the company should publish this policy on its

website, including information on how it has been put into practice and identifying the contact persons or those responsible for implementing it.

And that, without prejudice to the legal obligations regarding dissemination of inside information and other types of regulated information, the company should also have a general policy regarding the communication of economic-financial, non-financial and corporate information through such channels as it may consider appropriate (communication media, social networks or other channels) that helps to maximise the dissemination and quality of information available to the market, investors and other stakeholders.

Complies	Complies partially	Explain
Selected	Not selected	Not selected

5. That the Board of Directors should not submit to the General Shareholders' Meeting any proposal for delegation of powers allowing the issue of shares or convertible securities with the exclusion of preemptive rights in an amount exceeding 20% of the capital at the time of delegation.

And that whenever the Board of Directors approves any issue of shares or convertible securities with the exclusion of preemptive rights, the company should immediately publish the reports referred to by company law on its website.

Complies	Complies partially	Explain
Selected	Not selected	Not selected

6. That listed companies that prepare the reports listed below, whether under a legal obligation or voluntarily, should publish them on their website with sufficient time before the General Shareholders' Meeting, even if their publication is not mandatory:

- a) Report on the auditor's independence.
- b) Reports on the workings of the audit and nomination and remuneration committees.
- c) Report by the audit committee on related party transactions.

Complies	Complies partially	Explain
Selected	Not selected	Not selected

7. That the company should transmit in real time, through its website, the proceedings of the General Shareholders' Meetings.

And that whenever the Board of Directors approves any issue of shares or convertible securities with the exclusion of preemptive rights, the company

should immediately publish the reports referred to by company law on its website.

Complies	Complies partially	Explain
Selected	Not selected	Not selected

8. That the audit committee should ensure that the financial statements submitted to the General Shareholders' Meeting are prepared in accordance with accounting regulations. And that in cases in which the auditor has included a qualification or reservation in its audit report, the chairman of the audit committee should clearly explain to the general meeting the opinion of the audit committee on its content and scope, making a summary of this opinion available to shareholders at the time when the meeting is called, alongside the other Board proposals and reports.

Complies	Complies partially	Explain
Selected	Not selected	Not selected

9. That the company should permanently publish on its website the requirements and procedures for certification of share ownership, the right of attendance at the General Shareholders' Meetings, and the exercise of the right to vote or to issue a proxy.

And that such requirements and procedures promote attendance and the exercise of shareholder rights in a non-discriminatory fashion.

Complies	Complies partially	Explain
Selected	Not selected	Not selected

10. That when a duly authenticated shareholder has exercised his or her right to complete the agenda or to make new proposals for resolutions in advance of the General Shareholders' Meeting, the company:
- Should immediately distribute such complementary points and new proposals for resolutions.
 - Should publish the attendance, proxy and remote voting card specimen with the necessary changes such that the new agenda items and alternative proposals can be voted on in the same terms as those proposed by the Board of Directors.
 - Should submit all these points or alternative proposals to a vote and apply the same voting rules to them as to those formulated by the Board of Directors including, in particular, assumptions or default positions regarding votes for or against.

- d) That after the General Shareholders' Meeting, a breakdown of the voting on said additions or alternative proposals be communicated.

Complies	Complies partially	Explain	Not applicable
Selected	Not selected	Not selected	Not selected

11. That if the company intends to pay premiums for attending the General Shareholders' Meeting, it should establish in advance a general policy on such premiums and this policy should be stable.

Complies	Complies partially	Explain	Not applicable
Selected	Not selected	Not selected	Not selected

12. That the Board of Directors should perform its functions with a unity of purpose and independence of criterion, treating all similarly situated shareholders equally and being guided by the best interests of the company, which is understood to mean the pursuit of a profitable and sustainable business in the long term, promoting its continuity and maximising the economic value of the business.

And that in pursuit of the company's interest, in addition to complying with applicable law and rules and conducting itself on the basis of good faith, ethics and a respect for commonly accepted best practices, it should seek to reconcile its own company interests, when appropriate, with the interests of its employees, suppliers, clients and other stakeholders that may be affected, as well as the impact of its corporate activities on the communities in which it operates and on the environment.

Complies	Complies partially	Explain
Selected	Not selected	Not selected

13. That the Board of Directors should be of an appropriate size to perform its duties effectively and in a collegial manner, which makes it advisable for it to have between five and fifteen members.

Complies	Explain
Selected	Not selected

14. That the Board of Directors should approve a policy aimed at favouring an appropriate composition of the Board and that:

- a) Is concrete and verifiable;
- b) ensures that proposals for appointment or re-election are based upon a prior analysis of the skills required by the Board of Directors; and

- c) favours diversity of knowledge, experience, age and gender. For these purposes, it is considered that the measures that encourage the company to have a significant number of female senior executives favour gender diversity.

That the result of the prior analysis of the skills required by the Board of Directors be contained in the supporting report from the nomination committee published upon calling the General Shareholders' Meeting to which the ratification, appointment or re-election of each director is submitted.

The nomination committee will annually verify compliance with this policy and explain its findings in the annual corporate governance report.

Complies	Complies partially	Explain
Selected	Not selected	Not selected

15. That proprietary and independent directors should constitute a substantial majority of the Board of Directors and that the number of executive directors be kept to a minimum, taking into account the complexity of the corporate group and the percentage of equity participation of executive directors.

And that the number of female directors should represent at least 40% of the members of the Board of Directors before the end of 2022 and thereafter, and no less 30% prior to that date.

Complies	Complies partially	Explain
Selected	Not selected	Not selected

16. That the number of proprietary directors as a percentage of the total number of non-executive directors not be greater than the proportion of the company's share capital represented by those directors and the rest of the capital.

This criterion may be relaxed:

- a) In large-cap companies where very few shareholdings are legally considered significant.
- b) In the case of companies where a plurality of shareholders is represented on the Board of Directors without ties among them.

Complies	Explain
Selected	Not selected

17. That the number of independent directors should represent at least half of the total number of directors.

That, however, when the company does not have a high level of market capitalisation or in the event that it is a large-cap company with one shareholder or a group of shareholders acting in concert who together control more than 30% of the company’s share capital, the number of independent directors should represent at least one third of the total number of directors.

Complies	Explain
Selected	Not selected

18. That companies should publish the following information on its directors on their website, and keep it up to date:
- a) Professional profile and biography.
 - b) Any other Boards to which the directors belong, regardless of whether or not the companies are listed, as well as any other remunerated activities engaged in, regardless of type.
 - c) Category of directorship, indicating, in the case of individuals who represent significant shareholders, the shareholder that they represent or to which they are connected.
 - d) Date of their first appointment as a director of the company’s Board of Directors, and any subsequent re-elections.
 - e) Company shares and share options that they own.

Complies	Complies partially	Explain
Selected	Not selected	Not selected

19. That the annual corporate governance report, after verification by the nomination committee, should explain the reasons for the appointment of any proprietary directors at the proposal of shareholders whose holding is less than 3%. It should also explain, if applicable, why formal requests from shareholders for presence on the Board were not honoured, when their shareholding was equal to or exceeded that of other shareholders whose proposal for proprietary directors was honoured.

Complies	Complies partially	Explain	Not applicable
Not selected	Not selected	Not selected	Selected

20. That proprietary directors representing significant shareholders should resign from the Board when the shareholder they represent disposes of its entire shareholding. They should also resign, in a proportional fashion, in the event that said shareholder reduces its percentage interest to a level that requires a decrease in the number of proprietary directors.

Complies	Complies partially	Explain	Not applicable
Selected	Not selected	Not selected	Not selected

21. That the Board of Directors should not propose the dismissal of any independent director before the completion of the director's term provided for in the articles of incorporation unless the Board of Directors finds just cause and a prior report has been prepared by the nomination committee. Specifically, just cause is considered to exist if the director takes on new duties or commits to new obligations that would interfere with his or her ability to dedicate the time necessary for attention to the duties inherent to his or her post as a director, fails to complete the tasks inherent to his or her post, or is affected by any of the circumstances which would cause the loss of independent status in accordance with applicable law.

The dismissal of independent directors may also be proposed as a result of a public takeover bid, merger or other similar corporate transaction entailing a change in the shareholder structure of the company, provided that such changes in the structure of the Board are the result of application of the proportionate representation criterion provided in Recommendation 16.

Complies	Explain
Selected	Not selected

22. That companies should establish rules requiring that directors inform the Board of Directors and, where appropriate, resign from their posts, when circumstances arise which affect them, whether or not related to their actions in the company itself, and which may harm the company's standing and reputation, and in particular requiring them to inform the Board of any criminal proceedings in which they appear as suspects or defendants, as well as of how the legal proceedings subsequently unfold.

And that, if the Board is informed or becomes aware in any other manner of any of the circumstances mentioned above, it must investigate the case as quickly as possible and, depending on the specific circumstances, decide, based on a report from the nomination and remuneration committee, whether or not any measure must be adopted, such as the opening of an internal investigation, asking the director to resign or proposing that he or she be dismissed. And that these events must be reported in the annual corporate governance report, unless there are any special reasons not to do so, which must also be noted in the minutes. This without prejudice to the information that the company must disseminate, if appropriate, at the time when the corresponding measures are implemented.

Complies	Complies partially	Explain
Selected	Not selected	Not selected

23. That all directors clearly express their opposition when they consider any proposal submitted to the Board of Directors to be against the company’s interests. This particularly applies to independent directors and directors who are unaffected by a potential conflict of interest if the decision could be detrimental to any shareholders not represented on the Board of Directors.

Furthermore, when the Board of Directors makes significant or repeated decisions about which the director has serious reservations, the director should draw the appropriate conclusions and, in the event the director decides to resign, explain the reasons for this decision in the letter referred to in the next recommendation.

This recommendation also applies to the secretary of the Board of Directors, even if he or she is not a director.

Complies	Complies partially	Explain	Not applicable
Not selected	Not selected	Not selected	Selected

24. That whenever, due to resignation or resolution of the General Shareholders' Meeting, a director leaves before the completion of his or her term of office, the director should explain the reasons for this decision, or in the case of non-executive directors, their opinion of the reasons for cessation, in a letter addressed to all members of the Board of Directors.

And that, without prejudice to all this being reported in the annual corporate governance report, insofar as it is relevant to investors, the company must publish the cessation as quickly as possible, adequately referring to the reasons or circumstances adduced by the director.

Complies	Complies partially	Explain	Not applicable
Selected	Not selected	Not selected	Not selected

25. That the nomination committee should make sure that non-executive directors have sufficient time available in order to properly perform their duties.

And that the Board regulations establish the maximum number of company Boards on which directors may sit.

Complies	Complies partially	Explain
Selected	Not selected	Not selected

26. That the Board of Directors meet frequently enough to be able to effectively perform its duties, and at least eight times per year, following a schedule of dates and agendas established at the beginning of the year and allowing each director individually to propose other items that do not originally appear on the agenda.

Complies	Complies partially	Explain
Selected	Not selected	Selected

27. That director absences occur only when absolutely necessary and be quantified in the annual corporate governance report. And when absences do occur, that the director appoint a proxy with instructions.

Complies	Complies partially	Explain
Selected	Not selected	Not selected

28. That when directors or the secretary express concern regarding a proposal or, in the case of directors, regarding the direction in which the company is headed and said concerns are not resolved by the Board of Directors, such concerns should be included in the minutes at the request of the director expressing them.

Complies	Complies partially	Explain	Not applicable
Not selected	Not selected	Not selected	Selected

29. That the company should establishes adequate means for directors to obtain appropriate advice in order to properly fulfil their duties including, should circumstances warrant, external advice at the company’s expense.

Complies	Complies partially	Explain
Selected	Not selected	Not selected

30. That, without regard to the knowledge necessary for directors to complete their duties, companies make refresher courses available to them when circumstances make this advisable.

Complies	Complies partially	Explain
Selected	Not selected	Not selected

31. That the agenda for meetings should clearly indicate those matters on which the Board of Directors is to make a decision or adopt a resolution so that the directors may study or gather all relevant information ahead of time.

When, in exceptional circumstances, the chairman wishes to bring urgent matters for decision or resolution before the Board of Directors which do not appear on the agenda, prior express agreement of a majority of the directors shall be necessary, and said consent shall be duly recorded in the minutes.

Complies	Complies partially	Explain
Selected	Not selected	Not selected

32. That directors be periodically informed of changes in shareholding and of the opinions of significant shareholders, investors and rating agencies of the company and its group.

Complies	Complies partially	Explain
Selected	Not selected	Not selected

33. That the chairman, as the person responsible for the efficient workings of the Board of Directors, in addition to carrying out the duties assigned by law and the articles of incorporation, should prepare and submit to the Board of Directors a schedule of dates and matters to be considered; organise and coordinate the periodic evaluation of the Board as well as, if applicable, the chief executive of the company, should be responsible for leading the Board and the effectiveness of its work; ensuring that sufficient time is devoted to considering strategic issues, and approve and supervise refresher courses for each director when circumstances make this advisable.

Complies	Complies partially	Explain
Selected	Not selected	Not selected

34. That when there is a coordinating director, the articles of association or Board regulations should confer upon him or her the following powers in addition to those conferred by law: to chair the Board of Directors in the absence of the chairman and deputy chairmen, should there be any; to reflect the concerns of non-executive directors; to liaise with investors and shareholders in order to understand their points of view and respond to their concerns, in particular as those concerns relate to corporate governance of the company; and to coordinate a succession plan for the chairman.

Complies	Complies partially	Explain	Not applicable
Selected	Not selected	Not selected	Not selected

35. That the secretary of the Board of Directors should pay special attention to ensure that the activities and decisions of the Board of Directors take into account such recommendations regarding good governance contained in this Good Governance Code as may be applicable to the company.

Complies	Explain
Selected	Not selected

- 36.** That the Board of Directors meet in plenary session once a year and adopt, where appropriate, an action plan to correct any deficiencies detected in the following:
- a) The quality and efficiency of the Board of Directors' work.
 - b) The workings and composition of its committees.
 - c) Diversity in the composition and skills of the Board of Directors.
 - d) Performance of the chairman of the Board of Directors and of the chief executive officer of the company.
 - e) Performance and input of each director, paying special attention to those in charge of the various Board committees.

In order to perform its evaluation of the various committees, the Board of Directors will take a report from the committees themselves as a starting point and for the evaluation of the Board, a report from the nomination committee.

Every three years, the Board of Directors will rely for its evaluation upon the assistance of an external advisor, whose independence shall be verified by the nomination committee.

Business relationships between the external adviser or any member of the adviser's group and the company or any company within its group must be specified in the annual corporate governance report.

The process and the areas evaluated must be described in the annual corporate governance report.

Complies	Complies partially	Explain
Selected	Not selected	Not selected

- 37.** That if there is an executive committee, it must contain at least two non-executive directors, at least one of whom must be independent, and its secretary must be the secretary of the Board.

Complies	Complies partially	Explain	Not applicable
Selected	Not selected	Not selected	Not selected

- 38.** That the Board of Directors must always be aware of the matters discussed and decisions taken by the executive committee and that all members of the Board of Directors receive a copy of the minutes of meetings of the executive committee.

Complies	Complies partially	Explain	Not applicable
Selected	Not selected	Not selected	Not selected

39. That the members of the audit committee, in particular its chairman, be appointed in consideration of their knowledge and experience in accountancy, audit and risk management issues, both financial and non-financial.

Complies	Complies partially	Explain
Selected	Not selected	Not selected

40. That under the supervision of the audit committee, there should be a unit in charge of the internal audit function, which ensures that information and internal control systems operate correctly, and which reports to the non-executive chairman of the Board or of the audit committee.

Complies	Complies partially	Explain
Selected	Not selected	Not selected

41. That the person in charge of the unit performing the internal audit function should present an annual work plan to the audit committee, for approval by that committee or by the Board, reporting directly on its execution, including any incidents or limitations of scope, the results and monitoring of its recommendations, and present an activity report at the end of each year.

Complies	Complies partially	Explain	Not applicable
Selected	Not selected	Not selected	Not selected

42. In addition to the provisions of applicable law, the audit committee should be responsible for the following:

1. With regard to information systems and internal control:

- a) Supervising and evaluating the process of preparation and the completeness of the financial and non-financial information, as well as the control and management systems for financial and non-financial risk relating to the company and, if applicable, the group - including operational, technological, legal, social, environmental, political and reputational risk, or risk related to corruption - reviewing compliance with regulatory requirements, the appropriate delimitation of the scope of consolidation and the correct application of accounting criteria.
- b) Ensuring the independence of the unit charged with the internal audit function; proposing the selection, appointment and dismissal of the head of internal audit; proposing the budget for this service; approving or proposing its orientation and annual work plans for approval by the

Board, making sure that its activity is focused primarily on material risks (including reputational risk); receiving periodic information on its activities; and verifying that senior management takes into account the conclusions and recommendations of its reports.

- c) Establishing and supervising a mechanism that allows employees and other persons related to the company, such as directors, shareholders, suppliers, contractors or subcontractors, to report any potentially serious irregularities, especially those of a financial or accounting nature, that they observe in the company or its group. This mechanism must guarantee confidentiality and in any case provide for cases in which the communications can be made anonymously, respecting the rights of the whistleblower and the person reported.
 - d) Generally ensure that the internal control policies and systems are effectively applied in practice.
2. With regard to the external auditor:
- a) In the event that the external auditor resigns, examining the circumstances leading to such resignation.
 - b) Ensuring that the remuneration paid to the external auditor for its work does not compromise the quality of the work or the auditor's independence.
 - c) Making sure that the company informs the CNMV of the change of auditor, along with a statement on any differences that arose with the outgoing auditor and, if applicable, the contents thereof.
 - d) Ensuring that the external auditor holds an annual meeting with the Board of Directors in plenary session in order to make a report regarding the tasks performed and the development of the company's accounting situation and risks.
 - e) Ensuring that the company and the external auditor comply with applicable rules regarding the provision of services other than auditing, limits on the concentration of the auditor's business, and, in general, all other rules regarding auditors' independence.

Complies	Complies partially	Explain
Selected	Not selected	Not selected

43. That the audit committee be able to require the presence of any employee or manager of the company, even stipulating that he or she appear without the presence of any other member of management.

Complies	Complies partially	Explain
Selected	Not selected	Not selected

44. That the audit committee be kept abreast of any corporate and structural changes planned by the company in order to perform an analysis and draw up a prior report to the Board of Directors on the economic conditions and accounting implications and, in particular, any exchange ratio involved.

Complies	Complies partially	Explain	Not applicable
Selected	Not selected	Not selected	Not selected

45. That the risk management and control policy identify or determine, as a minimum:
- The various types of financial and non-financial risks (including operational, technological, legal, social, environmental, political and reputational risks and risks relating to corruption) which the company faces, including among the financial or economic risks contingent liabilities and other off-balance sheet risks.
 - A risk control and management model based on different levels, which will include a specialised risk committee when sector regulations so require or the company considers it to be appropriate.
 - The level of risk that the company considers to be acceptable.
 - The measures planned in order to mitigate the impact of identified risks in the event that they materialise.
 - Internal control and information systems to be used in order to control and manage the aforementioned risks, including contingent liabilities or off-balance sheet risks.

Complies	Complies partially	Explain
Selected	Not selected	Not selected

46. That under the direct supervision of the audit committee or, if applicable, of a specialised committee of the Board of Directors, an internal risk control and management function should exist, performed by an internal unit or department of the company which is expressly charged with the following responsibilities:
- Ensuring the proper functioning of the risk management and control systems and, in particular, that they adequately identify, manage and quantify all material risks affecting the company.

- b) Actively participating in drawing up the risk strategy and in important decisions regarding risk management.
- c) Ensuring that the risk management and control systems adequately mitigate risks as defined by the policy laid down by the Board of Directors.

Complies	Complies partially	Explain
Selected	Not selected	Not selected

47. That in designating the members of the nomination and remuneration committee – or of the nomination committee and the remuneration committee if they are separate – care be taken to ensure that they have the knowledge, aptitudes and experience appropriate to the functions that they are called upon to perform and that the majority of said members are independent directors.

Complies	Complies partially	Explain
Selected	Not selected	Not selected

48. That large-cap companies have separate nomination and remuneration committees.

Complies	Complies partially	Explain
Selected	Not selected	Not selected

49. That the nomination committee consult with the chairman of the Board of Directors and the chief executive of the company, especially in relation to matters concerning executive directors.

And that any director be able to ask the nomination committee to consider potential candidates that he or she considers suitable to fill a vacancy on the Board of Directors.

Complies	Complies partially	Explain
Selected	Not selected	Not selected

50. That the remuneration committee exercise its functions independently and that, in addition to the functions assigned to it by law, it should be responsible for the following:

- a) Proposing the basic conditions of employment for senior management to the Board of Directors.
- b) Verifying compliance with the company's remuneration policy.
- c) Periodically reviewing the remuneration policy applied to directors and senior managers, including share-based remuneration systems and their

application, as well as ensuring that their individual remuneration is proportional to that received by the company's other directors and senior managers.

- d) Making sure that potential conflicts of interest do not undermine the independence of external advice given to the committee.
- e) Verifying the information on remuneration of directors and senior managers contained in the various corporate documents, including the annual report on director remuneration.

Complies	Complies partially	Explain
Selected	Not selected	Not selected

51. That the remuneration committee should consult with the chairman and the chief executive of the company, especially on matters relating to executive directors and senior management.

Complies	Complies partially	Explain
Selected	Not selected	Not selected

52. That the rules regarding the composition and workings of the supervision and control committees should appear in the regulations of the Board of Directors and that they should be consistent with those applying to legally mandatory committees in accordance with the foregoing recommendations, including:

- a) That they be composed exclusively of non-executive directors, with a majority of independent directors.
- b) That their chairpersons be independent directors.
- c) That the Board of Directors select members of these committees taking into account their knowledge, skills and experience and the duties of each committee; discuss their proposals and reports; and require them to render account of their activities and of the work performed in the first plenary session of the Board of Directors held after each committee meeting.
- d) That the committees be allowed to avail themselves of outside advice when they consider it necessary to perform their duties.
- e) That their meetings be recorded and their minutes be made available to all directors.

Complies	Complies partially	Explain	Not applicable
Selected	Not selected	Not selected	Not selected

53. That verification of compliance with the company's policies and rules on environmental, social and corporate governance matters, and with the internal codes of conduct be assigned to one or divided among more than one

committee of the Board of Directors, which may be the audit committee, the nomination committee, a specialised committee on sustainability or corporate social responsibility or such other specialised committee as the Board of Directors, in the exercise of its powers of self-organisation, may have decided to create. And that such committee be composed exclusively of non-executive directors, with a majority of these being independent directors, and that the minimum functions indicated in the next recommendation be specifically assigned to it.

Complies	Complies partially	Explain
Selected	Not selected	Not selected

- 54.** The minimum functions referred to in the foregoing recommendation are the following:
- a) Monitoring of compliance with the company’s internal codes of conduct and corporate governance rules, also ensuring that the corporate culture is aligned with its purpose and values.
 - b) Monitoring the application of the general policy on communication of economic and financial information, non-financial and corporate information, as well as communication with shareholders and investors, proxy advisors and other stakeholders. The manner in which the entity communicates and handles relations with small and medium-sized shareholders must also be monitored.
 - c) The periodic evaluation and review of the company’s corporate governance system, and environmental and social policy, with a view to ensuring that they fulfil their purposes of promoting the interests of society and take account, as appropriate, of the legitimate interests of other stakeholders.
 - d) Supervision of the company’s environmental and social practices to ensure that they are in alignment with the established strategy and policy.

Complies	Complies partially	Explain
Selected	Not selected	Not selected

- 55.** That environmental and social sustainability policies identify and include at least the following:
- a) The principles, commitments, objectives and strategy relating to shareholders, employees, clients, suppliers, social issues, the environment, diversity, tax responsibility, respect for human rights, and the prevention of corruption and other unlawful conduct.
 - b) Means or systems for monitoring compliance with these policies, their associated risks, and management.

- c) Mechanisms for supervising non-financial risk, including that relating to ethical aspects and aspects of business conduct.
- d) Channels of communication, participation and dialogue with stakeholders.
- e) Responsible communication practices that impede the manipulation of data and protect integrity and honour.

Complies	Complies partially	Explain
Selected	Not selected	Not selected

- 56.** That director remuneration be sufficient in order to attract and retain directors who meet the desired professional profile and to adequately compensate them for the dedication, qualifications and responsibility demanded of their posts, while not being so excessive as to compromise the independent judgement of non-executive directors.

Complies	Explain
Selected	Not selected

- 57.** That only executive directors should receive variable remuneration linked to corporate results and personal performance, as well as remuneration in the form of shares, options or rights to shares or instruments referenced to the share price and long-term savings plans such as pension plans, retirement schemes or other provident schemes.

Consideration may be given to delivering shares to non-executive directors as remuneration providing this is conditional upon their holding them until they cease to be directors. The foregoing shall not apply to shares that the director may need to sell in order to meet the costs related to their acquisition.

Complies	Complies partially	Explain
Selected	Not selected	Not selected

- 58.** That as regards variable remuneration, remuneration policies should incorporate the necessary limits and technical safeguards to ensure that such remuneration is in line with the professional performance of its beneficiaries and not based solely on general developments in the markets or in the sector in which the company operates, or other similar circumstances.

And, in particular, that variable remuneration components:

- a) Are linked to pre-determined and measurable performance criteria and that such criteria take into account the risk incurred to achieve a given result.
- b) Promote the sustainability of the company and include non-financial criteria that are geared towards creating long term value, such as compliance with

the company's rules and internal operating procedures and with its risk management and control policies.

- c) Are based on balancing the attainment of short-, medium- and long-term objectives, so as to allow remuneration of continuous performance over a period long enough to be able to assess its contribution to the sustainable creation of value, such that the elements used to measure performance are not associated only with one-off, occasional or extraordinary events.

Complies	Complies partially	Explain	Not applicable
Selected	Not selected	Not selected	Not selected

59. That the payment of variable remuneration components be subject to sufficient verification that previously established performance or other conditions have effectively been met. Entities must include in their annual report on director remuneration the criteria for the time required and methods used for this verification depending on the nature and characteristics of each variable component.

That, additionally, companies consider the inclusion of a reduction ("*malus*") clause for the deferral of the payment of a portion of variable remuneration components that would imply their total or partial loss if an event were to occur prior to the payment date that would make this advisable.

Complies	Complies partially	Explain	Not applicable
Selected	Not selected	Not selected	Not selected

60. That remuneration related to company results should take into account any reservations that might appear in the external auditor's report and that would diminish said results.

Complies	Complies partially	Explain	Not applicable
Selected	Not selected	Not selected	Not selected

61. That a material portion of executive directors' variable remuneration be linked to the delivery of shares or financial instruments referenced to the share price.

Complies	Complies partially	Explain	Not applicable
Selected	Not selected	Not selected	Not selected

62. That once shares or options or financial instruments have been allocated under remuneration schemes, executive directors be prohibited from transferring ownership or exercising options or rights until a term of at least three years has elapsed.

An exception is made in cases where the director has, at the time of the transfer or exercise of options or rights, a net economic exposure to changes in the share price for a market value equivalent to at least twice the amount of his or her fixed annual remuneration through the ownership of shares, options or other financial instruments.

The forgoing shall not apply to shares that the director may need to sell in order to meet the costs related to their acquisition or, following a favourable assessment by the nomination and remuneration committee, to deal with such extraordinary situations as may arise and so require.

Complies	Complies partially	Explain	Not applicable
Selected	Not selected	Not selected	Not selected

63. That contractual arrangements should include a clause allowing the company to demand reimbursement of the variable remuneration components in the event that payment was not in accordance with the performance conditions or when payment was made based on data subsequently shown to have been inaccurate.

Complies	Complies partially	Explain	Not applicable
Selected	Not selected	Not selected	Not selected

64. That payments for contract termination should not exceed an amount equivalent to two years of total annual remuneration and should not be paid until the company has been able to verify that the director has fulfilled all previously established criteria or conditions for payment.

For the purposes of this recommendation, payments for contractual termination will be considered to include any payments the accrual of which or the obligation to pay which arises as a consequence of or on the occasion of the termination of the contractual relationship between the director and the company, including amounts not previously vested of long-term savings schemes and amounts paid by virtue of post-contractual non-competition agreements.

Complies	Complies partially	Explain	Not applicable
Not selected	Selected	Not selected	Not selected

When the current executive chairman joined the Company in 2001, the Company included clauses in the contracts with its key officers providing for severance pay of up to five times annual salary in order to achieve an effective and sufficient level of loyalty. Although the treatment in effect for such officers was applied to him at that time, he would currently be entitled to two times annual remuneration as severance pay for instances in which a severance payment was required for termination of contract.

The chief executive officer is entitled to receive severance pay equivalent to two times annual remuneration in the event of termination of his relationship with the Company, provided that said termination is not due to a breach attributable to the beneficiary or solely due to a voluntary decision thereof. This severance payment for termination of contract includes compensation for the commitment not to compete.

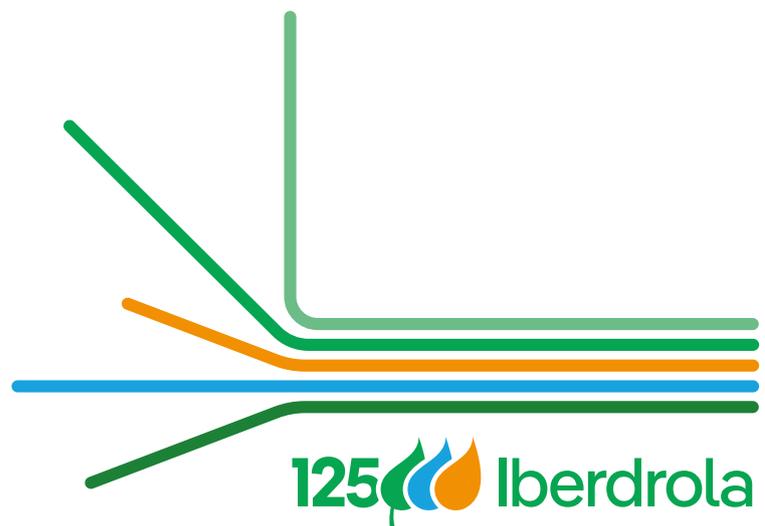
The contractual relationship with the executive chairman in any event establishes a duty not to compete with respect to companies and activities that are similar in nature to those of the Company during the term of his relationship with the Company and for a three-year period after termination of the contract. He is entitled to severance pay equivalent to two times annual remuneration as compensation for this commitment.

In the case of the chief executive officer, the obligation not to compete covers the term of the contract and for one year after the termination thereof. In compensation for this post-contractual commitment not to compete, he is entitled to compensation equal to one times his annual fixed remuneration, which is in any case included in the severance payment for termination of contract, if one exists.

Indicate whether any director voted against or abstained from approving this report.

Yes	No
Not selected	Selected

I declare that the information included in this statistical annex coincides and is consistent with the descriptions and information included in the annual corporate governance report published by the company.



“Meeting all challenges: we’re building a solid, secure and robust network of opportunities that lead to the future”.

A pathway of opportunities driven by electrification, technology, digitalisation, productivity and operational efficiency, extending to all the stakeholders that drive our ecosystem: shareholders who trust in our vision, employees who develop high-impact solutions, and a society that benefits from industrial progress.