Introduction to the Book of Compliance

1. Iberdrola’s Corporate Governance System is its own internal framework of rules, which is established, in the exercise of the corporate autonomy that the law supports, to ensure through its rules the preservation of its identity and philosophy and the realisation of its purpose and values.

2. In the exercise of this autonomy and in accordance with the provisions of the By-Laws, the Company aspires for both its own conduct as well as that of the people connected therewith to be consistent with and conform to not only the requirements or demands established by applicable rules and laws, but also, beyond this minimum required level, to the Purpose and Values of the Iberdrola group, to its Code of Ethics, and finally to the entirety of its own Corporate Governance System, which includes the best practices generally accepted in the international markets in the area of good corporate governance and transparency. As Iberdrola is also a listed company, the compliance function is expanded and takes on particular importance in reference to its presence in the securities market.

3. The Board of Directors, with the participation of the Sustainable Development Committee, is responsible for establishing the general basis for this sub-system of regulatory compliance and to ensure the independence and the means necessary to discharge its duties and commitments, the implementation of which is entrusted to the Compliance Unit, an internal body given the functional autonomy required for the best performance of its duties.

4. Within this general framework, this Book V of the Corporate Governance System groups together the Internal Regulations for Conduct in the Securities Markets, which establish a number of rules and guidelines that ensure proper and transparent management of inside information, imposing certain obligations, limitations and restrictions (that go far beyond those provided by applicable law) to persons who may have access thereto due to their connection with the Group, as well as the Internal Rules for the Processing of Inside Information, which include a number of security measures for the custody, filing, accessing, reproduction and distribution of inside information. As a whole, they make up a solid and efficient system designed to ensure that all investors are in equal conditions, protected against the improper use of inside information regarding the Company, as well as potential market manipulation.

5. Both the Internal Regulations for Conduct in the Securities Markets and the Internal Rules for the Processing of Inside Information are subject to a process of permanent review to conform them to the changing circumstances within which Iberdrola engages in its activities, to applicable law and to best practices in this area, and bind, to the extent applicable, its directors and professionals, as well as any persons generally who are validly bound by them.

In Bilbao, on 21 July 2020
The Board of Directors of Iberdrola, S.A.